

**Comprehensive Annual  
Financial Report**



**Year Ended  
April 30, 2019**

**CITY OF WARRENVILLE, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**  
**APRIL 30, 2019**

Prepared by: Department of Finance

Kevin Dahlstrand  
Director of Finance

**CITY OF WARRENVILLE, ILLINOIS**

**TABLE OF CONTENTS**

---

---

**PAGE**

**INTRODUCTORY SECTION**

List of Principal Officials	1
Organizational Chart	2
Transmittal Letter	3 - 9
Certificate of Achievement for Excellence in Financial Reporting	10

**FINANCIAL SECTION**

<b>INDEPENDENT AUDITORS' REPORT</b>	11 - 12
-------------------------------------	---------

<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	13 - 29
---	---------

**BASIC FINANCIAL STATEMENTS**

Government-Wide Financial Statements	
Statement of Net Position	30 - 31
Statement of Activities	32 - 33
Fund Financial Statements	
Balance Sheet – Governmental Funds	34 - 35
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	36
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	37 - 38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Activities	39
Statement of Net Position - Proprietary Funds	40 - 41
Statement of Revenues, Expenditures and Changes in Net Position - Proprietary Funds	42
Statement of Cash Flows - Proprietary Fund	43
Statement of Fiduciary Net Position	44
Statement of Changes on Fiduciary Net Position	45
Notes to Financial Statements	46 - 83

# CITY OF WARRENVILLE, ILLINOIS

## TABLE OF CONTENTS

---

	<b>PAGE</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	84
Police Pension Fund	85
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	86 - 87
Police Pension Fund	88 - 89
Schedule of Investment Returns	
Police Pension Fund	90
Schedule of Funding Progress and Employer Contributions	
Other Post-Employment Benefit Plans	91
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	92
Motor Fund Tax	93
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues – Budget and Actual – General Fund	94 - 96
Schedule of Expenditures – Budget and Actual – General Fund	97 - 99
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Capital Maintenance and Replacement - Capital Projects Fund	100
TIF District #3 - Capital Projects Fund	101
Combining Balance Sheet – Nonmajor Governmental Funds	102
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental Funds	103
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Seized Assets - Special Revenue Fund	104
Hotel/Motel Tax - Special Revenue Fund	105
TIF District #4 - Capital Projects Fund	106
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Water and Sewer - Enterprise Fund	107
Schedule of Operating Expenses - Budget and Actual	
Water and Sewer - Enterprise Fund	108 - 110
Schedule of Changes in Fiduciary Net Position - Budget and Actual	
Police Pension - Pension Trust Fund	111
Consolidated Year-End Financial Report	112

# CITY OF WARRENVILLE, ILLINOIS

## TABLE OF CONTENTS

---

---

### PAGE

#### STATISTICAL SECTION (Unaudited)

Net Position by Component – Last Ten Fiscal Years	113 - 114
Changes in Net Position – Last Ten Fiscal Years	115 - 116
Fund Balances of Governmental Funds – Last Ten Fiscal Years	117 - 118
Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Years	119 - 120
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	121
Direct and Overlapping Property Tax Rates – Last Ten Tax Levy Years	122
Principal Property Tax Payers – Current Tax Levy Year and Nine Tax Levy Years Ago	123
Property Tax Levies and Collections – Last Ten Tax Levy Years	124
Sales Tax Revenue by Category - Last Ten Calendar Years	125 - 126
Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years	127
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	128
Ratio of General Bonded Debt Outstanding – Last Ten Fiscal Years	129
Schedule of Direct and Overlapping Bonded Debt	130
Legal Debt Margin Information	131
Pledged-Revenue Coverage - Last Ten Fiscal Years	132
Demographic and Economic Statistics – Last Ten Fiscal Years	133
Principal Employers – Current Fiscal Year and Nine Fiscal Years Ago	134
Full-Time Equivalent City Governmental Employees by Function/Program – Last Ten Fiscal Years	135
Operating Indicators by Function/Program – Last Ten Fiscal Years	136 - 137
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	138

## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the City of Warrentville including: List of Principal Officials, Organizational Chart, Transmittal Letter and Certificate of Achievement for Excellence in Financial Reporting.

# CITY OF WARRENVILLE, ILLINOIS

## List of Principal Officials April 30, 2019

---

### LEGISLATIVE

#### City Council

David Brummel, Mayor  
Emily Larson, City Clerk  
Larry Brenner, Treasurer

Stuart Aschauer   Ward 1  
Fred Bevier       Ward 1  
Bill Weidner      Ward 2  
Robert Wilson     Ward 2

Michael Hoffmann   Ward 3  
Kathryn Davolos    Ward 3  
Leah Goodman       Ward 4  
Clare Barry         Ward 4

### EXECUTIVE

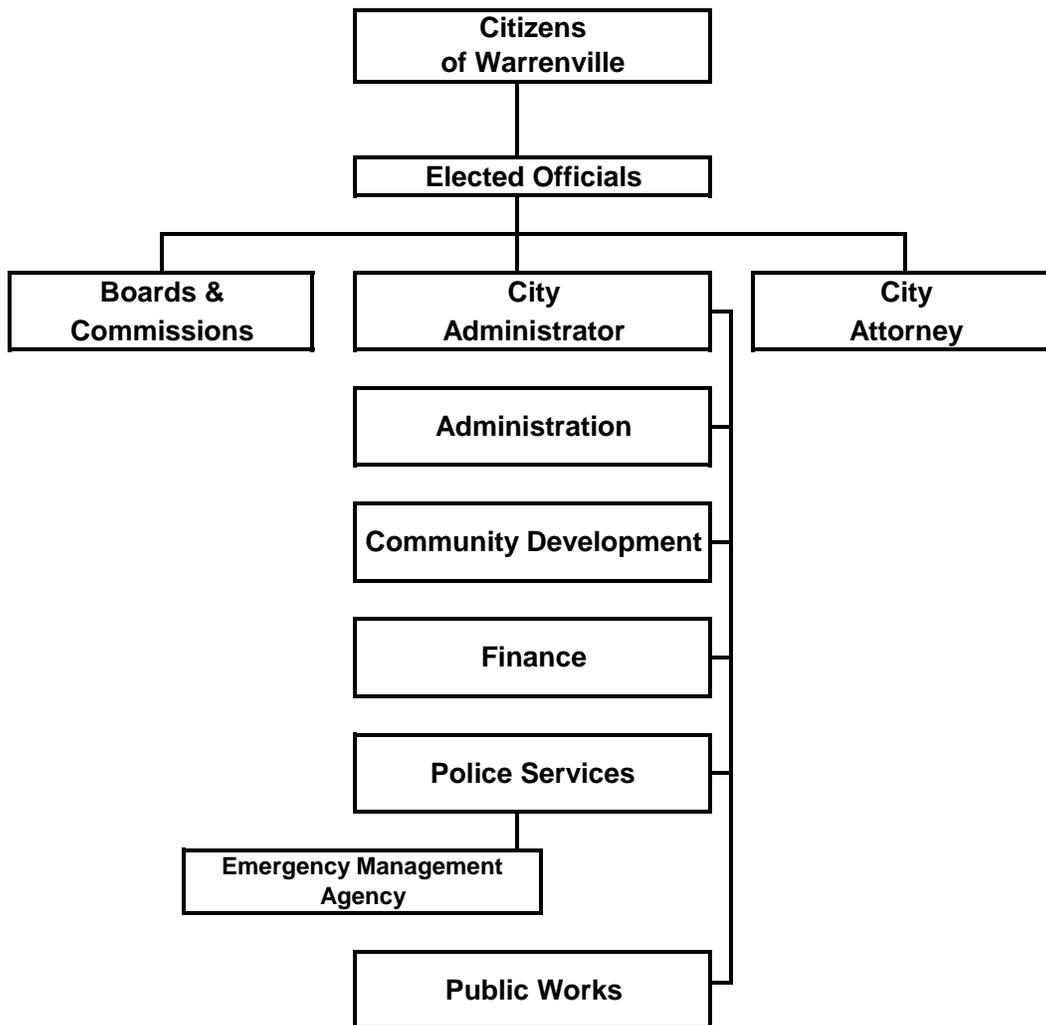
John M. Coakley, City Administrator

#### Finance Department

Kevin Dahlstrand, Director of Finance  
Leonardo Beltran, Senior Accountant  
Tina Gasparas, Accounting Clerk II  
Kathy Weiersheuser, Accounting Clerk II  
Diana Herrera, Accounting Clerk I



## Organizational Chart





City of Warrenville  
3S258 Manning Avenue  
Warrenville, IL 60555

(630) 836 3050 tel  
(630) 393 1531 fax  
www.warrenville.il.us

August 30, 2019

The Honorable Mayor Brummel  
Members of the City Council  
Citizens of the City of Warrenville

The Comprehensive Annual Financial Report (CAFR) of the City of Warrenville (City), for the year ended April 30, 2019 (FYE 2019), is hereby submitted. State statutes and local ordinances require that the City annually issue a report on its financial position and activity, presented in conformance with generally accepted accounting principles (GAAP) of the United States of America, and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants.

The management of the City of Warrenville is responsible for the completeness and reliability of all of the financial information presented in this report. To provide a reasonable basis for making these assertions, management has established an extensive internal control framework, designed to both protect the City's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the City's internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Beginning with Fiscal Year 2004, the City implemented GASB Statement No. 34, (*Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments*), including infrastructure reporting. Management hereby asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by the licensed certified public accountants of Lauterbach & Amen, LLP. The purpose of the independent audit is to provide reasonable assurance that the City's financial statements for FYE 2019, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and estimates made by management; and evaluating the overall financial statement presentation. Based on the audit. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for FYE 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed as a complement to the MD&A and should be read in conjunction with it. The City's MD&A follows the report of the independent auditors.

## **Profile of the City of Warrenville**

The City of Warrenville is an Illinois home-rule community, by 2004 referendum, as defined by the Illinois Constitution. The City incorporated in 1967, and is located in DuPage County, approximately 28 miles west of the City of Chicago, which encompasses 5.5 square miles and a population of 13,140 (2010 census). The City has statutory authority to extend its corporate limits by annexation, as deemed appropriate by the City Council. The City annually levies a property tax, which primarily goes to pay General corporate expenses such as social security, pensions, and police protection, with other portions allocated to road and bridge maintenance.

The City operates under a Mayor-Council form of government with an appointed City Administrator. Policymaking and legislative authority are vested in the Mayor and City Council. The Mayor is elected at-large to a four-year term. The City Council is comprised of eight Aldermen, two elected from each of the City's four wards, to four-year staggered terms, with four Council members, one from each ward, elected every two years. The City Clerk and City Treasurer are also elected officers of the City, but are not policy makers, nor part of the City Council. The Mayor and Aldermen are responsible for passing ordinances and resolutions, annual budget adoption, and appointing City board and commission members, the City Administrator, and the Police Chief.

By City Ordinance, the City Administrator is responsible for proper administration of the City, carrying out the policies and ordinances of the City Council, and overseeing the day-to-day operations of the City. Except as otherwise provided by law, the City Administrator is responsible for the direction and coordination of the activities of all departments, offices, and agencies of the City, employment, discipline, and termination of all City employees, providing for the enforcement of all laws and ordinances within the City; and to ensure that all and contracts are properly administered.

The City provides a full range of services, including police protection, construction and maintenance of streets and other infrastructure, operation and administration of water and wastewater infrastructure, building inspection services, and zoning and planning services.

The City operates under the State Budget Officer Act (65 ILCS 5/10), with the City Administrator appointed as the City Budget Officer. The annual budget serves as the foundation for the City's financial planning and control. By administrative policy, all departments of the City are required to annually submit their budget requests to the City Administrator on or before December 31 of each year. The City Administrator and Finance Director use these requests as the starting point for developing a proposed budget for the coming fiscal year. The City Administrator, in his role as the designated Budget Officer, then presents the proposed budget to the City Council prior to the start of the new fiscal year. By State Statute, the City Council is required to hold a public hearing on the proposed budget and adopt a final budget no later than April 30 of each year; the close of the City's previous fiscal year. The adopted budget is prepared and presented by fund and at the department level. The Budget Officer may authorize transfers of budgeted amounts within a fund. However, budget amendments to increase, or decrease, a fund's total budgeted allocation require a formal City Council approval.

This CAFR includes budget-to-actual comparisons for each individual governmental fund, for which an annual budget has been adopted. The comparison for the General Fund begins on page 92, as required supplementary information. The budget-to-actual comparisons for governmental fund types begin on page 92.

### **Major Initiatives and Developments**

Following City Council adopted directives, existing plans and programs, including the 2015 Strategic Plan, the City staff accomplished a number of major initiatives during FY 2019. Many of these initiatives span multiple years of planning, negotiations, and allocation of financial resources. These initiatives are part of the City's ongoing efforts to protect the health, safety, and welfare of the community and to enhance and improve the quality of life for its residents. Some of the more significant projects and developments are listed below:

The following are City FY 2019 initiatives and accomplishments, listed by department:

#### Police:

- The National Night-Out-Against Crime event had another record attendance of nearly 1,700 participants
- Operated or participated in community-based initiatives such as: annual; shredding day, electronics recycling, I/We Live Alone Program, and fingerprinting services, as well as Toys for Tots, Cop on Rooftop, and Shop with a Cop charitable activities
- Continued the Neighborhood Roll Call program with increased resident attendance
- Medical recycling program surpassed expectation with 235 pounds of unused medications recycled through January 2019
- Implemented pro-active fireworks education and enforcement program over the Fourth of July holiday issuing 16 tickets
- Completed staff training for Advanced Evidence Technician, Court Smart Program, Crisis Intervention team, and Rapid Response team
- Continued use of Administrative Adjudication citation program for minor traffic and ordinance violations, allowing collection of more than \$136,910 in fine revenue, which came directly to the City
- Implemented new ticketing format in conjunction with the Administrative Adjudication program.
- Police Department conducted annual evidence audit with no discrepancies found

#### Public Works

- Committed many staff hours to the City's Enterprise Resource Planning (ERP) project
- Completed 2018 annual road maintenance and reconstruction program:
  - Burk Avenue, from Warrenville Road to Wagner Drive
  - Cerny Road and Cerny Circle
  - Landon Drive
  - Main Street, from Rockwell Street to Batavia Road
  - Mignin Drive
  - Wagner Drive, between Mignin Drive and Burke Avenue.
  - Warren Avenue from Stafford Place to Warrenville Road
- Completed final engineering for the Diehl Road Turn Lanes project
- Completed the Virginia Avenue storm sewer upgrade design

- Continued the City-wide replacement water meter reading transmitter units
- Continued the inflow and infiltration (I&I) reduction program
- Extended sanitary sewer service from Landon Avenue, north of Point Oak Drive, to Route 59 in conjunction with the redevelopment in TIF #4
- Preparation of Warrenville Road reconstruction bid documents

#### Administration:

##### Operations and Services

- Cataloged and recycled City-owned electronics including computers, printers, mobile data terminals (MDT's), and various accessories, which are no longer working or needed for a City purpose.

##### Information Technology

- Continued various network upgrades.
- Issued a request for proposals and selected a firm to install a new phone system.
- Began implementation of the Citywide Enterprise Resource Planning (ERP) system.
- Replaced computers, printers, MDTs, and squad cameras per the annual replacement schedule.
- Continued outsourcing the City's information technology (IT) support functions to a third-party consultant.

##### Human Resource, Collective Bargaining, and Employee Benefits

- Completed multiple personnel recruitments for vacancies in police, administration, and community development departments.
- Continued the City's efforts, with some success, to diversify its staff with skilled workers and professionals to be more reflective of the community.
- Implemented the compensation study outcomes with new banded salary ranges.

##### Transparency and Public Communications

- Increased engagement on the City Facebook page through creative content development. The Facebook page grew to 1,729 "likes" and 1,836 followers as of April 30, 2019.
- Began using the newly-installed electronic sign board, corner of Batavia Road and Butterfield Road, as another medium to distribute information to the community.

##### Legislative and Fiscal Issues

- Worked with state legislators and the office of the new Governor, in conjunction with DuPage Mayors and Managers Conference and Illinois Municipal League, to prevent significant City revenue loss and unfunded mandates. The most significant legislative issue that was passed during the fiscal year, and eventually signed into law, was legalization of adult-use cannabis, which impacts municipal zoning, potentially taxation, employment rules, and police enforcement of impaired driving laws. Other significant legislation was the passage of a statewide capital bill and new gasoline taxes. The new taxes will provide some funding for local capital projects, and increased the annual allotment of state motor fuel tax revenue shared on a per capita basis.

##### Interdepartmental and City Commission Support

- Administered 13 hotel tax grants awarded by the City Council through the Tourism and Arts Commission supporting community events to promote tourism in Warrenville.
- Coordinated the purchase of public art under the City's Aesthetic Enhancement Program.

- Worked with other City departments on the implementation of an Enterprise Resource Planning (ERP) system.
- Implemented strategies to showcase the new City brand and logo.

#### Finance:

- Considerable staff time and effort was allocated to the implementation of the City's new Enterprise Resource Planning (ERP) solution, Microsoft Dynamics 365 (D365). The new ERP will replace the City's existing financial management software with a modern and integrated software solution to be utilized across all departments.

#### Community Development:

- Committed many staff hours to the ERP project
- Recruited and filled new Civil Engineer position early in the fiscal year.
- Issued building permits valued at a combined total of \$38 million
  - Issued the first 12 permits for the Stafford Place development
  - Issued the final eight Certificates of Occupancy for the Herrick Woods development
- Achieved SOLSMART Bronze level designation for promotion of solar installation initiatives.
- Completed final phase of the 2010, \$1 million Illinois Transportation Enhancement Program (ITEP) Streetscape Project along Illinois Route 56.
- Obtained Surface Transportation Program (STP) bridge funding commitment for the Mack Road Trail and Bridge Replacement Project, and completed and intergovernmental agreement with IDOT and preliminary design contract
- Completed preliminary approval process for planned unit development (PUD) for the Everton project, a 33-acre mixed-use development of 89 townhomes, 259 Class "A" apartment units, and 3.5 acres of commercial development
- Completed final engineering review and issued "quick start" permit for the Riverview West Project, a 33-acre mixed-use project, consisting of 60 townhomes, 364 Class "A" apartments, and 35,000-square feet of commercial and restaurant use
- Completed Preliminary PUD and final engineering review for the Vanguard project, a 5.5 acre site, with 242 Class "A" apartments
- Issued 564 building permits for private building and construction activity valued at \$15.108 million.

#### **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when considered from the broader perspective of the specific environment within which the City operates.

#### **Local Economy**

The City maintains a diversified revenue stream, meaning that no one revenue source, either in decline or on the rise, exacts a dramatic budgetary impact or causes the need for significant budgetary or operational modifications. Local sales tax revenue continues to play an important role in support of the General Fund and is a significant portion of the diversified and generally stable tax base. Sales tax revenue is generated by a number of restaurants, a large chain retailer, a

multi-screen movie theater, a family entertainment venue, gas stations, medical products distributor, as well as a number of smaller local merchants and retailers.

Warrenville remains in a strong financial position at the conclusion of FY 2019, with actual fiscal year end General Fund revenue exceeding fiscal year budgeted revenue by \$94,606. Actual incurred expenditures fell short of budgeted and anticipated expenditures by almost \$2.3 million dollars, largely due the delay in the implementation of the D365 ERP system, which will not “Go-Live” until mid-way through FY 2020.

Actual operational revenue fell short of actual operational expenditures by \$1,056,999, thereby utilizing just 30% of the budgeted \$3,459,472 use of General Fund’s unassigned fund balance reserves.

Revenue performance had varying results for the fiscal year. For example, state-shared sales tax, home rule sales tax, local food and beverage tax, and licensing and permit revenue all fell short of budget by a combined \$617,000. However, revenues for state-shared income tax, state-shared use tax, fines and forfeits, grant revenue, miscellaneous income, and investment income exceeded the budgeted amounts by a combined \$716,200. Performance of these various revenue sources will be discussed in detail in the Management Discussion and Analysis (MD&A) section of the CAFR.

Overall FY 2019, General Fund revenue totaled \$11,662,756, an increase of approximately 4.1% from FY 2018, when General Fund revenue totaled \$11,201,896. Finally, unassigned General Fund reserves remain strong at fiscal yearend, exceeding the 25% minimum level established by City Council policy.

### **Long-Term Planning and Re-Development**

The long-planned-for redevelopment of the formerly city-owned Musselman Lumber site, Civic Center Redevelopment Site #1 (CCRS #1), in TIF District #3, began to take shape in FY 2019. Airhart Construction is redeveloping the 4.25 acre site with 27 detached single-family homes. During FY 2019, the City issued 12 building permits to Airhart. The residential development is projected to have a market value of almost \$12,000,000, yielding \$5,400,000 in gross TIF incremental property tax revenue over the remaining life of TIF District #3.

Within the Southwest/Route 59 Corridor TIF District #4, the Lexington Trace development project by Lexington Homes, will see a 21-acre site developed with 106 new townhome units. When completed, this residential development is projected to have a market value of almost \$34,000,000, yielding \$1,000,000 in annual gross TIF incremental property tax revenue per year.

Additional development is addressed in the Management Discussion and Analysis section of the CAFR.

### **Awards and Acknowledgments**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended on April 30, 2018. This was the 26<sup>th</sup> consecutive year the City

has received this award for financial reporting excellence. In order to be awarded a Certificate of Achievement, the City publishes an easily readable and efficiently organized CAFR, which satisfies both GAAP and applicable legal requirements. A Certificate of Achievement is only valid for a period of one year. City staff anticipates the 2019 CAFR will again meet the Certificate of Achievement Program's requirements, and as such, it will be submitted to the GFOA to determine its eligibility for the award under the GFOA certificate program.

Credit and gratitude continue to be extended to the Mayor and City Council for their continued support and on-going dedication to maintaining, supporting, and demanding the highest degree of professionalism in the financial management of the City. Appreciation is extended to all members of the City staff, particularly the Finance Department staff, who assisted with and contributed to the preparation of this report. Finally, the City would like to thank the audit firm of Lauterbach & Amen, LLP for their detail-oriented approach and willingness to work with Finance Department staff to resolve complex accounting issues when necessary.

Respectfully submitted,



John M. Coakley  
City Administrator



Kevin Dahlstrand  
Finance Director



Government Finance Officers Association

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

Presented to

**City of Warrenville  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the City's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

August 30, 2019

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warrenville, Illinois, as of and for the year ended April 30, 2019, 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 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warrenville, Illinois, as of April 30, 2019, 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 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 of Warrenville, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Management's Discussion and Analysis

As management of the City of Warrenville, Illinois, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2019. Readers are encouraged to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and contained within this report.

### **Financial Highlights**

- The City's net position decreased by \$1,610,760, or about 1.7%, from the April 30, 2018, total of \$92,518,520, to a total of \$90,907,760 at April 30, 2019.
- The City's total assets across all funds were \$109,902,043 as of April 30, 2019, which is a decrease of \$902,676, or less than one-percent from the April 30, 2018, figure of \$110,804,719.
- The total assets and deferred outflows of the City of Warrenville exceeded its liabilities/deferred inflows at the end of the fiscal year by \$90,907,760 (*net position*). Of this amount, \$2,835,191 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- A total of \$86,925,683 of the net position is invested in capital assets. \$69,424,559 for Governmental Activities and another \$17,501,124 for Business-Type Activities.
- As of the end of FY 2019, the City of Warrenville's governmental funds reported combined ending fund balances of \$12,430,281, a decrease of 5.4% from April 30, 2018. Of that total amount, Unassigned fund balances have a net deficit of \$323,275, as a result of the deficits in TIF# 3 and TIF#4, which total \$4,449,132, while the General Fund has a positive Unassigned fund balance of \$4,125,857.
- Approximately 36%, or \$4,516,407, is in the form of "non-spendable" fund balances, consisting of \$88,890 in pre-paid items, and \$4,427,497 in recognition of advances to the TIF #3 and TIF#4 funds, by the General Fund.
- Additionally, \$1,146,886 or 9.2% is *Restricted* specifically for roadway maintenance and public safety.
- Another \$1,511,198, or approximately 12.2%, is *Committed* to funding tourism related activities through the City Hotel Motel Tax Fund.
- Finally, a total of \$5,579,065 or about 45% is fund balance designated as *Assigned* for special projects, which are generally one-time large capital expenditures or one-time non-budgeted expenditures for outside professional services for larger projects, and for the on-going maintenance and replacement of existing City capital assets and infrastructure through the City's Capital Maintenance and Replacement Plan (CMRP).
- The City of Warrenville's long-term obligations total \$14,388,257, which represents an increase of \$2,794,231, or approximately 24% over fiscal year 2018. This figure is comprised of public safety pension liabilities, pension liabilities for general City employees, as well as for other post-employment obligations (OPEB).
- The largest component is for the Police Pensions obligations, which make up approximately 60% of the total. The second largest component is the IMRF liability, which makes up about 18%, followed by Other Post Employment Benefit obligations at 14%, and rounded out by Compensated Absences liabilities of about 8%. Finally, the most significant year-to-year increase was for the total IMRF Net

Pension Liability, which increased from \$528,120 at the end of FY 2018, to \$2,636,900 at the end of FY 2019. This is explained in the Long-Term Debt section on page 65.

- The City, as has been the case for many years, has no general obligation debt.

## Overview of the Financial Statements

This management discussion and analysis (MD&A) is intended to serve as an introduction to the City of Warrenville's basic financial statements. The City of Warrenville's basic financial statements consist of three components:

- 1) government-wide financial statements
- 2) fund financial statements
- 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* provide readers with a broad overview of the City of Warrenville's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, deferred outflows and deferred inflows of resources, with the difference between the three, reported as the City's *net position*. Increases or decreases in net position may serve as a useful long-term indicator as to whether the financial position of the City is improving or declining.

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 occurs, *without regard to 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 (e.g., uncollected taxes and earned but utilized vacation leave).

The aforementioned government-wide financial statements distinguish functions of the City of Warrenville which are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions which 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 of Warrenville include general government, public safety, and public works. The business-type activities of the City of Warrenville include Water and Sewer operations.

The government-wide financial statements include only the City of Warrenville itself (known as the *primary government*). The City of Warrenville is not financially accountable for any other local government operations. The Water and Sewer operations, although legally separate, functions for all practical purposes as a department of the City of Warrenville, and has, therefore been included as an integral part of the primary government.

Government-wide financial statements can be found on pages 30-33 of this report.

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

**Governmental funds.** 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 the 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 impacts 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 Warrenville maintains seven 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, Motor Fuel Tax Fund, Capital Maintenance and Replacement Fund, and TIF District # 3 Fund, all four of which are considered to be major funds. Data from the other non-major governmental funds are presented in aggregate in a single presentation. Additionally, 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 of Warrenville adopts an annual budget for all of the governmental funds. A budgetary comparison statement for these funds are presented on pages 92-106 to demonstrate compliance with these budgets.

Basic financial statements for the governmental funds are found on pages 34-39 of this report.

**Proprietary funds.** The City of Warrenville maintains one proprietary fund, the Water and Sewer Enterprise Fund. *Enterprise funds* are used to report the *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements are on pages 40-43 of this report.

**Fiduciary funds.** 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 statement, because the resources of those funds are *not* available to the City to support day-to-day programs and activities. The accounting used for fiduciary funds is similar to that used for proprietary funds. The Police Pension Fund is the City's sole fiduciary fund. The basic fiduciary fund financial statements are on pages 44-45 of this report.

**Infrastructure Assets.** Historically, a government's largest group of assets (infrastructure assets - i.e. roads, bridges, stormsewers, etc.) were not reported nor depreciated in general governmental financial statements, whereas they were in business-type activities. This statement requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential in near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The City has chosen to depreciate assets over their useful life. If a given road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of that project is expensed. An "overlay" or resurfacing of a road is classified as maintenance, whereas the "rebuild" of a road base structure is capitalized.

**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 government-wide and fund financial statements. The notes to the financial statements are on pages 46-83 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Warrenville’s progress in funding its obligation to provide pension benefits to its employees along with budgetary comparison schedules for the General Fund and major special revenue funds. Required supplementary information is found on pages 84-93 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 are found on pages 94-112 of this report.

### **Government-wide Financial Analysis**

As indicated previously, net position may serve, over time, as a useful indicator of a government’s financial position. In the case of the City of Warrenville, assets and deferred outflows exceeded liabilities and deferred inflows by \$90,907,760 at April 30, 2019.

The largest portion, approximately 95.6%, of the City of Warrenville’s total net position, is invested in capital assets (e.g., land, buildings, infrastructure, vehicles, and other equipment). The City of Warrenville uses these capital assets to provide services to citizens; as a result, these assets are *not* available for future spending. Although the City of Warrenville’s investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay any debt must be provided from other sources, since the capital assets themselves cannot be liquidated to cover these liabilities.

**CITY OF WARRENVILLE  
NET POSITION**

	Governmental		Business-type		Total		Percentage Change 2019-2018
	Activities		Activities				
	2019	2018	2019	2018	2019	2018	
<b>Current assets:</b>							
Cash and Investments	12,069,164	12,694,282	4,651,336	5,311,169	16,720,500	18,005,451	-7.14%
Advances to/from other funds		-		-	-	-	
Receivables - net of allowances	5,605,764	5,440,608	555,101	546,977	6,160,865	5,987,585	2.89%
Other receivables and assets	88,910	39,152	6,085	13,880	94,995	53,032	79.13%
<b>Total current assets:</b>	<b>17,763,838</b>	<b>18,174,042</b>	<b>5,212,522</b>	<b>5,872,026</b>	<b>22,976,360</b>	<b>24,046,068</b>	<b>-4.45%</b>
<b>Noncurrent assets:</b>							
<b>Capital assets</b>							
Nondepreciable capital assets	44,406,061	43,815,293		-	44,406,061	44,226,893	0.41%
Depreciable Capital Assets	44,094,510	44,226,893	26,245,001	25,548,726	70,339,511	69,775,619	0.81%
Accumulated Depreciation	(19,076,012)	(18,451,389)	(8,743,877)	(8,380,872)	(27,819,889)	(26,832,261)	3.68%
<b>Total noncurrent assets</b>	<b>69,424,559</b>	<b>69,590,797</b>	<b>17,501,124</b>	<b>17,167,854</b>	<b>86,925,683</b>	<b>86,758,651</b>	<b>0.19%</b>
<b>Total assets</b>	<b>87,188,397</b>	<b>87,764,839</b>	<b>22,713,646</b>	<b>23,039,880</b>	<b>109,902,043</b>	<b>110,804,719</b>	<b>-0.81%</b>
<b>Deferred outflows of resources</b>							
Deferred items - IMRF	1,151,218	579,513	435,858	216,033	1,587,076	795,546	99.50%
Deferred items - Police Pension	1,729,904	1,737,172		-	1,729,904	1,737,172	-0.42%
Deferred items - RBP	33,245		5,374		38,619	-	
<b>Total deferred outflows of resources</b>	<b>2,914,367</b>	<b>2,316,685</b>	<b>441,232</b>	<b>216,033</b>	<b>3,355,599</b>	<b>2,532,718</b>	<b>32.49%</b>
<b>Total assets and deferred outflows</b>	<b>90,102,764</b>	<b>90,081,524</b>	<b>23,154,878</b>	<b>23,255,913</b>	<b>113,257,642</b>	<b>113,337,437</b>	<b>-0.07%</b>
<b>Current liabilities:</b>							
<b>Accounts payable and accrued liabilities</b>							
accrued liabilities	1,560,102	1,360,445	442,632	446,855	2,002,734	1,807,300	10.81%
Other current	192,258	178,288	28,614	21,298	220,872	199,586	10.67%
<b>Total current liabilities</b>	<b>1,752,360</b>	<b>1,538,733</b>	<b>471,246</b>	<b>468,153</b>	<b>2,223,606</b>	<b>2,006,886</b>	<b>10.80%</b>
<b>Noncurrent liabilities</b>							
Compensated absences payable	769,033	713,153	114,458	85,190	883,491	798,343	10.67%
Net pension liability - IMRF	1,912,729	384,707	724,171	143,413	2,636,900	528,120	399.30%
Net pension liability - Police Pension	8,620,522	8,158,920		-	8,620,522	8,158,920	5.66%
Total Other Post Employment Benefits	1,744,488	1,775,423	281,984	133,634	2,026,472	1,909,057	6.15%
<b>Total noncurrent liabilities</b>	<b>13,046,772</b>	<b>11,032,203</b>	<b>1,120,613</b>	<b>362,237</b>	<b>14,167,385</b>	<b>11,394,440</b>	<b>24.34%</b>
<b>Total liabilities</b>	<b>14,799,132</b>	<b>12,570,936</b>	<b>1,591,859</b>	<b>830,390</b>	<b>16,390,991</b>	<b>13,401,326</b>	<b>22.31%</b>
<b>Deferred Inflows of Resources</b>							
Unearned property taxes	3,773,455	3,670,256		-	3,773,455	3,670,256	2.81%
Deferred items - IMRF	215,787	1,010,418	81,698	376,668	297,485	1,387,086	
Deferred items - Police Pension	1,887,951	2,360,249		-	1,887,951	2,360,249	-20.01%
<b>Total deferred inflows of resources</b>	<b>5,877,193</b>	<b>7,040,923</b>	<b>81,698</b>	<b>376,668</b>	<b>5,958,891</b>	<b>7,417,591</b>	<b>-19.67%</b>
<b>Total liabilities and deferred inflows</b>	<b>20,676,325</b>	<b>19,611,859</b>	<b>1,673,557</b>	<b>1,207,058</b>	<b>22,349,882</b>	<b>20,818,917</b>	<b>7.35%</b>
<b>Net Position:</b>							
Investment in capital assets	69,424,559	69,590,797	17,501,124	17,167,854	86,925,683	86,758,651	0.19%
Restricted	1,146,886	1,031,511	-	-	1,146,886	1,031,511	11.19%
Unrestricted	(1,145,006)	(152,643)	3,980,197	4,881,001	2,835,191	4,728,358	-40.04%
<b>Total Net Position</b>	<b>69,426,439</b>	<b>70,469,665</b>	<b>21,481,321</b>	<b>22,048,855</b>	<b>90,907,760</b>	<b>92,518,520</b>	<b>-1.74%</b>

The total *Unrestricted Net Position*, as of April 30, 2019, totaled \$2,835,191, and may be used to meet the government's ongoing obligations to citizens and creditors. This represents an approximate 40% decrease in *Unrestricted* net position from FY 2018. The decrease is due in large part, to the recognition and reclassification of interfund advances from the General Fund to the City's two Tax Increment Financing Funds, TIF#3 and TIF #4, from *Unassigned to Nonspendable*, due to the City's on-going and planned investment within those TIF Districts, totaling \$4,427,497 by the end of the fiscal year. In the long-term, those interfund advances will be returned to the General Fund and back into *Unrestricted* net position, once the TIFs begin generating sufficient incremental property tax revenue.

**CITY OF WARRENVILLE  
CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$ 1,405,245	\$ 1,101,158	\$ 3,412,272	\$ 3,449,998	\$ 4,817,517	\$ 4,551,156
Operating Grants and Contributions	471,454	359,312		4,371	471,454	363,683
Capital Grants and Contributions	-	136,358	298,286	434,397	298,286	570,755
General revenues:						
Property and Replacement Taxes	3,639,250	3,506,054		-	3,639,250	3,506,054
Other Taxes	8,510,972	8,948,787		-	8,510,972	8,948,787
Miscellaneous	507,212	168,896	146,544	(30,779)	653,756	138,117
<b>Total Revenue</b>	<b>14,534,133</b>	<b>14,220,565</b>	<b>3,857,102</b>	<b>3,857,987</b>	<b>18,391,235</b>	<b>18,078,552</b>
<b>Expenses:</b>						
General Government	5,748,248	4,037,117	-	-	5,748,248	4,037,117
Public Safety	6,498,465	4,746,682	-	-	6,498,465	4,746,682
Public Works	2,908,029	5,839,479	-	-	2,908,029	5,839,479
Culture & Recreation	307,376	253,619	-	-	307,376	253,619
Economic Development	115,241	91,317	-	-	115,241	91,317
Water		-	1,969,952	1,771,966	1,969,952	1,771,966
Sewer		-	2,454,685	2,288,607	2,454,685	2,288,607
<b>Total Expenses</b>	<b>15,577,359</b>	<b>14,968,214</b>	<b>4,424,636</b>	<b>4,060,572</b>	<b>20,001,995</b>	<b>19,028,786</b>
Change in Net Position	(1,043,226)	(747,649)	(567,534)	(202,585)	(1,610,760)	(950,234)
Net Position - May 1	70,469,665	71,217,314	22,048,855	22,251,440	92,518,520	93,468,754
Net Position - April 30	69,426,439	70,469,665	21,481,321	22,048,855	90,907,760	92,518,520

**Governmental activities** – The net position of the governmental activities decreased by \$1,043,226 or just short of 1.5%, from FY 2018 to FY 2019, beginning the year at a figure of \$70,469,665 and ending the year at \$69,426,439. Business-type activities experienced a decrease in net position of \$547,583 or just short of 2.6%. The City's overall net position decreased by \$1,610,760, or about 1.7%, from FY 2018 to FY 2019, beginning the year at a figure of \$92,518,520 and ending the year at \$90,907,760. The decrease in the net position for

governmental activities is attributable to a two factors. Mainly, the City’s on-going investment in TIF Districts #3 and #4, in which redevelopment activities have begun, but which are not yet generating sufficient incremental property tax revenue to offset the expenditures being made for activity within the districts.

Summary Governmental Activities Highlights:

- Expenses totaled \$15,577,359, representing an increase of 4% from FY 2018, where expenses totaled \$14,968,214.
- Revenue increased by \$313,568 or approximately 2.2%, with total FY 2019, revenue of \$14,534,133, compared with FY 2018, when revenue totaled \$14,220,565.

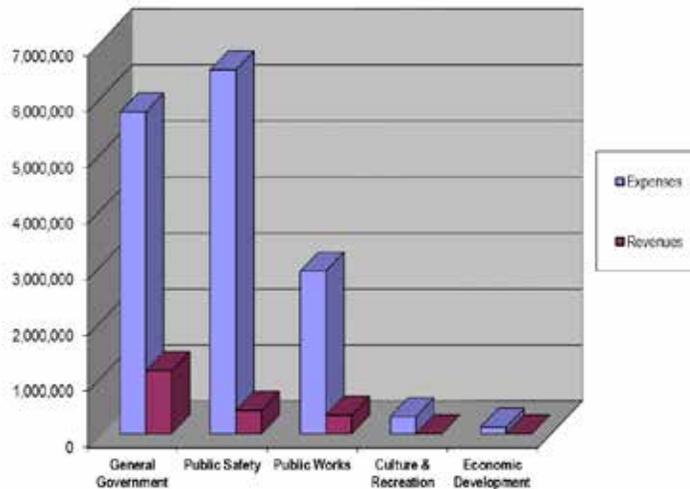
**Expenses and Program Revenues**

---

Revenues By Source - Governmental Activities



Expenses and Program Revenues - Governmental Activities

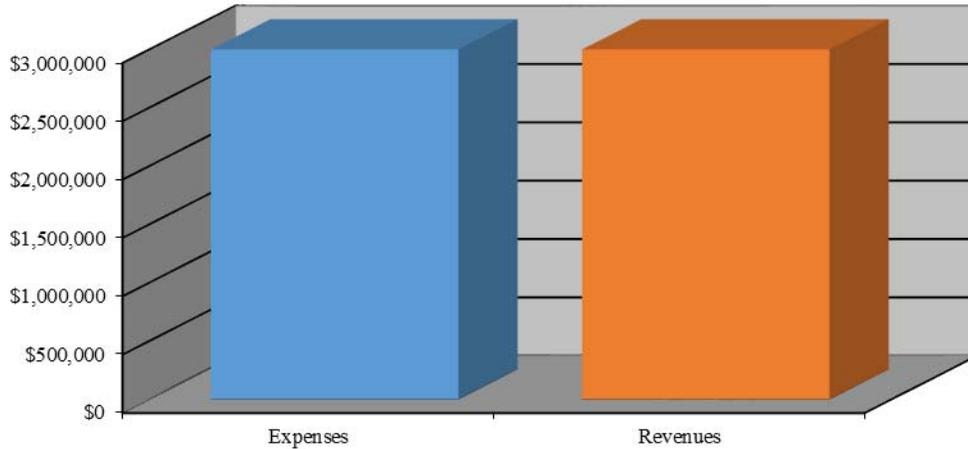


Governmental Activities require tax subsidization, as there are neither sufficient sources, nor the ability, to price these activities in such a manner as to recoup the cost of the services on a program fee basis. The above chart graphically displays the relationship between expenses and revenues.

**Business-type activities** – Net Business-type activities decreased the City’s net position by \$567,534.

- Charges for services for business-type activities showed a slight decrease of \$37,726, a one-percent decrease from FY 2018. For FY 2019, Water rates were increased three percent, and sewer rates were increased five-percent.
- Regular non-operating revenue increased by 49%, partially attributable to a slight increase in tap-on fee revenue, but more significantly due to increased investment income of almost \$147,000, compared to a timing loss for FY 2018 of almost \$31,000.
- During FY 2019, developers contributed a total of \$298,286 in additional water and sewer infrastructure improvements resulting from economic development activities occurring in the Southwest/Route 59 Corridor TIF District #4.
- For FY 2019 Water and Sewer operating expenses, excluding depreciation, totaled \$4,031,631, well short of the fiscal year budget figure of \$5,216,946, net of depreciation. This represents an increase of 8.9% from FY 2018, where actual expenditures totaled \$3,700,937.
- Fiscal year total Personnel related costs exceeded budget by \$249,809, due almost entirely to the recognition of IMRF and OPEB long-term liabilities and related expenses.
- Maintenance expenditures exceeded budget by \$54,455. Maintenance of buildings, equipment, software, and utility systems accounted for this budget variance.
- Supplies and Services expenditures fell \$374,308 short of budget. With the vast majority of those savings occurring in Engineering expenses. Engineering design of the Southwest District Water Tower Well budgeted at \$250,000 did not occur, neither did the total expenditures budgeted for evaluation of the West Street storage tank. Additional savings of \$65,659 occurred in the expenses paid to the City of Naperville for wastewater treatment.
- Capital Expenditures finished the fiscal year \$1,115,271 under budget. The largest single savings was realized from a potential land purchase anticipated to occur during the year and budgeted at \$430,000, did not occur, as the final timing of, and ultimate need for the project has not yet been determined. The remaining variance was the result of the capitalization of assets, mostly for the sewer main extension project for Landon Drive.

### Expenses and Program Revenues for Waterworks and Sewerage



### Financial Analysis of the Government's Funds

---

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

**Governmental funds.** The focus of the City of Warrentville's *governmental funds* reporting is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Warrentville's financing requirements. In particular, *unrestricted 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 the end of the fiscal year, the combined balance sheets for the City of Warrentville's governmental funds shows ending total fund balances of \$12,430,281 compared to FY 2018 when the figure was \$13,143,341. This represents a decrease of about 5.4%.

*Unassigned* fund balance, that portion of fund balances that is available for spending at the City's discretion, decreased in excess of 100%, from a 2018 year-end total balance of \$5,597,513, to a 2019 year-end net balance of a negative \$323,275. This will be discussed in the General Fund Highlights section later in this document.

A total of \$1,146,886 of fund balance is *Restricted*, meaning that those balances are not available for new spending, on: 1) maintenance of roadways with state shared motor fuel taxes (\$939,287), and 2) public safety (\$207,599).

An additional \$1,511,198 of total fund balance is *Committed* to tourism related activities, while \$5,579,065 is *Assigned* in the General Fund for special projects (\$3,819,958), and in the Capital Maintenance and Replacement Fund for the ongoing maintenance of existing City capital assets (\$1,759,107).

Finally, a total of \$4,516,407 is categorized as *Nonspendable*, meaning that portion of fund balance, which is in a form that cannot be spent. This too will be detailed further in the General Fund Highlights section of this document.

## General Fund Highlights

The General Fund is the general day-to-day operating fund of the City of Warrenville. The total General Fund balance decreased from \$13,527,890 at the end of FY 2018, to \$12,462,222 at the end of FY 2019, a decrease of 7.9%.

Comparing total General Fund expenditures to *Unassigned fund balance* can be looked at as a measure of the General Fund's liquidity. At the end of FY 2019, the *Unassigned* fund balance portion of the General Fund stands at \$4,125,857, or 32% of total General Fund expenditures incurred during FY 2019, down from \$9,343,946, or 82% at the end of FY 2018. It is important to note, that the decrease is due in large part, to the recognition and reclassification of interfund advances from the General Fund to the City's two Tax Increment Financing Funds, TIF #3 and TIF #4 totaling approximately \$4,450,000, from *Unassigned* to *Nonspendable*. In the long-term, those advances will be returned to the General Fund and classified back into *Unrestricted* fund balance, once the TIFs begin generating sufficient incremental property tax revenue to repay the advances.

However, additional contributing factors for this change included the following:

- Total General Fund revenue showed a slightly positive budget variance of \$94,606, with realized revenue totaling \$11,662,756, compared with fiscal year budgeted revenue of \$11,568,150. Individual revenue sources yielded varying results, and specific factors included:

- Actual property tax revenue collections were under budget by \$33,216 or about 1%
- State Shared Sales tax revenue fell short of budget by almost 11%, or \$257,873, with total revenue of \$2,128,301, a decrease of almost 7% from the FY 2018, total of \$2,287,992.

Home Rule Sales tax revenue also fell short of budget by \$186,396, or about 10.1%, with total revenue of \$1,652,599, and a decrease of 8.9% from the FY 2018, total of \$1,814,647.

The combined net negative variance to budget from these two sources totaled \$444,269.

During FY 2019, the State of Illinois Department of Revenue (IDOR) advised the City of the need for an "adjustment" to upcoming allocations to the City, because of a determination that a single taxpayer had erroneously reported sales totaling \$185,180, to the IDOR in 2014-2015. Given that those incorrectly reported amounts were remitted to the City, the IDOR began withholding a combined total of \$20,575.71 per month from the regular City remittances. Without the "adjustments", Sales Tax would have had a year-to-year decrease of 4.2%, while Home Rules Sales tax would have shown a year-to-year decrease of 4.5%.

- State Shared Income Tax exceeded budget by \$100,591, or 8%, with total revenue received of \$1,359,403 against budgeted revenue of \$1,258,812. During 2018 and 2019, the State was working to play catch-up on their backlog of payments to municipalities, with the equivalent of 13 remittances to municipalities in each fiscal year. That has now been completed and will not occur again during the City's 2020 fiscal year
- State Shared Use Tax, distributed by the State of Illinois on a per-capita basis, exceeded budget by \$60,931, or 17.6%, with total revenue received of \$406,513, also representing a 17% increase over FY 2018, when the revenue received was \$347,483. For FY 2019, the per capita figure was about \$30.94, compared to a per capita figure of \$26.44 for FY 2018.
- Food and Beverage Tax revenue fell just short of budget by \$9,549 or 1.4%, with total revenue received of \$664,142, compared to a budget figure of \$673,691. This also represents a decrease of 3.3% from the FY 2018, total of \$687,110. At fiscal year-end, there were fifty-two active businesses collecting and remitting this tax, a net increase of two from FY 2018. At the end of FY2019, the monthly per restaurant remittances were \$1,087, a slight decrease from the FY 2018, per restaurant average of \$1,101 per month.

- Building, electrical and plumbing permit revenue along with building plan review fees fell short of budget by a combine \$288,295. This is largely due to the timing of fees for redevelopment activities.
- Overall License and Permit revenue, including the above-mentioned sources, fell short of budget by just \$129,968, or about 11%, with a budgetary figure of \$1,136,315, compared to actual realized revenue of \$1,006,347. However, other permitting revenue sources, such as Other Permits, Site Plan Review Fees, Stormwater Management Fees, and Preliminary Consultative Fees exceeded budget by a combined \$163,067. Additionally, Liquor License revenue exceeded budget by \$16,285, due to some additional applicants, and turnover in previous license holders, resulting in “new license” revenue collections.
- Fines and Forfeit revenue sources finished the fiscal year with a positive variance of \$141,889, with budgeted revenue of \$257,009, but realized revenue of \$398,898. Circuit Court Fines, Administrative Towing Fee and Booking Fee revenue fell combined \$1,683 short of budget. However, this was more than offset by Parking and Ordinance Violation and Other Fines and Forfeitures revenue exceeding budget by a combined \$143,797, showing the effectiveness of the Local Adjudication program.
- Investment Income for the fiscal year performed very well, after a couple of down years, outperforming budget by \$255,272, with total revenue of \$259,262.
- Finally, Miscellaneous revenue exceeded budget by \$40,382, with the recognition of \$45,126 in IPBC Terminal Reserve balance
- Total General Fund operating expenditures showed a positive budget variance of \$2,298,177, with total expenditures of \$12,719,755, compared with a budgeted total of \$15,017,932.
  - Positive budget variances, where actual expenditures fell short of budget, occurred in all thirteen departments or cost centers. Some of the budgetary savings are explained by the following:
  - Administration Department expenditures were short of budget by \$49,697, with the majority of the savings occurring in the area of personnel costs due to a personnel vacancy at the beginning of the fiscal year, and less overtime than anticipated for the ERP project
  - Finance Department expenditures fell short of budget by \$199,305, as anticipated, budgeted overtime and the need for part-time contractual administrative assistance for assistance with the ERP project did not materialize during the fiscal year, due to the postponement of the City’s ERP project go-live until midway through FY 2020.
  - The Central Services cost center was also short of budget by \$1,002,115. Most of that savings occurring due to implementation timing of the ERP Project. More specifically, delayed payments of contractual fees to the implementer, as various aspects of the systems development were slower to materialize than anticipated. Additional savings occurred in the areas of Equipment Maintenance and Software Maintenance.
  - Community Development Department expenditures were short of budget by \$102,139, with savings in the area of personnel costs due to vacancies, as well as less overtime than anticipated, again due to the ERP implementation. Additional savings occurred in the Supplies and Services category, and specifically in budgeted but unutilized Professional Services
  - Overall Public Safety, (which includes Police Protection, the Emergency Management Agency (EMA) and the Board of Fire and Police Commissioners) expenditures had a positive variance of \$243,057. Police Protection alone had personnel related cost savings of \$171,946, as the result of position vacancies in both Patrol and Records. Additional savings of \$50,973. Savings also occurred in the Emergency Management Agency (EMA) expenditures of about \$16,000, as anticipated and budgeted expenditures were not undertaken, and due to the retirement of a long-time paid coordinator.

- Total Public Works expenditures finished the fiscal year \$589,525 under budget.
  - Total Streets Division expenditures had a positive budget variance of \$401,092, with 67%, or a little over \$270,476 of that savings occurring in Maintenance expenditures, and an additional \$70,223 in savings occurred in Miscellaneous expenditures as the result of a budgeted project not taking place.
  - Additionally, budgeted Maintenance expenditures in the Buildings and Grounds division was \$172,309 under budget, as extensive painting and re-carpeting projects were not undertaken.

## **Other Areas of Note**

### **TIF #3**

Tax Increment Financing District #3 Fund began the fiscal year with a deficit fund balance of \$3,338,328, and finished the fiscal year with “operating” expenditures exceeding revenue by \$165,663, and a deficit fund balance of \$3,503,991.

As was pointed out at the end of last fiscal year, the vast majority of this deficit is the result of land sold pursuant to a redevelopment agreement, at a substantial “loss” from the original 2007 purchase price of \$2,200,000. Under TIF statutes, the TIF #3 fund will utilize incremental property tax revenue generated over the remaining life of the TIF district to make the General Fund whole, for the “loss” taken on that land sale. Looking forward, as the development of that site has progressed during FY 2019, and into FY 2020, this fund will begin to realize incremental property tax revenue, as newly built homes within the developmental enter the tax rolls.

Total Expenditures budgeted at \$1,008,180, finished the fiscal year with actual expenditures of just \$218,623, a positive variance of \$789,557. During the fiscal year, a land purchase and associated environmental and legal costs, budgeted at a total of \$565,000, did not take place. Additionally, final payments due to the State of Illinois for the Route 56 Streetscape Project, budgeted at an estimated \$300,000, actually came in at just over \$202,000, for an additional positive expenditure variance of about \$98,000.

### **TIF #4**

During FY 2017, the City established the Southwest /Route 59 Corridor Tax Increment Finance District (TIF #4), which is roughly 300 acres in the southwest most quadrant of the City of Warrenville. The Tax Increment Financing District Fund began fiscal year 2019 with a deficit fund balance of \$408,105, and concluded the fiscal year with a deficit fund balance of \$945,141.

The largest contributing factor to the fiscal year deficit was the extension of sanitary sewer utilities on Landon Avenue, as the result of redevelopment activities being undertaken, to redevelop a 21-acre parcel with 106 townhome units, which is projected to generate in excess of \$5,000,000 of incremental property tax revenue over the life of the TIF district.

**Proprietary fund.** The City of Warrenville’s proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position of the Water and Sewer Fund at the end of FY 2019 totaled \$3,980,197 compared to \$4,881,001 at the end of FY 2018 a year-to-year decrease of \$900,804. This decrease in unrestricted net position is due, at least in part, to the continued effort to extend water and sewer utilities into previously unserved areas of the community. In this case, specifically sanitary sewer extensions related to the Landon Avenue project mentioned above in the TIF #4 notes.

Operating revenue for the year fell just \$71,114, or about 2%, short of budget, with total revenue received of \$2,979,394, compared to a budget expectation of \$3,050,508. Water Sales revenue fell just \$3,567 short of the budget figure of \$975,641, with realized revenue of \$972,074. Sewer Sales revenue fell \$49,030 short of the budget figure of \$2,005,172, with realized revenue of \$1,956,142.

Operating expenses for the year totaled \$4,031,631 versus an amended budget figure of \$5,216,946, resulting in a positive budget variance of \$1,185,315. Expenditures for the year included the acceleration of a program to replace all water meter reading interrogation units, or MIU’s, from a five-year effort to a three-year effort.

Non-operating revenues budgeted at \$451,826 exceed that budget figure by \$127,596, based largely on Investment Income exceeding budget by \$140,132, but that was slightly offset by Tap-on Connection Fee revenue falling short of budget by \$12,804.

Overall the fund’s net position decreased by \$567,534, from a beginning balance of \$22,048,855 to a fiscal year ending balance of \$21,481,321.

The City’s Enterprise Maintenance and Replacement Plan (EMRP) workgroup comprised of City staff and elected officials, will be working on an update and revisions to the City’s EMRP, for the long-term maintenance of the Water and Sewer Enterprise Fund fixed assets. A major focus of the workgroup will also be the establishment of a set process for determining the user rates needed to fund the water and sewer operations and system maintenance costs.

### **Capital Asset and Debt Administration**

---

**Capital assets.** The City of Warrenville’s investment in capital assets for its governmental and business type activities as of April 30, 2019, totals \$86,925,683 (net of accumulated depreciation). This investment in capital assets includes buildings and system improvements, vehicles, machinery and equipment, water and sewerage infrastructure, and holdings (including Rights-of-Way), roads, highways, and bridges. The City’s total net investment in capital assets was virtually unchanged from FY 2018 to FY 2019, with an increase of just .19%, or \$167,032.

**City's Capital Assets**

	Governmental		Business-type		Total		Total Percentage Change <u>2019-2018</u>
	Activities		Activities				
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
Land	\$ 44,406,061	\$ 43,815,293		\$ -	\$ 44,406,061	\$ 43,815,293	1.35%
Buildings and improvements	11,489,124	11,489,124		-	11,489,124	11,489,124	0.00%
Streets/Bridges/ Sidewalks	23,470,767	23,470,767		-	23,470,767	23,470,767	0.00%
Vehicles & Equipment	3,571,040	3,703,423	1,365,094	1,395,094	4,936,134	5,098,517	-3.18%
Stormsewers	5,563,579	5,563,579	-	-	5,563,579	5,563,579	0.00%
Waterworks & Sewerage System	-	-	24,879,907	24,153,632	24,879,907	24,153,632	3.01%
Totals at historical cost	<u>88,500,571</u>	<u>88,042,186</u>	<u>26,245,001</u>	<u>25,548,726</u>	<u>114,745,572</u>	<u>113,590,912</u>	1.02%
Total accumulated depreciation	<u>19,076,012</u>	<u>18,451,389</u>	<u>8,743,877</u>	<u>8,380,872</u>	<u>27,819,889</u>	<u>26,832,261</u>	3.68%
Net capital assets	<u><u>69,424,559</u></u>	<u><u>69,590,797</u></u>	<u><u>17,501,124</u></u>	<u><u>17,167,854</u></u>	<u><u>86,925,683</u></u>	<u><u>86,758,651</u></u>	0.19%

Additional information on the City of Warrenville's capital assets are found in Note 3, on pages 62-63 of this report.

**Capital Improvement Planning.** Maintenance of the City's governmental capital assets, including: roadways, curbs, gutters and sidewalks, as well as storm sewers, and vehicles, is addressed with the long-range comprehensive capital improvement plan, the Capital Maintenance and Replacement Plan (CMRP). The initial plan, adopted in 2011, addressed a significant structural deficit in the funding of costs needed for maintenance of *existing* City assets. The CMRP requires an annual review, and updating if necessary, to make sure the expenditures and revenues associated with the plan are as current as possible.

The 2011 initial analysis of the funding sources for the CMRP, indicated a structural deficit of approximately \$1,000,000 annually. As a result, various steps were undertaken to address that deficit. Among the revised funding sources for the for the CMRP, was an increase in the Simplified Telecommunications Tax rate from 4% to 6%, which went into effect as of July 1, 2012, with the full increase going entirely to fund the CMRP. Additionally, in May 1, 2013, a local motor fuel, natural gas utility and use, and an electric utility tax were all implemented. The revenue from each of these sources goes solely to fund the CMRP.

The local motor fuel tax revenue for FY 2019 totaled \$410,151, which is just slightly in excess of the original CMRP expectation of \$409,116 in annual revenue, but fell well short of the FY 2019 budget figure of \$529,367. The actual revenue received represents a decrease from FY 2018 total of about \$57,000 or about 12%. The decrease in this revenue is likely the result of apparent decreased demand, given that four of the five stations in town, saw year-to-year remittance decreases averaging 17.4%. Since implementation of this tax in FY 2014, annual revenue has averaged \$508,523 per fiscal year. However, it must also be noted, there is one fewer gas station collecting and remitting this tax. Finally, the potential addition of a Thornton's gas station at Duke Parkway and Route 59 could more than make up for the early FY 2017 closure of one of the gas stations in place at the time the CMRP was adopted.

The natural gas utility and use tax revenue for FY 2019 totaled \$156,743, exceeding budget by 4% or \$6,181, and improving from the FY 2018 actual of \$146,149, by \$10,594, or 7.2%. Finally, this revenue source is still out performing the original CMRP assumption of \$138,675 in annual revenue. Since implementation of this tax in FY 2014, annual revenue has averaged \$150,856 per fiscal year.

Electric Utility revenue for the fiscal year totaled \$96,695, almost exactly at the budget figure of \$96,833, and a 1.8%, improvement over the FY 2018 total of \$95,092. Since implementation of this tax in FY 2014, annual revenue has averaged \$97,970 per fiscal year. This revenue source has under-performed the initial CMRP assumption of \$104,600 in annual revenue by about 6.7%.

Amusement Tax revenue for the fiscal year totaled \$305,106, exceeding budget by \$13,897 or 4.7%, but falling short of the FY 2018 figure of \$314,821, or 3%. Since FY 2014, this revenue stream has averaged \$211,453 annually, but it should be noted, that prior to FY 2018, this revenue was allocated, in part, to the General Fund, but as of FY 2018, all revenue goes into the Capital Maintenance and Replacement Fund.

Finally, the City's 6% Telecommunication Tax yielded revenue of \$457,154, against fiscal year budgeted revenue of \$515,148, a negative variance of \$57,944 or 11.2%. This continues the downward trend in this revenue stream, with a year-to-year decrease of 7.7%, or \$38,251, down from the FY 2018 total received of \$495,405. Since FY 2014, the CMRP has received annual funding averaging \$550,243 from this declining revenue source.

**Long-term debt.**

City’s Long Term Debt  
(In millions of dollars)

	Governmental		Business-type		Total	Total Percentage Change 2019-2018	
	Activities		Activities				
	2019	2018	2019	2018			
Compensated Absences	961,291	891,441	143,072	106,488	1,104,363	997,929	10.67%
Net Pension Liability							
IMRF	1,912,729	384,707	724,171	143,413	2,636,900	528,120	399.30%
Police Pension	8,620,522	8,158,920	-	-	8,620,522	8,158,920	5.66%
Net Other Post-Employment Benefit Obligation	1,744,488	1,775,423	281,984	133,634	2,026,472	1,909,057	6.15%
<b>Total Long Term Debt</b>	<b>13,239,030</b>	<b>11,210,491</b>	<b>1,149,227</b>	<b>383,535</b>	<b>14,388,257</b>	<b>11,594,026</b>	<b>24.10%</b>

In keeping with long-standing City Council policy, the City of Warrenville had no outstanding bonded or general obligation debt.

The City’s overall long-term debt increased by 24.1% from the FY 2018 year-end figure of \$11,594,026 to a FY 2019 year-end figure of \$14,388,257. In the Governmental activities and Business-type activities, the long-term liability for IMRF increased by 399.3% due to the effects of a lowering of the IMRF investment return assumption from 7.50% to 7.25%, which will go into effect post 2018, and 2018 negative investment returns, or losses, of 4.25%. Additionally, the net pension liability for the police pension fund increased by 5.66% from \$8,158,920 to \$8,620,522.

State Statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. Given that the City became home-rule in Fiscal Year 2004, this statute no longer applies. As previously indicated, the City has no outstanding general obligation debt, as has been the case for more than ten years.

Additional information on the City of Warrenville’s long-term debt is in Note 3 on page 65.

**Economic Factors and Next Year’s Budget**

The Southwest/Route 59 Corridor TIF District #4, will be an important component of the economic development activities occurring during the upcoming fiscal year. Development projects include: “Everton”, a mixed use development consisting of 89 townhomes, 259 Class ”A” apartments and 3.5 acres of commercial development, and “Lexington Trace”, consisting of 106 townhomes. These two projects will add approximately 900 new residents to Warrenville. Additionally, a Thornton’s gas station to be located at Duke Parkway and Route 59, is projected to be open by the fall of 2019.

The previously city-owned former Musselman Lumber site, Civic Center Redevelopment Site #1 (CCRS #1), located within TIF District #3, is being redeveloped by Airhart Construction as *Stafford Place*. Airhart has already begun redevelopment of the 4.25-acre site, which will, when completed, consist of 27 detached single-family homes. Also located within TIF District #3, at the intersection of Route 56 and Batavia Road will be the Alden Foundation’s *Warrenville Horizon Senior Living Community*, a \$10,000,000 high quality, housing projects of 71 affordable senior units.

Additional development projects will be located within the Cantera area of the community. The *Riverview West* mixed use development will bring 364 Class “A” apartments and 35,000 square feet of commercial space to a 33 acre site, and the *Vanguard* project will bring an additional 242 Class “A” apartments to a 5.5 acre site. These two projects combined have an estimated value of \$54,000,000, and will bring approximately 1,242 new residents to Warrenville.

A long vacant commercial building, previously occupied by Navistar, will see 200,000 square feet of the 260,000 square building located in Cantera, occupied by administrative offices of a major local hospital group, bringing 800-1000 new people to Warrenville. The space is anticipated to be occupied by end of calendar 2019.

Finally, as previously mentioned, during FY 2019, the City invested significant staff time and resources on the implementation of a comprehensive Enterprise Resource Planning (ERP) system, to replace the City’s current financial software, which has been in place for over twenty years. The implementation of the ERP was originally planned to “Go-Live” in early 2020, but that date has been revised to mid-2020, with a projected October 4, 2019, date for the core financial modules, and a January 1, 2020, date for payroll and human resources implementations.

### **Requests for Information**

The purpose of this financial report is to provide a general overview of the City of Warrenville’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this comprehensive annual financial report or requests for additional financial information should be addressed to the City of Warrenville, Finance Director, 3S258 Manning Avenue, IL, 60555.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Fund

Fiduciary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Net Position**

**April 30, 2019**

---

---

**See Following Page**

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Net Position  
April 30, 2019**

	Primary Government		
	Governmental Activities	Business- Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 12,069,164	4,651,336	16,720,500
Receivables - Net of Allowances	5,605,764	555,101	6,160,865
Prepays	88,910	6,085	94,995
Total Current Assets	17,763,838	5,212,522	22,976,360
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	44,406,061	-	44,406,061
Depreciable Capital Assets	44,094,510	26,245,001	70,339,511
Accumulated Depreciation	(19,076,012)	(8,743,877)	(27,819,889)
Total Noncurrent Assets	69,424,559	17,501,124	86,925,683
Total Assets	87,188,397	22,713,646	109,902,043
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	1,151,218	435,858	1,587,076
Deferred Items - Police Pension	1,729,904	-	1,729,904
Deferred Items - RBP	33,245	5,374	38,619
Total Deferred Outflows of Resources	2,914,367	441,232	3,355,599
Total Assets and Deferred Outflows of Resources	90,102,764	23,154,878	113,257,642

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

	Primary Government		
	Governmental Activities	Business- Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 553,554	325,924	879,478
Retainage Payable	99,066	45,153	144,219
Accrued Payroll	353,079	42,703	395,782
Deposits Payable	406,897	24,800	431,697
Other Payables	147,506	4,052	151,558
Current Portion of Long-Term Debt	192,258	28,614	220,872
Total Current Liabilities	<u>1,752,360</u>	<u>471,246</u>	<u>2,223,606</u>
Noncurrent Liabilities			
Compensated Absences Payable	769,033	114,458	883,491
Net Pension Liability - IMRF	1,912,729	724,171	2,636,900
Net Pension Liability - Police Pension	8,620,522	-	8,620,522
Total OPEB Liability - RBP	1,744,488	281,984	2,026,472
Total Noncurrent Liabilities	<u>13,046,772</u>	<u>1,120,613</u>	<u>14,167,385</u>
Total Liabilities	<u>14,799,132</u>	<u>1,591,859</u>	<u>16,390,991</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	3,773,455	-	3,773,455
Deferred Items - IMRF	215,787	81,698	297,485
Deferred Items - Police Pension	1,887,951	-	1,887,951
Total Deferred Inflows of Resources	<u>5,877,193</u>	<u>81,698</u>	<u>5,958,891</u>
Total Liabilities and Deferred Inflows of Resources	<u>20,676,325</u>	<u>1,673,557</u>	<u>22,349,882</u>
<b>NET POSITION</b>			
Investment in Capital Assets	69,424,559	17,501,124	86,925,683
Restricted - Maintenance of Roadways	939,287	-	939,287
Restricted - Seized Assets	207,599	-	207,599
Unrestricted (Deficit)	<u>(1,145,006)</u>	<u>3,980,197</u>	<u>2,835,191</u>
Total Net Position	<u>69,426,439</u>	<u>21,481,321</u>	<u>90,907,760</u>

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

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Activities  
For the Fiscal Year Ended April 30, 2019**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 5,748,248	986,747	137,900	-
Public Safety	6,498,465	418,498	-	-
Public Works	2,908,029	-	333,554	-
Culture and Recreation	307,376	-	-	-
Economic Development	115,241	-	-	-
Total Governmental Activities	15,577,359	1,405,245	471,454	-
<b>Business-Type Activities</b>				
Water and Sewer	4,424,636	3,412,272	-	298,286
Total Primary Government	20,001,995	4,817,517	471,454	298,286

- General Revenues
- Taxes
  - Property and Replacement
  - Home Rule Sales
  - Telecommunications
  - Hotel/Motel
  - Amusement
  - Food and Beverage
  - Natural Gas
  - Electric Utility
  - Local Motor Fuel
  - Other
- Intergovernmental - Unrestricted
  - Income Taxes
  - State Sales Tax
  - Local Use Tax
- Investment Income
- Miscellaneous

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(4,623,601)	-	(4,623,601)
(6,079,967)	-	(6,079,967)
(2,574,475)	-	(2,574,475)
(307,376)	-	(307,376)
(115,241)	-	(115,241)
(13,700,660)	-	(13,700,660)
-	(714,078)	(714,078)
(13,700,660)	(714,078)	(14,414,738)
3,639,250	-	3,639,250
1,652,599	-	1,652,599
457,154	-	457,154
863,374	-	863,374
305,106	-	305,106
664,142	-	664,142
156,743	-	156,743
96,833	-	96,833
410,151	-	410,151
10,653	-	10,653
1,359,403	-	1,359,403
2,128,301	-	2,128,301
406,513	-	406,513
317,970	146,544	464,514
189,242	-	189,242
12,657,434	146,544	12,803,978
(1,043,226)	(567,534)	(1,610,760)
70,469,665	22,048,855	92,518,520
69,426,439	21,481,321	90,907,760

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

**CITY OF WARRENVILLE, ILLINOIS**

**Balance Sheet - Governmental Funds  
April 30, 2019**

	General	Special Revenue Motor Fuel Tax
<b>ASSETS</b>		
Cash and Investments	\$ 7,626,822	935,385
Receivables - Net of Allowances		
Property Taxes	3,557,172	-
Other Taxes	1,434,432	29,085
Interest	77,141	-
Due from Other Funds	14,864	-
Advances to Other Funds	4,427,497	-
Prepays	88,910	-
	<hr/>	<hr/>
Total Assets	17,226,838	964,470
<b>LIABILITIES</b>		
Accounts Payable	285,767	10,319
Retainage Payable	-	-
Accrued Payroll	353,079	-
Deposits Payable	406,897	-
Other Payables	94,682	-
Due to Other Funds	67,019	14,864
Advances from Other Funds	-	-
Total Liabilities	1,207,444	25,183
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	3,557,172	-
Total Liabilities and Deferred Inflows of Resources	4,764,616	25,183
<b>FUND BALANCES</b>		
Nonspendable	4,516,407	-
Restricted	-	939,287
Committed	-	-
Assigned	3,819,958	-
Unassigned	4,125,857	-
Total Fund Balances	12,462,222	939,287
	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	17,226,838	964,470

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

Capital Projects			
Capital Maintenance and Replacement	TIF District #3	Nonmajor	Totals
1,654,020	-	1,852,937	12,069,164
-	99,183	117,100	3,773,455
209,005	-	71,692	1,744,214
8,061	-	2,893	88,095
-	-	67,019	81,883
-	-	-	4,427,497
-	-	-	88,910
1,871,086	99,183	2,111,641	22,273,218
12,913	3,290	241,265	553,554
99,066	-	-	99,066
-	-	-	353,079
-	-	-	406,897
-	-	52,824	147,506
-	-	-	81,883
-	3,500,701	926,796	4,427,497
111,979	3,503,991	1,220,885	6,069,482
-	99,183	117,100	3,773,455
111,979	3,603,174	1,337,985	9,842,937
-	-	-	4,516,407
-	-	207,599	1,146,886
-	-	1,511,198	1,511,198
1,759,107	-	-	5,579,065
-	(3,503,991)	(945,141)	(323,275)
1,759,107	(3,503,991)	773,656	12,430,281
1,871,086	99,183	2,111,641	22,273,218

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

**CITY OF WARRENVILLE, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to the  
Statement of Net Position - Governmental Activities**

**April 30, 2019**

---

---

<b>Total Governmental Fund Balances</b>	<b>\$ 12,430,281</b>
---	----------------------

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	69,424,559
---	------------

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	935,431
Deferred Items - Police Pension	(158,047)
Deferred Items - RBP	33,245

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(961,291)
Net Pension Liability - IMRF	(1,912,729)
Net Pension Liability - Police Pension	(8,620,522)
Total OPEB Liability - RBP	<u>(1,744,488)</u>

<b>Net Position of Governmental Activities</b>	<b><u>69,426,439</u></b>
--	--------------------------

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

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended April 30, 2019**

---

---

**See Following Page**

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended April 30, 2019**

	General	Special Revenue Motor Fuel Tax
<b>Revenues</b>		
Taxes	\$ 5,821,401	-
Intergovernmental	4,032,117	333,554
Licenses and Permits	1,006,347	-
Fines and Forfeits	398,898	-
Investment Income	259,262	20,533
Miscellaneous	144,731	-
Total Revenues	11,662,756	354,087
<b>Expenditures</b>		
Current		
General Government	4,508,388	-
Public Safety	6,190,811	-
Public Works	1,957,984	253,359
Culture and Recreation	62,572	-
Economic Development	-	-
Capital Outlay	-	-
Total Expenditures	12,719,755	253,359
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,056,999)	100,728
<b>Other Financing Sources (Uses)</b>		
Disposal of Capital Assets	106	-
Transfers In	28,225	-
Transfers Out	(37,000)	-
	(8,669)	-
Net Change in Fund Balances	(1,065,668)	100,728
Fund Balances - Beginning	13,527,890	838,559
Fund Balances - Ending	12,462,222	939,287

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

Capital Projects			
Capital Maintenance and Replacement	TIF District #3	Nonmajor	Totals
1,425,987	52,960	955,657	8,256,005
-	-	-	4,365,671
-	-	-	1,006,347
-	-	-	398,898
28,062	-	10,113	317,970
4,723	-	39,788	189,242
1,458,772	52,960	1,005,558	14,534,133
-	-	-	4,508,388
-	-	999	6,191,810
-	-	-	2,211,343
-	-	221,229	283,801
-	13,675	101,566	115,241
1,221,904	204,948	577,418	2,004,270
1,221,904	218,623	901,212	15,314,853
236,868	(165,663)	104,346	(780,720)
67,554	-	-	67,660
337,000	-	-	365,225
-	-	(328,225)	(365,225)
404,554	-	(328,225)	67,660
641,422	(165,663)	(223,879)	(713,060)
1,117,685	(3,338,328)	997,535	13,143,341
1,759,107	(3,503,991)	773,656	12,430,281

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

**CITY OF WARRENVILLE, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Activities**

**For the Fiscal Year Ended April 30, 2019**

---

---

**Net Change in Fund Balances - Total Governmental Funds** \$ (713,060)

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	891,148
Depreciation Expense	(946,559)
Disposals - Cost	(432,763)
Disposals - Accumulated Depreciation	321,936

The net effect of deferred outflows (inflows) of resources related to the pensions  
not reported in the funds.

Change in Deferred Items - IMRF	1,366,336
Change in Deferred Items - Police Pension	465,030
Change in Deferred Items - RBP	33,245

The change in certain liabilities are reported as expenses on the  
Statement of Activities.

Additions to Compensated Absences Payable	(69,850)
Additions to Net Pension Liability - IMRF	(1,528,022)
Additions to Net Pension Liability - Police	(461,602)
Deductions to Total OPEB Liability - RBP	<u>30,935</u>

**Changes in Net Position of Governmental Activities** (1,043,226)

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

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Net Position - Proprietary Funds  
April 30, 2019**

---

---

**See Following Page**

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Net Position - Proprietary Funds  
April 30, 2019**

---

---

	<u>Business-Type Activities</u> <u>Water and Sewer</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 4,651,336
Receivables - Net of Allowances	
Accounts	517,944
Accrued Interest	37,157
Prepays	6,085
Total Current Assets	<u>5,212,522</u>
Noncurrent Assets	
Capital Assets	
Depreciable Capital Assets	26,245,001
Accumulated Depreciation	<u>(8,743,877)</u>
Total Noncurrent Assets	<u>17,501,124</u>
Total Assets	<u>22,713,646</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	435,858
Deferred Items - RBP	5,374
Total Assets and Deferred Outflows of Resources	<u>23,154,878</u>

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

	Business-Type Activities
	<u>Water and Sewer</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 325,924
Retainage Payable	45,153
Accrued Payroll	42,703
Deposits Payable	24,800
Other Payables	4,052
Compensated Absences Payable	28,614
Total Current Liabilities	<u>471,246</u>
Noncurrent Liabilities	
Compensated Absences Payable	114,458
Net Pension Liability - IMRF	724,171
Total OPEB Liability - RBP	281,984
Total Noncurrent Liabilities	<u>1,120,613</u>
Total Liabilities	1,591,859
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	81,698
Total Liabilities and Deferred Inflows of Resources	<u>1,673,557</u>
<b>NET POSITION</b>	
Investment in Capital Assets	17,501,124
Unrestricted	3,980,197
Total Net Position	<u><u>21,481,321</u></u>

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

CITY OF WARRENVILLE, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund  
For the Fiscal Year Ended April 30, 2019

---

---

	Business-Type Activities
	<u>Water and Sewer</u>
Operating Revenues	
Charges for Services	\$ 2,970,470
Miscellaneous	8,924
Total Operating Revenues	<u>2,979,394</u>
Operating Expenses Excluding Depreciation Operations	<u>4,031,631</u>
Operating Income (Loss) Before Depreciation	(1,052,237)
Depreciation	<u>393,005</u>
Operating Income (Loss)	<u>(1,445,242)</u>
Nonoperating Revenues (Expenses)	
Tap-On Connection Fees	61,100
Investment Income	146,544
Rental Income	371,778
	<u>579,422</u>
Income (Loss) before Contributions	(865,820)
Capital Contribution	<u>298,286</u>
Change in Net Position	(567,534)
Net Position - Beginning	<u>22,048,855</u>
Net Position - Ending	<u><u>21,481,321</u></u>

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

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Cash Flows - Proprietary Fund  
For the Fiscal Year Ended April 30, 2019**

	Business-Type Activities
	<u>Water and Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,411,943
Payments to Employees	(959,180)
Payments to Suppliers	(2,831,151)
	<u>(378,388)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(427,989)</u>
Cash Flows from Investing Activities	
Interest Received	<u>146,544</u>
Net Change in Cash and Cash Equivalents	(659,833)
Cash and Cash Equivalents - Beginning	<u>5,311,169</u>
Cash and Cash Equivalents - Ending	<u><u>4,651,336</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(1,445,242)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	393,005
Other Income	432,878
Other Expense	208,939
(Increase) Decrease in Current Assets	(329)
Increase (Decrease) in Current Liabilities	<u>32,361</u>
Net Cash Provided by Operating Activities	<u><u>(378,388)</u></u>
Noncash Capital and Related Financing Activities	
Capital Contributions	<u><u>298,286</u></u>

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

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Fiduciary Net Position  
April 30, 2019**

---

---

	<u>Pension Trust Police Pension</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 552,623
Investments, at Fair Value	
U.S. Treasury Obligations	849,622
U.S. Agency Obligations	4,760,167
State and Local Obligations	760,827
Corporate Bonds	4,205,539
Common Stock	1,277,913
Mutual Funds	9,836,817
Receivables	
Accrued Interest	113,203
Prepays	<u>530</u>
Total Assets	<u>22,357,241</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>6,369</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u><u>22,350,872</u></u>

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

**CITY OF WARRENVILLE, ILLINOIS**

**Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended April 30, 2019**

---

---

	<u>Pension Trust Police Pension</u>
Additions	
Contributions - Employer	\$ 1,111,844
Contributions - Plan Members	298,954
Total Contributions	<u>1,410,798</u>
Investment Income	
Interest Income	903,632
Net Change in Fair Value	442,953
	<u>1,346,585</u>
Less Investment Expenses	(37,114)
Net Investment Income	<u>1,309,471</u>
Total Additions	<u>2,720,269</u>
Deductions	
Administration	28,308
Benefits	1,008,973
Total Deductions	<u>1,037,281</u>
Change in Fiduciary Net Position	1,682,988
Net Position Restricted for Pensions	
Beginning	<u>20,667,884</u>
Ending	<u><u>22,350,872</u></u>

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

# **CITY OF WARRENVILLE, ILLINOIS**

## **Notes to the Financial Statements**

**April 30, 2019**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Warrenville (City), Illinois, was incorporated in 1967. The City is a home rule municipality under the 1970 Illinois Constitution. The City Council is comprised of the Mayor and eight Aldermen. An appointed City Administrator acts as the administrative head. The City provides services which include police protection, street maintenance and construction, building and zoning enforcement, water pumping, storage and distribution, sanitary sewer service and general administrative services.

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 City's accounting policies established in GAAP and used by the City are described below.

#### **REPORTING ENTITY**

The City's financial reporting entity comprises the following

Primary Government:	City of Warrenville
---------------------	---------------------

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the City. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **Police Pension Employees Retirement System**

The City's sworn 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 participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining 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 is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

# **CITY OF WARRENVILLE, ILLINOIS**

## **Notes to the Financial Statements April 30, 2019**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION**

##### **Government-Wide Financial Statements**

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police protection, street maintenance and construction, building and zoning enforcement, and general administrative services are classified as governmental activities. The City's water and sanitary sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The City's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2019

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

*General fund* is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

*Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains one major special revenue fund, the Motor Fuel Tax Fund, which is used to account for the restricted revenue received from the State of Illinois for the local share of motor fuel tax collection. The City also maintains two nonmajor special revenue funds, the Seized Assets Fund and the Hotel/Motel Tax Fund.

*Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds) and the purchase of equipment. The City maintains two major capital projects funds, the Capital Maintenance and Replacement Fund and the TIF District #3 Fund. The Capital Maintenance and Replacement Fund is used to account for the accumulated funds assigned for the maintenance and replacement of major capital assets. The TIF District #3 Fund is used to account for the incremental property tax revenues received from the City's designated Old Town Civic Center TIF District that are restricted to be used for the development of the designated site. The City also maintains one nonmajor capital projects fund, the TIF District #4 Fund.

#### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

*Enterprise funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains one major enterprise fund, the Water and Sewer Fund, which is used to account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collections.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2019

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

*Pension trust funds* are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to sworn police department personnel in the future. Resources are contributed by employees at fixed rates by law and by the City at amounts determined by an independent actuary from a specific property tax levy.

The City's pension trust fund is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the City, this fund is not incorporated into the government-wide statements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Measurement Focus – Continued

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

##### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities 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/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary and pension trust funds utilize 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 City’s enterprise funds are charges to customers for sales and services.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Basis of Accounting – Continued

The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation 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

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds “Statement of Cash Flows,” cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### Prepays/Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, and grants. Business-type activities report utility charges as their major receivables.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$20,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary fund are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	40 Years
Streets, Bridges and Sidewalks	3 - 60 Years
Storm Sewers	75 Years
Water and Sewer Infrastructure	75 Years
Vehicles and Equipment	5 - 10 Years

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Deferred Outflows/Inflows of Resources

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

##### Compensated Absences

Vested or accumulated sick leave and compensatory time off that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the fund that will pay it in the fund financial statements.

Vested or accumulated sick leave and compensatory time off of proprietary funds at both the fund level and government-wide level and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

##### 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.

##### Net Position

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

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.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

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

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

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

**BUDGETARY INFORMATION**

The City’s budgetary operations are governed by the Budget Ordinance and are administered by the Budget Officer. All departments of the City submit requests for proposed expenditures to the Budget Officer so that a budget may be prepared. The budget is prepared by fund and object and includes information on the past two years and current year estimates of revenues and expenditures for the next fiscal year. The City adopted annual budgets for all governmental funds, proprietary and fiduciary funds.

The proposed budget is presented to the City Council for review. The City Council holds public meetings and may modify the estimates if necessary. All budgeted appropriations lapse at year end.

Budgeted revenue and expenditures for fiscal year 2018 were determined on a basis consistent with accounting principles generally accepted in the United States of America. Budgeted revenue is based upon amounts expected to be received during the fiscal year. Budgeted expenditures are based upon anticipated cash needs for specifically identified projects. Such amounts are substantially the same as modified accrual basis revenues and expenditures. The legal level of budgetary control is at the fund level. Management may reallocate noncapital expenditure amounts within a fund’s budget from one-line item to another if a special need arises, without City Council approval. Any request for additional capital expenditures or changes that will increase the fund’s total budget must be approved by the City Council. During fiscal year 2018, there were one supplemental budget amendment that is reflected in the financial statements.

**DEFICIT FUND BALANCE**

The following funds had a deficit fund balance as of the date of this report:

Fund	Deficit
TIF District #3	\$ 3,503,991
TIF District #4	945,141

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2019

---

### NOTE 3 – DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." If a fund overdraws its equity in the pool, an interfund payable is recorded with a corresponding interfund receivable reported in a fund designated by the City.

Permitted Deposits and Investments – Statutes authorize the City 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, Illinois Funds, and the Illinois Metropolitan Investment Fund.

The deposits and investments of the Pension Fund are held separately from those of other City funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

---

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. 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.

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

*Deposits.* At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$1,512,508 and the bank balances totaled \$1,974,220.

*Investments.* The City has the following investment fair values and maturities:

Investment Instrument	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 525,780	199,248	326,532	-	-
U.S. Agencies	10,133,128	2,635,126	7,498,002	-	-
State and Local Obligations	2,345,035	330,000	2,015,035	-	-
Illinois Funds	1,692,291	1,692,291	-	-	-
Illinois Metropolitan Investment Fund	511,758	511,758	-	-	-
	<u>15,207,992</u>	<u>5,368,423</u>	<u>9,839,569</u>	<u>-</u>	<u>-</u>

The City has the following recurring fair value measurements as of April 30, 2019:

- U.S. Treasuries of \$525,780 are valued using quoted market prices (Level 1 inputs)
- U.S. Agencies of \$10,133,128 are valued using other observable inputs (Level 2 inputs)
- State and Local Obligations of \$2,345,035 are valued using other observable inputs (Level 2 inputs)
- Illinois Funds of \$1,692,291 are measured at the net asset value per share as determined by the pool
- Illinois Metropolitan Investment Fund of \$511,758 are measured at the net asset value per share as determined by the pool

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

## CITY OF WARRENVILLE, ILLINOIS

### Notes to the Financial Statements

April 30, 2019

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

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

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. 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 yield. In accordance with its investment policy, the City 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. Any investment with a maturity of greater than five years requires prior approval and a specific purpose for investment.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its exposure to credit risk by limiting its investments to those allowed within the policy, pre-qualifying all brokers and dealers and primarily investing in external investment pools and investments either explicitly or implicitly guaranteed by the full faith and credit of the United States Government. At year-end, the City’s investments in the Illinois Funds was rated AAAM by Standard & Poor’s. The Illinois Metropolitan Investment Trust Convenience Fund is not rated. U.S. Agency and state and local obligation investment ratings were not available.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s investment policy requires pledging of collateral, at 110% of the deposits secured, for all bank balances in excess of federal depository insurance, with the collateral held by an independent third party. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance. Custodial credit risk for investment is the risk that in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. The City’s investment policy does not address this risk. To limit its exposure, the City requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City’s investment policy requires diversification of investments to minimize potential losses. The City’s investment policy requires that no financial institution shall hold more than 20% of the City’s investment portfolio, exclusive of U.S. Treasury securities and collateralized investments held in safekeeping. Additionally, investments in corporate paper shall not exceed 10% and Illinois Funds shall not exceed 25% of the total portfolio. At year-end, the City does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund’s deposits totaled \$552,623 and the bank balances totaled \$552,623.

*Investments.* The Fund has the following investment fair values and maturities:

Investment Instrument	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 849,622	599,745	249,877	-	-
U.S. Agencies	4,760,167	121,782	2,109,585	2,528,800	-
State and Local Obligations	760,827	-	480,421	203,056	77,350
Corporate Bonds	4,205,539	101,662	3,519,315	584,562	-
	<u>10,576,155</u>	<u>823,189</u>	<u>6,359,198</u>	<u>3,316,418</u>	<u>77,350</u>

The Fund has the following recurring fair value measurements as of April 30, 2019:

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Debt Securities</b>				
U.S. Treasuries	\$ 849,622	849,622	-	-
U.S. Agencies	4,760,167	-	4,760,167	-
State and Local Obligations	760,827	-	760,827	-
Corporate Bonds	4,205,539	-	4,205,539	-
<b>Equity Securities</b>				
Common Stock	1,277,913	1,277,913	-	-
Mutual Funds	9,836,817	9,836,817	-	-
<b>Total Investments by Fair Value Level</b>	<u>21,690,885</u>	<u>11,964,352</u>	<u>9,726,533</u>	<u>-</u>

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

---

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

#### **Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Interest Rate Risk.* It is the policy of the 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 Fund, assuring that funds are available to meet future liabilities 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, legality, safety of principal, liquidity and rate of return. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for anticipated operating requirements while providing a long-term rate of return based on the current market.

*Credit Risk.* The Fund limits its exposure to credit risk by limiting its investments to those allowed within the policy and primarily investing in external investment pools and investments either explicitly or implicitly guaranteed by the full faith and credit of the United States Government. At year end, the Pension’s investment ratings were not available.

*Custodial Credit Risk.* The Fund’s investment policy requires pledging of collateral, at 110% of the deposits secured, for all bank balances in excess of federal depository insurance, with the collateral held by an independent third party. The Fund’s investment policy also requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

*Concentration Risk.* The Fund’s investment policy requires diversification of investments to minimize risk. In addition to the securities and fair values listed above, the Fund also has \$1,277,913 invested in common stock and \$9,836,817 invested in mutual funds. At year-end, the Fund does not have any investments over 5 percent of the net position (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Concentration Risk – Continued.* The Fund’s investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	10.00% - 35.00%	2.00% - 5.28%
Domestic Equities	10.00% - 55.00%	5.12% - 5.34%
International Equities	15.00%	6.34%
Real Estate	5.00%	5.88%
Cash and Cash Equivalents	0.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund’s investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund’s investments was determined using an asset allocation study conducted by the Fund’s investment management consultant in July 2019 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were 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 the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of April 30, 2019 are listed in the table above.

**Rate of Return**

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.22%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 10,304,128	-	100,179	10,203,949
Land - Right of Way	33,511,165	-	-	33,511,165
Construction in Progress	-	690,947	-	690,947
	<u>43,815,293</u>	<u>690,947</u>	<u>100,179</u>	<u>44,406,061</u>
<b>Depreciable Capital Assets</b>				
Buildings	11,489,124	-	-	11,489,124
Streets, Bridges and Sidewalks	23,470,767	-	-	23,470,767
Storm Sewers	5,563,579	-	-	5,563,579
Vehicles and Equipment	3,703,423	200,201	332,584	3,571,040
	<u>44,226,893</u>	<u>200,201</u>	<u>332,584</u>	<u>44,094,510</u>
<b>Less Accumulated Depreciation</b>				
Buildings	4,959,202	272,123	-	5,231,325
Streets, Bridges and Sidewalks	9,323,978	379,662	-	9,703,640
Storm Sewers	1,796,358	72,258	-	1,868,616
Vehicles and Equipment	2,371,851	222,516	321,936	2,272,431
	<u>18,451,389</u>	<u>946,559</u>	<u>321,936</u>	<u>19,076,012</u>
 Total Depreciable Capital Assets	 <u>25,775,504</u>	 <u>(746,358)</u>	 <u>10,648</u>	 <u>25,018,498</u>
 Total Capital Assets	 <u>69,590,797</u>	 <u>(55,411)</u>	 <u>110,827</u>	 <u>69,424,559</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 120,133
Public Safety	170,712
Public Works	<u>655,714</u>
	<u>946,559</u>

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

---

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Business-Type Activities**

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Vehicles and Equipment	\$ 1,395,094	-	30,000	1,365,094
Water and Sewer Infrastructure	24,153,632	726,275	-	24,879,907
	<u>25,548,726</u>	<u>726,275</u>	<u>30,000</u>	<u>26,245,001</u>
Less Accumulated Depreciation				
Vehicles and Equipment	1,130,811	72,736	30,000	1,173,547
Water and Sewer Infrastructure	7,250,061	320,269	-	7,570,330
	<u>8,380,872</u>	<u>393,005</u>	<u>30,000</u>	<u>8,743,877</u>
 Total Capital Assets	 <u>17,167,854</u>	 <u>333,270</u>	 <u>-</u>	 <u>17,501,124</u>

Depreciation expense of \$393,005 was charged to the Water and Sewer Fund.

**PROPERTY TAXES**

Property taxes for 2018 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2017. The County collects such taxes and remits them periodically. Those 2018 taxes are intended to finance the 2020 fiscal year and are not considered available for current operations and are, therefore, shown as a deferred inflow at year-end. The 2019 tax levy has not been recorded as a receivable at April 30, 2019. The tax is attached as a lien on property as of January 1, 2019; however, the tax will not be levied until December 2019 and, accordingly, is not measurable at April 30, 2019.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**Interfund Balances**

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Motor Fuel Tax	\$ 14,864
Nonmajor Governmental	General	<u>67,019</u>
		<u><u>81,883</u></u>

**Interfund Transfers**

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	\$ 28,225 (1)
Capital Maintenance and Replacement	General	37,000 (2)
Capital Maintenance and Replacement	Nonmajor Governmental	<u>300,000 (1)</u>
		<u><u>365,225</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Interfund Advances**

Interfund advances as of the date of this report are as follows:

Advance to	Advance from	Amount
General	TIF District #3	\$ 3,500,701
General	Nonmajor	<u>926,796</u>
		<u><u>4,427,497</u></u>

Interfund advances represent payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 891,441	139,700	69,850	961,291	192,258
Net Pension Liability					
IMRF	384,707	1,528,022	-	1,912,729	-
Police Pension	8,158,920	461,602	-	8,620,522	-
Total OPEB Liability - RBP	<u>1,775,423</u>	<u>-</u>	<u>30,935</u>	<u>1,744,488</u>	<u>-</u>
	<u>11,210,491</u>	<u>2,129,324</u>	<u>100,785</u>	<u>13,239,030</u>	<u>192,258</u>
<b>Business-Type Activities</b>					
Compensated Absences	106,488	73,168	36,584	143,072	28,614
Net Pension Liability					
IMRF	143,413	580,758	-	724,171	-
Total OPEB Liability - RBP	<u>133,634</u>	<u>148,350</u>	<u>-</u>	<u>281,984</u>	<u>-</u>
	<u>383,535</u>	<u>802,276</u>	<u>36,584</u>	<u>1,149,227</u>	<u>28,614</u>

For the governmental activities, the General Fund makes payments on the compensated absences, the total OPEB liability, and the total OPEB liability. For the business-type activities, the Water and Sewer Fund makes payments on the compensated absences, the net pension liability, and the total OPEB liability.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**FUND BALANCE CLASSIFICATIONS**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue	Capital Projects		Nonmajor	Totals
		Motor Fuel Tax	Capital Maintenance and Replacement	TIF District #3		
<b>Fund Balances</b>						
<b>Nonspendable</b>						
Advances	\$ 4,427,497	-	-	-	-	4,427,497
Prepays	88,910	-	-	-	-	88,910
	<u>4,516,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,516,407</u>
<b>Restricted</b>						
Maintenance of Roadways	-	939,287	-	-	-	939,287
Seized Assets	-	-	-	-	207,599	207,599
	<u>-</u>	<u>939,287</u>	<u>-</u>	<u>-</u>	<u>207,599</u>	<u>1,146,886</u>
<b>Committed</b>						
Tourism	-	-	-	-	1,511,198	1,511,198
<b>Assigned</b>						
Capital Projects	3,819,958	-	1,759,107	-	-	5,579,065
<b>Unassigned</b>	4,125,857	-	-	(3,503,991)	(945,141)	(323,275)
<b>Total Fund Balances</b>	<u>12,462,222</u>	<u>939,287</u>	<u>1,759,107</u>	<u>(3,503,991)</u>	<u>773,656</u>	<u>12,430,281</u>

In the governmental funds financial statements, the City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

*Minimum Fund Balance Policy.* The City has established fund balance reserve policies for the General Fund. The General Fund targets 25% of the current fiscal year’s operating expenditures budget.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

## CITY OF WARRENVILLE, ILLINOIS

### Notes to the Financial Statements April 30, 2019

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### FUND BALANCE CLASSIFICATIONS – Continued

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the City Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the City Council itself or b) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. The City's highest level of decision-making authority is the City Council, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

#### NOTE 4 – OTHER INFORMATION

##### RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets, errors and omissions; natural disasters; and injuries to the City's employees. The City reports its risk management activities in the General Fund. The City purchases third party indemnity medical and dental insurance from a private insurance company. Premiums have been displayed as expenditures/expenses in appropriate funds. 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 participates in a risk management pool, the Illinois Public Risk Fund (IPRF), for workers' compensation insurance. IPRF is a self-insured pool for workers' compensation coverage. IPRF currently serves public entities and government agencies throughout Illinois. These participating public entities have pooled for workers' compensation. A Board of Trustees is elected by IPRF participants oversees the operation of the IPRF and governs it in accordance with State of Illinois rules and guidelines.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**Intergovernmental Personnel Benefit Cooperative (IPBC)**

Risks for medical and death benefits for employees and retirees are provided for through the City’s participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

**CONTINGENT LIABILITIES**

**Litigation**

The City is not currently involved in any lawsuits.

**Grants**

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

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS**

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. Separate reports are not issued for the Police Pension Plan. IMRF does issue 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](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount of pension expense recognized for the two pension plans is:

IMRF	\$ 584,646
Police Pension	<u>1,108,416</u>
	<u><u>1,693,062</u></u>

# CITY OF WARRENVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2019

---

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Illinois Municipal Retirement Fund (IMRF)

###### Plan Descriptions

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

*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.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Plan Membership.* As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	37
Inactive Plan Members Entitled to but not yet Receiving Benefits	19
Active Plan Members	<u>43</u>
Total	<u>99</u>

*Contributions.* As set by statute, the City’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. For the year-ended April 30, 2019, the City’s contribution was 10.30% of covered payroll.

*Net Pension Liability.* The City’s net pension liability was measured as of December 31, 2018. 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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

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

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</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	28.00%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25% and the prior year valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City 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 is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate 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 or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 4,892,448	2,636,900	782,909

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – 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, 2017	\$ 14,460,109	13,931,989	528,120
Changes for the Year:			
Service Cost	321,243	-	321,243
Interest on the Total Pension Liability	1,075,097	-	1,075,097
Difference Between Expected and Actual Experience of the Total Pension Liability	158,038	-	158,038
Changes of Assumptions	497,210	-	497,210
Contributions - Employer	-	368,879	(368,879)
Contributions - Employees	-	154,094	(154,094)
Net Investment Income	-	(711,225)	711,225
Benefit Payments, including Refunds of Employee Contributions	(572,208)	(572,208)	-
Other (Net Transfer)	-	131,060	(131,060)
Net Changes	1,479,380	(629,400)	2,108,780
Balances at December 31, 2018	15,939,489	13,302,589	2,636,900

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

For the year ended April 30, 2019, the City recognized pension expense of \$584,646. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 233,435	-	233,435
Change in Assumptions	389,381	(297,485)	91,896
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	864,907	-	864,907
Total Pension Expense to be Recognized in Future Periods	1,487,723	(297,485)	1,190,238
Pension Contributions Made Subsequent to the Measurement Date	99,353	-	99,353
Total Deferred Amounts Related to IMRF	<u>1,587,076</u>	<u>(297,485)</u>	<u>1,289,591</u>

\$99,353 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2020.

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
2020	\$ 385,464
2021	201,113
2022	190,880
2023	412,781
2024	-
Thereafter	-
Total	<u>1,190,238</u>

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan**

**Plan Descriptions**

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At April 30, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	14
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	<u>31</u>
Total	<u><u>47</u></u>

*Benefits Provided.* The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

**Plan Descriptions – Continued**

*Benefits Provided – Continued.* Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the preceding calendar year.

*Contributions.* 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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2019, the City's contribution was 36.80% of covered payroll.

*Concentrations.* At year end, the Pension Plan does not have any investments over 5 percent of the net position (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.00% - 8.06%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the independent actuary 2016 Illinois Police Mortality Rates.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75% in the current and prior year. 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 City 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.

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2019**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

**Discount Rate Sensitivity**

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate 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 or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 14,001,274	8,620,522	4,337,001

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2018	\$ 28,826,804	20,667,884	8,158,920
Changes for the Year:			
Service Cost	697,417	-	697,417
Interest on the Total Pension Liability	1,911,757	-	1,911,757
Difference Between Expected and Actual Experience of the Total Pension Liability	544,389	-	544,389
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,111,844	(1,111,844)
Contributions - Employees	-	298,954	(298,954)
Net Investment Income	-	1,309,471	(1,309,471)
Benefit Payments, including Refunds of Employee Contributions	(1,008,973)	(1,008,973)	-
Administrative Expense	-	(28,308)	28,308
Net Changes	2,144,590	1,682,988	461,602
Balances at April 30, 2019	30,971,394	22,350,872	8,620,522

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

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

For the year ended April 30, 2019, the City recognized pension revenue of \$1,108,416. At April 30, 2019, 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	Totals
Difference Between Expected and Actual Experience	\$ 621,475	(704,484)	(83,009)
Change in Assumptions	833,231	(1,183,467)	(350,236)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	275,198	-	275,198
Total Deferred Amounts Related to Police Pension	<u>1,729,904</u>	<u>(1,887,951)</u>	<u>(158,047)</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/ (Inflows) of Resources
2020	\$ 177,573
2021	(73,783)
2022	(24,628)
2023	(39,156)
2024	(121,679)
Thereafter	<u>(76,374)</u>
Total	<u>(158,047)</u>

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The City’s defined benefit OPEB plan, City of Warrenville Retiree Benefits Plan (RBP), provides OPEB for its eligible retired employees through a single employer defined benefit plan. SWRBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* RBP provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at the time of the employee’s retirement). To be eligible for benefits, the employee must qualify for retirement under one of the City’s two retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the City’s health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both plans.

*Plan Membership.* As of April 30, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	4
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>73</u>
Total	<u><u>77</u></u>

**Total OPEB Liability**

*Total OPEB Liability.* The City’s total OPEB liability was measured as of April 30, 2019. The total OPEB liability used to calculate the total liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the April 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Total OPEB Liability – Continued**

*Actuarial assumptions and other inputs – Continued.*

Inflation	2.75%
Salary Increases	2.75%
Discount Rate	3.79%
Healthcare Cost Trend Rates	The initial trend rate is based on the 2018 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range.
Retirees' Share of Benefit-Related Costs	Same as Healthcare Trend Rates

The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates.

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at April 30, 2018	<u>\$ 1,909,057</u>
Changes for the Year:	
Service Cost	75,380
Interest on the Total Pension Liability	74,328
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	41,281
Benefit Payments	<u>(73,574)</u>
Net Changes	<u>117,415</u>
Balance at April 30, 2019	<u><u>2,026,472</u></u>

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following is a sensitive analysis of the total OPEB liability to changes in the discount rate. The table below presents the OPEB liability of the City calculated using the discount rate as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (2.79%)	Current Discount Rate (3.79%)	1% Increase (4.79%)
Total OPEB Liability	\$ 2,329,204	2,026,472	1,776,983

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following is a sensitive analysis of the total OPEB liability to changes in the healthcare cost trend rates. The table below presents the OPEB liability of the City calculated using the discount rate as well as what the City’s total OPEB liability would be if it were calculated using healthcare trend rates that are one percentage point lower or one percentage point higher than the current rates:

	(6.70% decreasing to 4.00%)	Healthcare Cost Trend Rates (7.70% decreasing to 5.00%)	(8.70% decreasing to 6.00%)
Total OPEB Liability	\$ 1,747,666	2,026,472	2,367,093

**CITY OF WARRENVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended April 30, 2019, the City recognized OPEB expense of \$152,370. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	-	-
Change in Assumptions	38,619	-	38,619
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	<u>38,619</u>	-	<u>38,619</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 2,662
2021	2,662
2022	2,662
2023	2,662
2024	2,662
Thereafter	<u>25,309</u>
Total	<u><u>38,619</u></u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  
- Schedule of Changes in the Employer's Net Pension Liability
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  
- Schedule of Investment Returns
  - Police Pension Fund
  
- Schedule of Changes in the Employer's Total OPEB Liability
  - Retiree Benefits Plan
  
- Budgetary Comparison Schedule
  - General Fund
  - Motor Fuel Tax – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**CITY OF WARRENVILLE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2019**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 356,679	\$ 356,679	\$ -	\$ 3,181,800	11.21%
2017	355,980	484,033	128,053	3,106,286	15.58%
2018	366,824	372,725	5,901	3,238,802	11.51%
2019	357,592	357,592	-	3,471,342	10.30%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**CITY OF WARRENVILLE, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2019**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 754,200	\$ 966,691	\$ 212,491	\$ 2,815,384	34.34%
2016	849,213	1,004,900	155,687	2,764,771	36.35%
2017	859,923	1,173,896	313,973	2,755,019	42.61%
2018	926,044	1,132,335	206,291	2,891,665	39.16%
2019	887,304	1,111,844	224,540	3,020,955	36.80%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	7.00%
Retirement Age	50-70
Mortality	RP 2014 projected to 2017

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**CITY OF WARRENVILLE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
April 30, 2019**

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 343,172
Interest	917,273
Differences Between Expected and Actual Experience	112,522
Change of Assumptions	35,968
Benefit Payments, Including Refunds of Member Contributions	<u>(419,635)</u>
Net Change in Total Pension Liability	989,300
Total Pension Liability - Beginning	<u>12,284,864</u>
Total Pension Liability - Ending	<u><u>13,274,164</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 356,679
Contributions - Members	164,720
Net Investment Income	55,543
Benefit Payments, Including Refunds of Member Contributions	(419,635)
Administrative Expense	<u>(215,101)</u>
Net Change in Plan Fiduciary Net Position	(57,794)
Plan Net Position - Beginning	<u>11,057,689</u>
Plan Net Position - Ending	<u><u>10,999,895</u></u>
Employer's Net Pension Liability	<u><u>\$ 2,274,269</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.87%
Covered Payroll	\$ 3,181,800
Employer's Net Pension Liability as a Percentage of Covered Payroll	71.48%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/16	12/31/17	12/31/18
335,061	341,741	321,243
979,831	1,045,328	1,075,097
164,724	67,703	158,038
(56,048)	(480,229)	497,210
(649,632)	(562,534)	(572,208)
773,936	412,009	1,479,380
13,274,164	14,048,100	14,460,109
14,048,100	14,460,109	15,939,489
484,033	371,152	368,879
139,783	142,898	154,094
746,501	2,115,285	(711,225)
(649,632)	(562,534)	(572,208)
325,850	(181,242)	131,060
1,046,535	1,885,559	(629,400)
10,999,895	12,046,430	13,931,989
12,046,430	13,931,989	13,302,589
2,001,670	528,120	2,636,900
85.75%	96.35%	83.46%
3,106,286	3,175,497	3,390,432
64.44%	16.63%	77.77%

**CITY OF WARRENVILLE, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
April 30, 2019**

---

---

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 715,618
Interest	1,592,450
Differences Between Expected and Actual Experience	(9,602)
Changes of Assumptions	-
Benefit Payments, Including	
Refunds of Member Contributions	<u>(663,425)</u>
Net Change in Total Pension Liability	1,635,041
Total Pension Liability - Beginning	<u>23,080,994</u>
Total Pension Liability - Ending	<u><u>24,716,035</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 966,691
Contributions - Members	273,038
Net Investment Income	1,134,686
Benefit Payments, Including	
Refunds of Member Contributions	(663,425)
Administrative Expense	<u>(5,797)</u>
Net Change in Plan Fiduciary Net Position	1,705,193
Plan Net Position - Beginning	<u>14,934,906</u>
Plan Net Position - Ending	<u><u>16,640,099</u></u>
Employer's Net Pension Liability	<u><u>\$ 8,075,936</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.33%
Covered Payroll	\$ 2,815,384
Employer's Net Pension Liability as a Percentage of Covered Payroll	286.85%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2016	2017	2018	2019
724,682	712,249	762,106	697,417
1,700,825	1,880,277	1,957,384	1,911,757
(606,763)	208,073	(495,049)	544,389
1,581,439	(800,026)	(879,287)	-
(837,061)	(836,094)	(961,986)	(1,008,973)
2,563,122	1,164,479	383,168	2,144,590
24,716,035	27,279,157	28,443,636	28,826,804
27,279,157	28,443,636	28,826,804	30,971,394
1,004,900	1,173,896	1,132,335	1,111,844
264,105	273,581	285,759	298,954
(49,051)	1,454,438	1,225,299	1,309,471
(837,061)	(836,094)	(961,986)	(1,008,973)
(51,206)	(22,534)	(28,596)	(28,308)
331,687	2,043,287	1,652,811	1,682,988
16,640,099	16,971,786	19,015,073	20,667,884
16,971,786	19,015,073	20,667,884	22,350,872
10,307,371	9,428,563	8,158,920	8,620,522
62.22%	66.85%	71.70%	72.17%
2,764,771	2,755,019	2,891,665	3,020,955
372.81%	342.23%	282.15%	285.36%

**CITY OF WARRENVILLE, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Investment Returns  
April 30, 2019**

---

---

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	7.41%
2016	(0.46%)
2017	8.28%
2018	6.28%
2019	6.22%

Note:  
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**CITY OF WARRENVILLE, ILLINOIS**

**Retiree Benefit Plan**

**Required Supplementary Information  
Schedule of Changes in the Employer's Total OPEB Liability  
April 30, 2019**

	2018	2019
Total OPEB Liability		
Service Cost	\$ 72,502	75,380
Interest	71,367	74,328
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	-
Change of Assumptions or Other Inputs	-	41,281
Benefit Payments	(64,905)	(73,574)
Net Change in Total OPEB Liability	78,964	117,415
Total OPEB Liability - Beginning	1,830,093	1,909,057
Total OPEB Liability - Ending	1,909,057	2,026,472
Covered Payroll	\$ 6,775,769	6,889,394
Total OPEB Liability as a Percentage of Covered Payroll	28.17%	29.41%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

*Changes of Benefit Terms.* There was no change in the retirees' share of health insurance premiums.

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	PPO	HMO
2020	7.10%	6.48%
2021	6.80%	6.27%
2022	6.50%	6.06%
2023	6.20%	5.84%
2024	5.90%	5.63%
2025	5.60%	5.42%
2026	5.30%	5.21%
2027	5.00%	5.00%
2028	5.00%	5.00%
Ultimate	5.00%	5.00%

In 2019, there was no change in the healthcare trend rates from the prior year.

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 6,055,154	6,055,154	5,821,401	(233,753)
Intergovernmental	4,011,333	4,011,333	4,032,117	20,784
Licenses and Permits	1,136,315	1,136,315	1,006,347	(129,968)
Fines and Forfeits	257,009	257,009	398,898	141,889
Investment Income	3,990	3,990	259,262	255,272
Miscellaneous	104,349	104,349	144,731	40,382
Total Revenues	<u>11,568,150</u>	<u>11,568,150</u>	<u>11,662,756</u>	<u>94,606</u>
Expenditures				
Current				
General Government	5,953,428	5,953,428	4,508,388	(1,445,040)
Public Safety	6,433,868	6,433,868	6,190,811	(243,057)
Public Works	2,547,509	2,547,509	1,957,984	(589,525)
Culture and Recreation	83,127	83,127	62,572	(20,555)
Total Expenditures	<u>15,017,932</u>	<u>15,017,932</u>	<u>12,719,755</u>	<u>(2,298,177)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,449,782)</u>	<u>(3,449,782)</u>	<u>(1,056,999)</u>	<u>2,392,783</u>
Other Financing Sources (Uses)				
Disposal of Capital Assets	6,117	6,117	106	(6,011)
Transfers In	21,193	21,193	28,225	7,032
Transfers Out	(37,000)	(37,000)	(37,000)	-
	<u>(9,690)</u>	<u>(9,690)</u>	<u>(8,669)</u>	<u>1,021</u>
Net Change in Fund Balance	<u>(3,459,472)</u>	<u>(3,459,472)</u>	<u>(1,065,668)</u>	<u>2,393,804</u>
Fund Balance - Beginning			<u>13,527,890</u>	
Fund Balance - Ending			<u><u>12,462,222</u></u>	

**CITY OF WARRENVILLE, ILLINOIS**

**Motor Fuel Tax - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Intergovernmental				
Motor Fuel Tax	\$ 338,355	338,355	333,554	(4,801)
Investment Income	5,450	5,450	20,533	15,083
Total Revenues	<u>343,805</u>	<u>343,805</u>	<u>354,087</u>	<u>10,282</u>
Expenditures				
Public Works				
Supplies and Services	66,250	66,250	55,533	(10,717)
Maintenance	<u>223,775</u>	<u>223,775</u>	<u>197,826</u>	<u>(25,949)</u>
Total Expenditures	<u>290,025</u>	<u>290,025</u>	<u>253,359</u>	<u>(36,666)</u>
Net Change in Fund Balance	<u>53,780</u>	<u>53,780</u>	100,728	<u>46,948</u>
Fund Balance - Beginning			<u>838,559</u>	
Fund Balance - Ending			<u><u>939,287</u></u>	

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedule – Enterprise Fund
- Budgetary Comparison Schedule – Pension Trust Fund
- Consolidated Year-End Financial Report

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

---

## **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

---

## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

### **Seized Assets Fund**

The Seized Assets Fund is used to account for money and physical assets seized during drug-related arrests restricted for public safety expenditures.

### **Hotel/Motel Tax Fund**

The Hotel/Motel Tax Fund is used to account for the accumulation of resources from payment of hotel/motel taxes. The City has established a 5% hotel tax pursuant to state law. Funds are committed to promoting tourism and conventions within the municipality.

---

## **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

### **Capital Maintenance and Replacement Fund**

The Capital Maintenance and Replacement Fund is used to account for the accumulated funds assigned for the maintenance and replacement of major capital assets.

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

---

## **CAPITAL PROJECTS FUNDS – Continued**

### **TIF District #3 Fund**

The TIF District #3 Fund is used to account for the incremental property tax revenues received from the City's designated Old Town Civic Center TIF District that are restricted to be used for the development of the designated site.

### **TIF District #4 Fund**

The TIF District #4 Fund is used to account for the incremental property tax revenues received from the City's designated Southwest/Route 59 Corridor TIF District that are restricted to be used for the development of the designated site.

---

## **ENTERPRISE FUND**

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

### **Water and Sewer Fund**

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

---

## **FIDUCIARY FUND**

### **PENSION TRUST FUND**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for disability or retirement annuity payments to sworn police department personnel in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an independent actuary from a specific property tax levy.

---

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance Over (Under)
	Original	Final		
<b>Taxes</b>				
Property Tax				
General Corporate	\$ 1,344,993	1,344,993	1,339,667	(5,326)
Police Protection	363,356	363,356	362,182	(1,174)
FICA	279,709	279,709	278,738	(971)
Police Pension	887,304	887,304	861,844	(25,460)
IMRF	184,997	184,997	184,134	(863)
Audit	16,375	16,375	16,486	111
Non Current	-	-	1,140	1,140
Tort and Liability	96,482	96,482	96,379	(103)
Workers' Compensation	61,961	61,961	61,632	(329)
Crossing Guards	37,619	37,619	37,791	172
Road and Bridge	159,771	159,771	159,279	(492)
Township Road and Bridge	55,900	55,900	55,979	79
Personal Property Replacement	45,928	45,928	38,756	(7,172)
Home Rule Sales	1,838,995	1,838,995	1,652,599	(186,396)
Food and Beverage	673,691	673,691	664,142	(9,549)
Auto Rental	8,073	8,073	10,653	2,580
Total Taxes	6,055,154	6,055,154	5,821,401	(233,753)
<b>Intergovernmental</b>				
Income Tax	1,258,812	1,258,812	1,359,403	100,591
State Sales Tax	2,386,174	2,386,174	2,128,301	(257,873)
Local Use Tax	345,582	345,582	406,513	60,931
Grants	20,765	20,765	137,900	117,135
Total Intergovernmental	4,011,333	4,011,333	4,032,117	20,784

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance Over (Under)
	Original	Final		
<b>Licenses and Permits</b>				
Liquor Licenses	\$ 48,600	48,600	64,885	16,285
Business Licenses	4,688	4,688	4,730	42
Refuse Collection Licenses	4,500	4,500	4,500	-
Dog Licenses	1,148	1,148	920	(228)
Other Business Licenses	24,297	24,297	22,925	(1,372)
Building Permits	228,142	228,142	116,366	(111,776)
Electric Permits	34,341	34,341	9,142	(25,199)
Plumbing Permits	19,587	19,587	6,548	(13,039)
Building Plan Review Fees	143,066	143,066	4,785	(138,281)
Traffic Impact Fees	6,000	6,000	6,813	813
Other Permits	11,610	11,610	21,986	10,376
Overweight Permit Fees	6,756	6,756	4,055	(2,701)
Re-Inspection Fees	300	300	210	(90)
Annexation Fees	1,000	1,000	-	(1,000)
Senior Taxi Coupons	204	204	-	(204)
Site Plan Review Fees	28,880	28,880	66,004	37,124
Engineer Review and Inspection Fees	153,990	153,990	205,167	51,177
Public Hearing Fees	8,640	8,640	9,360	720
Recording Fees	450	450	(369)	(819)
Stormwater Management Fees	69,850	69,850	134,240	64,390
Preliminary Consultative Fees	10,500	10,500	8,500	(2,000)
New Elevator and Inspection Fees	15,150	15,150	12,313	(2,837)
Elevator Re-Inspection	-	-	2,191	2,191
Vacant Building Registration	1,000	1,000	1,675	675
Code Enforcement Adjudication	750	750	750	-
False Alarm Calls	4,650	4,650	17,000	12,350
Fingerprinting	4,474	4,474	2,600	(1,874)
Refuse Stickers	83,212	83,212	65,145	(18,067)
Franchise Fees	220,530	220,530	213,906	(6,624)
<b>Total Licenses and Permits</b>	<b>1,136,315</b>	<b>1,136,315</b>	<b>1,006,347</b>	<b>(129,968)</b>
<b>Fines and Forfeits</b>				
Circuit Court Fines	179,872	179,872	185,345	5,473
Parking Fines and Ordinance Violations	20,137	20,137	106,816	86,679
Other Fines and Forfeitures	1,219	1,219	58,337	57,118

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance Over (Under)
	Original	Final		
Fines and Forfeitures - Continued				
Administrative Towing Fee	\$ 48,217	48,217	43,180	(5,037)
Booking Fees	7,239	7,239	5,120	(2,119)
Penalties	325	325	100	(225)
Total Fines and Forfeitures	257,009	257,009	398,898	141,889
Investment Income	3,990	3,990	259,262	255,272
Miscellaneous				
Rental Income	34,690	34,690	34,768	78
IPBC Terminal Reserve	-	-	45,126	45,126
Other	69,659	69,659	64,837	(4,822)
Total Miscellaneous	104,349	104,349	144,731	40,382
Total Revenues	11,568,150	11,568,150	11,662,756	94,606

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance Over (Under)
	Original	Final		
<b>General Government</b>				
<b>Mayor and Council</b>				
Personnel	\$ 80,523	80,523	80,522	(1)
Supplies and Services	53,698	53,698	41,616	(12,082)
Miscellaneous	11,600	11,600	3,126	(8,474)
<b>Total Mayor and Council</b>	<b>145,821</b>	<b>145,821</b>	<b>125,264</b>	<b>(20,557)</b>
<b>Legal</b>				
Supplies and Services	268,000	268,000	213,487	(54,513)
<b>Finance</b>				
Personnel	331,891	331,891	302,014	(29,877)
Supplies and Services	424,690	424,690	255,355	(169,335)
Miscellaneous	685	685	514	(171)
Capital	-	-	78	78
<b>Total Finance</b>	<b>757,266</b>	<b>757,266</b>	<b>557,961</b>	<b>(199,305)</b>
<b>Administration</b>				
Personnel	407,993	407,993	373,757	(34,236)
Supplies and Services	83,702	83,702	65,789	(17,913)
Miscellaneous	5,513	5,513	8,485	2,972
Capital	895	895	375	(520)
<b>Total Administration</b>	<b>498,103</b>	<b>498,103</b>	<b>448,406</b>	<b>(49,697)</b>
<b>Central Services</b>				
Personnel	999,046	999,046	1,008,672	9,626
Supplies and Services	1,665,187	1,665,187	700,250	(964,937)
Maintenance	456,362	456,362	409,558	(46,804)
<b>Total Central Services</b>	<b>3,120,595</b>	<b>3,120,595</b>	<b>2,118,480</b>	<b>(1,002,115)</b>

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance Over (Under)
	Original	Final		
General Government - Continued				
Community Development				
Personnel	\$ 894,329	894,329	856,353	(37,976)
Supplies and Services	220,415	220,415	176,833	(43,582)
Maintenance	1,000	1,000	1,822	822
Miscellaneous	3,250	3,250	1,441	(1,809)
Capital	25,600	25,600	6,006	(19,594)
Total Community Development	1,144,594	1,144,594	1,042,455	(102,139)
Municipal Van				
Personnel	33,051	33,051	32,023	(1,028)
Supplies and Services	10,638	10,638	10,229	(409)
Maintenance	400	400	223	(177)
Miscellaneous	15,100	15,100	-	(15,100)
Total Municipal Van	59,189	59,189	42,475	(16,714)
Less: Administrative Costs Charged to Other Departments and Funds				
	(40,140)	(40,140)	(40,140)	-
Total General Government	5,953,428	5,953,428	4,508,388	(1,445,040)
Public Safety				
Police Protection				
Personnel	5,513,333	5,513,333	5,341,387	(171,946)
Supplies and Services	703,045	703,045	652,072	(50,973)
Maintenance	90,943	90,943	105,272	14,329
Miscellaneous	14,250	14,250	8,355	(5,895)
Capital	66,825	66,825	63,130	(3,695)
Total Police Protection	6,388,396	6,388,396	6,170,216	(218,180)
EMA				
Personnel	6,459	6,459	5,490	(969)
Supplies and Services	14,400	14,400	1,421	(12,979)
Maintenance	4,901	4,901	9,860	4,959
Miscellaneous	6,500	6,500	-	(6,500)
Capital	500	500	-	(500)
Total EMA	32,760	32,760	16,771	(15,989)

**CITY OF WARRENVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance Over (Under)
	Original	Final		
Public Safety - Continued				
Police Commission				
Supplies and Services	\$ 12,712	12,712	3,824	(8,888)
Total Public Safety	6,433,868	6,433,868	6,190,811	(243,057)
Public Works				
Streets				
Personnel	773,259	773,259	797,099	23,840
Supplies and Services	395,006	395,006	332,660	(62,346)
Maintenance	732,700	732,700	462,224	(270,476)
Miscellaneous	96,500	96,500	26,277	(70,223)
Capital	41,500	41,500	19,613	(21,887)
Total Streets	2,038,965	2,038,965	1,637,873	(401,092)
Road and Bridge				
Personnel	83,389	83,389	80,976	(2,413)
Buildings and Grounds				
Personnel	104,998	104,998	97,480	(7,518)
Supplies and Services	7,032	7,032	6,189	(843)
Maintenance	307,775	307,775	135,466	(172,309)
Capital	5,350	5,350	-	(5,350)
Total Buildings and Grounds	425,155	425,155	239,135	(186,020)
Total Public Works	2,547,509	2,547,509	1,957,984	(589,525)
Culture and Recreation				
Parks and Recreation				
Supplies and Services	12,267	12,267	14,309	2,042
Maintenance	40,100	40,100	27,370	(12,730)
Miscellaneous	10,760	10,760	8,515	(2,245)
Capital	20,000	20,000	12,378	(7,622)
Total Culture and Recreation	83,127	83,127	62,572	(20,555)
Total Expenditures	15,017,932	15,017,932	12,719,755	(2,298,177)

**CITY OF WARRENVILLE, ILLINOIS**

**Capital Maintenance and Replacement - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Taxes				
Telecommunications	\$ 515,148	515,148	457,154	(57,994)
Amusement	291,209	291,209	305,106	13,897
Natural Gas	150,562	150,562	156,743	6,181
Electric Utility	96,695	96,695	96,833	138
Local Motor Fuel	529,367	529,367	410,151	(119,216)
Investment Income	1,000	1,000	28,062	27,062
Miscellaneous	-	-	4,723	4,723
Total Revenues	<u>1,583,981</u>	<u>1,583,981</u>	<u>1,458,772</u>	<u>(125,209)</u>
Expenditures				
Capital Outlay				
Supplies and Services	75,500	75,500	98,056	22,556
Maintenance	15,000	15,000	16,314	1,314
Capital	<u>1,157,335</u>	<u>1,157,335</u>	<u>1,107,534</u>	<u>(49,801)</u>
Total Expenditures	<u>1,247,835</u>	<u>1,247,835</u>	<u>1,221,904</u>	<u>(25,931)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>336,146</u>	<u>336,146</u>	<u>236,868</u>	<u>(99,278)</u>
Other Financing Sources				
Disposal of Capital Assets	15,419	15,419	67,554	52,135
Transfers In	<u>337,000</u>	<u>337,000</u>	<u>337,000</u>	<u>-</u>
	<u>352,419</u>	<u>352,419</u>	<u>404,554</u>	<u>52,135</u>
Net Change in Fund Balance	<u><u>688,565</u></u>	<u><u>688,565</u></u>	<u>641,422</u>	<u><u>(47,143)</u></u>
Fund Balance - Beginning			<u>1,117,685</u>	
Fund Balance - Ending			<u><u>1,759,107</u></u>	

**CITY OF WARRENVILLE, ILLINOIS**

**TIF District #3 - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Taxes				
Property	\$ 16,052	16,052	52,960	36,908
Expenditures				
Economic Development				
Supplies and Services	316,180	316,180	13,675	(302,505)
Capital Outlay				
City Projects	300,000	300,000	202,948	(97,052)
Land Purchases	392,000	392,000	2,000	(390,000)
Total Expenditures	<u>1,008,180</u>	<u>1,008,180</u>	218,623	<u>(789,557)</u>
Net Change in Fund Balance	<u>(992,128)</u>	<u>(992,128)</u>	(165,663)	<u>826,465</u>
Fund Balance - Beginning			<u>(3,338,328)</u>	
Fund Balance - Ending			<u><u>(3,503,991)</u></u>	

**CITY OF WARRENVILLE, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
April 30, 2019**

	Special Revenue		Capital Projects	Totals
	Seized Assets	Hotel/ Motel Tax	TIF District #4	
<b>ASSETS</b>				
Cash and Investments	\$ 140,207	1,457,577	255,153	1,852,937
Receivables - Net of Allowances				
Property Taxes	-	-	117,100	117,100
Other Taxes	400	71,292	-	71,692
Interest	-	2,893	-	2,893
Due from Other Funds	67,019	-	-	67,019
Total Assets	207,626	1,531,762	372,253	2,111,641
<b>LIABILITIES</b>				
Accounts Payable	27	20,564	220,674	241,265
Other Payables	-	-	52,824	52,824
Advances from Other Funds	-	-	926,796	926,796
Total Liabilities	27	20,564	1,200,294	1,220,885
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	-	-	117,100	117,100
Total Liabilities and Deferred Inflows of Resources	27	20,564	1,317,394	1,337,985
<b>FUND BALANCES</b>				
Restricted	207,599	-	-	207,599
Committed	-	1,511,198	-	1,511,198
Unassigned	-	-	(945,141)	(945,141)
Total Fund Balances	207,599	1,511,198	(945,141)	773,656
Total Liabilities, Deferred Inflows of Resources and Fund Balance	207,626	1,531,762	372,253	2,111,641

**CITY OF WARRENVILLE, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended April 30, 2019**

	Special Revenue		Capital Projects	Totals
	Seized Assets	Hotel/ Motel Tax	TIF District #4	
Revenues				
Taxes	\$ -	863,374	92,283	955,657
Investment Income	41	10,072	-	10,113
Miscellaneous	23,765	-	16,023	39,788
Total Revenues	23,806	873,446	108,306	1,005,558
Expenditures				
Current				
Public Safety	999	-	-	999
Culture and Recreation	-	221,229	-	221,229
Economic Development	-	-	101,566	101,566
Capital Outlay	-	33,642	543,776	577,418
Total Expenditures	999	254,871	645,342	901,212
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,807	618,575	(537,036)	104,346
Other Financing (Uses)				
Transfers Out	(8,160)	(320,065)	-	(328,225)
Net Change in Fund Balances	14,647	298,510	(537,036)	(223,879)
Fund Balances - Beginning	192,952	1,212,688	(408,105)	997,535
Fund Balances -Ending	207,599	1,511,198	(945,141)	773,656

**CITY OF WARRENVILLE, ILLINOIS**

**Seized Assets - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Investment Income	\$ 50	50	41	(9)
Miscellaneous	21,800	21,800	23,765	1,965
Total Revenues	21,850	21,850	23,806	1,956
Expenditures				
Public Safety				
Supplies and Services	3,500	3,500	999	(2,501)
Excess (Deficiency) of Revenues Over (Under) Expenditures	18,350	18,350	22,807	4,457
Other Financing (Uses)				
Transfers Out	(8,160)	(8,160)	(8,160)	-
Net Change in Fund Balance	10,190	10,190	14,647	4,457
Fund Balance - Beginning			192,952	
Fund Balance - Ending			207,599	

**CITY OF WARRENVILLE, ILLINOIS**

**Hotel/Motel - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Taxes				
Hotel/Motel	\$ 937,798	937,798	863,374	(74,424)
Investment Income	100	100	10,072	9,972
Total Revenues	<u>937,898</u>	<u>937,898</u>	<u>873,446</u>	<u>(64,452)</u>
Expenditures				
Culture and Recreation				
Supplies and Services	261,332	261,332	221,229	(40,103)
Capital Outlay				
City Projects	52,000	52,000	33,642	(18,358)
Total Expenditures	<u>313,332</u>	<u>313,332</u>	<u>254,871</u>	<u>(58,461)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	624,566	624,566	618,575	(5,991)
Other Financing (Uses)				
Transfers Out	<u>(300,000)</u>	<u>(300,000)</u>	<u>(320,065)</u>	<u>(20,065)</u>
Net Change in Fund Balance	<u>324,566</u>	<u>324,566</u>	298,510	<u>(26,056)</u>
Fund Balance - Beginning			<u>1,212,688</u>	
Fund Balance - Ending			<u>1,511,198</u>	

**CITY OF WARRENVILLE, ILLINOIS**

**TIF District #4 - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Taxes				
Property	\$ 48,714	48,714	92,283	43,569
Miscellaneous	-	-	16,023	16,023
Total Revenues	<u>48,714</u>	<u>48,714</u>	<u>108,306</u>	<u>59,592</u>
Expenditures				
Economic Development				
Supplies and Services	196,480	196,480	101,566	(94,914)
Capital Outlay				
City Projects	860,000	860,000	543,776	(316,224)
Land Purchases	70,000	70,000	-	(70,000)
Total Expenditures	<u>1,126,480</u>	<u>1,126,480</u>	<u>645,342</u>	<u>(481,138)</u>
Net Change in Fund Balance	<u>(1,077,766)</u>	<u>(1,077,766)</u>	(537,036)	<u>540,730</u>
Fund Balance - Beginning			<u>(408,105)</u>	
Fund Balance - Ending			<u>(945,141)</u>	

**CITY OF WARRENVILLE, ILLINOIS**

**Water and Sewer - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Revenues				
Charges for Services				
Water Sales	\$ 975,641	975,641	972,074	(3,567)
Sewer Sales	2,005,172	2,005,172	1,956,142	(49,030)
Meter Sales	12,306	12,306	11,128	(1,178)
Penalties	32,460	32,460	31,126	(1,334)
Miscellaneous	24,929	24,929	8,924	(16,005)
Total Operating Revenues	<u>3,050,508</u>	<u>3,050,508</u>	<u>2,979,394</u>	<u>(71,114)</u>
Operating Expenses				
Operations				
Waterworks	1,759,847	1,883,740	1,773,449	(110,291)
Sewerage	3,221,155	3,333,206	2,258,182	(1,075,024)
Total Operating Expenses	<u>4,981,002</u>	<u>5,216,946</u>	<u>4,031,631</u>	<u>(1,185,315)</u>
Operating Income (Loss) Before Depreciation	(1,930,494)	(2,166,438)	(1,052,237)	1,114,201
Depreciation	<u>354,926</u>	<u>354,926</u>	<u>393,005</u>	<u>38,079</u>
Operating Income (Loss)	<u>(2,285,420)</u>	<u>(2,521,364)</u>	<u>(1,445,242)</u>	<u>1,076,122</u>
Nonoperating Revenues (Expenses)				
Tap-On Connection Fees	73,904	73,904	61,100	(12,804)
Investment Income	6,412	6,412	146,544	140,132
Rental Income	371,510	371,510	371,778	268
	<u>451,826</u>	<u>451,826</u>	<u>579,422</u>	<u>127,596</u>
Income (Loss) before Contributions	(1,833,594)	(2,069,538)	(865,820)	1,203,718
Capital Contribution	-	-	298,286	298,286
Change in Net Position	<u>(1,833,594)</u>	<u>(2,069,538)</u>	<u>(567,534)</u>	<u>1,502,004</u>
Net Position - Beginning			<u>22,048,855</u>	
Net Position - Ending			<u>21,481,321</u>	

**CITY OF WARRENVILLE, ILLINOIS**

**Water and Sewer - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance
	Original	Final		Over (Under)
Operating Expenses				
Waterworks				
Personnel				
Salaries	\$ 539,731	539,731	546,189	6,458
FICA/Medicare/IMRF	100,606	100,606	161,703	61,097
Employee Insurance	83,502	83,502	93,307	9,805
Accrued Sick/Com Time/OPEB	17,994	17,994	179,560	161,566
Total Personnel	741,833	741,833	980,759	238,926
Maintenance				
Building	5,000	5,000	17,822	12,822
Water Tower	6,000	6,000	-	(6,000)
Equipment	13,000	13,000	17,613	4,613
Software	6,035	6,035	11,284	5,249
Grounds	-	-	3,846	3,846
Utility System	75,000	75,000	73,960	(1,040)
Communications	10,417	10,417	8,793	(1,624)
Total Maintenance	115,452	115,452	133,318	17,866
Supplies and Services				
General Insurance	32,600	32,600	34,150	1,550
Telephone	5,919	5,919	18,880	12,961
Utilities	76,945	76,945	73,159	(3,786)
Rental	6,347	6,347	6,451	104
Travel	2,475	2,475	3,323	848
Postage	8,169	8,169	6,386	(1,783)
Printing/Publishing	10,046	10,046	7,436	(2,610)
Liens	160	160	231	71
Legal and Accounting	500	500	14,310	13,810
Annual Audit	2,142	2,142	2,142	-
Engineering	357,250	357,250	31,508	(325,742)
Other Professional Services	16,350	16,350	16,239	(111)
J.U.L.I.E.	1,100	1,100	1,649	549
Dues and Subscriptions	1,125	1,125	(170)	(1,295)
Supplies	1,250	1,250	979	(271)
Small Tools	1,000	1,000	1,299	299
Uniforms	3,450	3,450	2,993	(457)
Gas/Oil	7,914	7,914	7,862	(52)

**CITY OF WARRENVILLE, ILLINOIS**

**Water and Sewer - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Expenses - Continued				
Waterworks - Continued				
Supplies and Services - Continued				
Chlorination	\$ 61,500	61,500	54,291	(7,209)
Administrative	20,070	20,070	20,070	-
Meters	71,000	71,000	125,159	54,159
Miscellaneous	250	250	4,352	4,102
Total Supplies and Services	687,562	687,562	432,699	(254,863)
Capital				
Water Main Improvements	112,000	235,893	143,997	(91,896)
Building Improvements	2,000	2,000	745	(1,255)
Capital Operating Costs	69,000	69,000	48,434	(20,566)
Equipment Purchase	32,000	32,000	33,497	1,497
Total Capital	215,000	338,893	226,673	(112,220)
Total Waterworks	1,759,847	1,883,740	1,773,449	(110,291)
Sewerage				
Personnel				
Salaries	408,307	408,307	412,991	4,684
FICA/Medicare/IMRF	76,110	76,110	72,332	(3,778)
Employee Insurance	59,253	59,253	69,230	9,977
Total Personnel	543,670	543,670	554,553	10,883
Maintenance				
Building	3,486	3,486	14,646	11,160
Equipment	7,000	7,000	11,571	4,571
Software	4,023	4,023	4,196	173
Grounds	-	-	2,713	2,713
Utility System	15,000	15,000	33,629	18,629
Communications	7,200	7,200	6,543	(657)
Total Maintenance	36,709	36,709	73,298	36,589
Supplies and Services				
General Insurance	27,988	27,988	29,538	1,550
Telephone	4,272	4,272	12,586	8,314

CITY OF WARRENVILLE, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019

	Budget		Actual	Variance
	Original	Final		Over (Under)
Operating Expenses - Continued				
Sewerage - Continued				
Supplies and Services - Continued				
Utilities	\$ 19,282	19,282	22,588	3,306
Rental	6,065	6,065	6,134	69
Travel	3,475	3,475	2,416	(1,059)
Postage	8,169	8,169	6,252	(1,917)
Printing/Publishing	4,814	4,814	6,613	1,799
Liens	160	160	231	71
Legal	500	500	-	(500)
Annual Audit	2,142	2,142	2,142	-
Engineering	255,750	255,750	149,068	(106,682)
Other Professional Services	7,450	7,450	51	(7,399)
J.U.L.I.E.	1,100	1,100	1,060	(40)
Naperville Sewage Treatment	1,057,689	1,057,689	992,030	(65,659)
Dues and Subscriptions	1,625	1,625	1,072	(553)
Office Supplies	550	550	747	197
Small Tools	500	500	771	271
Uniforms	2,500	2,500	1,920	(580)
Gas/Oil	5,275	5,275	5,873	598
Administrative	20,070	20,070	20,070	-
Meters	71,000	71,000	123,584	52,584
Overhead Sewer Grant	2,000	2,000	-	(2,000)
Infiltration Analysis	16,000	16,000	14,220	(1,780)
Miscellaneous	250	250	215	(35)
Total Supplies and Services	1,518,626	1,518,626	1,399,181	(119,445)
Capital				
Sewer Main Improvements	676,750	788,801	221,378	(567,423)
Capital Operating Costs	5,900	5,900	-	(5,900)
Land Purchase	430,000	430,000	-	(430,000)
Equipment Purchase	9,500	9,500	9,772	272
Total Capital	1,122,150	1,234,201	231,150	(1,003,051)
Total Sewerage	3,221,155	3,333,206	2,258,182	(1,075,024)
Depreciation	354,926	354,926	393,005	38,079
Total Operating Expenses	5,335,928	5,571,872	4,424,636	(1,147,236)

**CITY OF WARRENVILLE, ILLINOIS**

**Police Pension - Pension Trust Fund**

**Schedule of Changes in Fiduciary Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual	Variance Over (Under)
	Original	Final		
<b>Additions</b>				
Contributions - Employer	\$ 1,138,055	1,138,055	1,111,844	(26,211)
Contributions - Plan Members	302,473	302,473	298,954	(3,519)
Total Contributions	<u>1,440,528</u>	<u>1,440,528</u>	<u>1,410,798</u>	<u>(29,730)</u>
<b>Investment Income</b>				
Interest Income	1,750,000	1,750,000	903,632	(846,368)
Net Change in Fair Value	-	-	442,953	442,953
	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,346,585</u>	<u>(403,415)</u>
Less Investment Expenses	-	-	(37,114)	37,114
Net Investment Income	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,309,471</u>	<u>(366,301)</u>
Total Additions	<u>3,190,528</u>	<u>3,190,528</u>	<u>2,720,269</u>	<u>(396,031)</u>
<b>Deductions</b>				
Administration	66,114	66,114	28,308	(37,806)
Benefits and Refunds	995,914	995,914	1,008,973	13,059
Total Deductions	<u>1,062,028</u>	<u>1,062,028</u>	<u>1,037,281</u>	<u>(24,747)</u>
Change in Fiduciary Net Position	<u>2,128,500</u>	<u>2,128,500</u>	1,682,988	<u>(371,284)</u>
<b>Net Position Restricted for Pensions</b>				
Beginning			<u>20,667,884</u>	
Ending			<u>22,350,872</u>	

**CITY OF WARRENVILLE, ILLINOIS**

**Consolidated Year-End Financial Report  
April 30, 2019**

---

---

CSFA #	Program Name	State	Federal	Other	Totals
494-00-1488	Motor Fuel Tax Program	\$ 253,359	-	-	253,359
444-26-1565	Tobacco Enforcement Program	1,210	-	-	1,210
494-42-0495	Local Surface Transportation	-	72,180	404,403	476,583
	Other Grant Programs and Activities	-	-	-	-
	All Other Costs Not Allocated	-	-	19,270,843	19,270,843
	Totals	<u>254,569</u>	<u>72,180</u>	<u>19,675,246</u>	<u>20,001,995</u>

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the 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.

#### 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.

#### Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources.

#### 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.

#### 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.

#### 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.

**CITY OF WARRENVILLE, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

	2010	2011	2012	2013
<b>Governmental Activities</b>				
Investment in Capital Assets	\$ 71,267,517	70,610,196	70,035,401	69,200,158
Restricted	7,286,830	1,476,156	812,193	705,834
Unrestricted (Deficit)	5,274,837	12,224,134	13,894,169	14,471,337
<b>Total Governmental Activities Net Position</b>	<b>83,829,184</b>	<b>84,310,486</b>	<b>84,741,763</b>	<b>84,377,329</b>
<b>Business-Type Activities</b>				
Investment in Capital Assets	13,845,927	13,649,811	13,608,173	13,264,609
Restricted	-	9,590,271	-	-
Unrestricted	9,817,965	-	9,308,978	9,433,113
<b>Total Business-Type Activities Net Position</b>	<b>23,663,892</b>	<b>23,240,082</b>	<b>22,917,151</b>	<b>22,697,722</b>
<b>Total Net Position</b>				
Investment in Capital Assets	85,113,444	84,260,007	83,643,574	82,464,767
Restricted	7,286,830	11,066,427	812,193	705,834
Unrestricted	15,092,802	12,224,134	23,203,147	23,904,450
<b>Total Primary Government Net Position</b>	<b>107,493,076</b>	<b>107,550,568</b>	<b>107,658,914</b>	<b>107,075,051</b>

Data Source: Audited Financial Statements

2014	2015	2016	2017	2018	2019
68,918,115	68,626,021	69,762,205	69,581,965	69,590,797	69,424,559
749,557	908,091	655,848	847,019	1,031,511	1,146,886
15,005,512	13,931,459	4,191,620	2,353,176	(152,643)	(1,145,006)
84,673,184	83,465,571	74,609,673	72,782,160	70,469,665	69,426,439
12,960,880	13,455,467	14,987,341	15,555,469	17,167,854	17,501,124
9,511,461	-	-	-	-	-
-	9,062,458	8,492,009	6,814,294	4,881,001	3,980,197
22,472,341	22,517,925	23,479,350	22,369,763	22,048,855	21,481,321
81,878,995	82,081,488	84,749,546	85,137,434	86,758,651	86,925,683
10,261,018	908,091	655,848	847,019	1,031,511	1,146,886
15,005,512	22,993,917	12,683,629	9,167,470	4,728,358	2,835,191
107,145,525	105,983,496	98,089,023	95,151,923	92,518,520	90,907,760

**CITY OF WARRENVILLE, ILLINOIS**

**Changes in Net Position - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>										
<b>Governmental Activities</b>										
General Government	\$ 1,929,578	2,399,491	2,368,352	2,378,435	2,548,129	4,195,592	4,510,434	3,560,422	4,037,117	5,748,248
Public Safety	5,521,381	5,555,442	6,398,592	5,676,132	6,022,559	5,622,223	7,194,137	7,695,403	4,746,682	6,498,465
Public Works	3,204,759	2,628,782	2,544,966	4,136,952	3,798,534	4,414,931	2,996,511	3,840,665	5,839,479	2,908,029
Culture and Recreation	264,480	297,975	257,500	273,552	257,149	247,069	252,325	366,399	253,619	307,376
Economic Development	13,426,691	10,031,742	737,277	1,150,690	308,925	92,794	78,592	131,300	91,317	115,241
Interest	3,230	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Expenses</b>	<b>24,350,119</b>	<b>20,913,432</b>	<b>12,306,687</b>	<b>13,615,761</b>	<b>12,935,296</b>	<b>14,572,609</b>	<b>15,031,999</b>	<b>15,594,189</b>	<b>14,968,214</b>	<b>15,577,359</b>
<b>Business-Type Activities</b>										
Water and Sewerage	2,987,371	2,939,494	3,056,153	3,277,727	3,305,405	3,265,302	3,388,429	4,547,179	4,056,201	4,424,636
<b>Total Primary Government Expenses</b>	<b>27,337,490</b>	<b>23,852,926</b>	<b>15,362,840</b>	<b>16,893,488</b>	<b>16,240,701</b>	<b>17,837,911</b>	<b>18,420,428</b>	<b>20,141,368</b>	<b>19,024,415</b>	<b>20,001,995</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
General Government	721,489	484,478	489,298	703,633	589,012	797,333	772,344	752,883	839,452	986,747
Public Safety	799,615	626,234	480,071	402,864	411,377	355,654	275,859	255,516	261,706	418,498
Public Works	208,939	162,151	238,082	194,890	199,865	-	-	-	-	-
Economic Development	-	-	9,851	191,333	4,365	9,768	28,467	22,468	-	-
Operating Grants/Contributions	401,498	444,151	384,594	374,459	405,250	480,006	376,306	381,770	359,312	471,454
Capital Grants/Contributions	142,498	78,031	129,147	375,090	310,962	62,185	310,452	-	136,358	-
<b>Total Governmental Activities</b>	<b>2,274,039</b>	<b>1,795,045</b>	<b>1,731,043</b>	<b>2,242,269</b>	<b>1,920,831</b>	<b>1,704,946</b>	<b>1,763,428</b>	<b>1,412,637</b>	<b>1,596,828</b>	<b>1,876,699</b>
<b>Business-Type Activities</b>										
Charges for Services										
Water and Sewerage	2,472,371	2,354,203	2,612,325	2,979,040	3,049,195	3,310,794	3,527,198	3,428,495	3,449,998	3,412,272
Operating Grants/Contributions	-	-	3,600	7,500	10,875	15,681	14,390	3,079	-	-
Capital Grants/Contributions	317,619	-	-	-	-	-	821,374	-	434,397	298,286
<b>Total Business-Type Activities</b>	<b>2,789,990</b>	<b>2,354,203</b>	<b>2,615,925</b>	<b>2,986,540</b>	<b>3,060,070</b>	<b>3,326,475</b>	<b>4,362,962</b>	<b>3,431,574</b>	<b>3,884,395</b>	<b>3,710,558</b>
<b>Total Primary Government Program Revenue</b>	<b>5,064,029</b>	<b>4,149,248</b>	<b>4,346,968</b>	<b>5,228,809</b>	<b>4,980,901</b>	<b>5,031,421</b>	<b>6,126,390</b>	<b>4,844,211</b>	<b>5,481,223</b>	<b>5,587,257</b>

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Net (Expenses) Revenues</b>										
Governmental Activities	\$ (19,118,387)	(10,575,644)	(11,373,492)	(11,014,465)	(12,867,663)	(12,867,663)	(13,268,571)	(14,181,552)	(13,371,386)	(13,700,660)
Business-Type Activities	(585,291)	(440,228)	(291,187)	(245,335)	61,173	61,173	974,533	(1,115,605)	(171,806)	(714,078)
<b>Total Net Revenue (Expenses)</b>	<b>(19,703,678)</b>	<b>(11,015,872)</b>	<b>(11,664,679)</b>	<b>(11,259,800)</b>	<b>(12,806,490)</b>	<b>(12,806,490)</b>	<b>(12,294,038)</b>	<b>(15,297,157)</b>	<b>(13,543,192)</b>	<b>(14,414,738)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities										
Taxes										
Property and Replacement	12,562,359	12,556,309	4,032,040	3,875,670	3,286,186	3,363,880	3,325,755	3,401,164	3,506,054	3,639,250
Sales, Local Use	3,973,712	3,634,782	3,346,470	3,488,543	3,542,985	3,929,001	4,136,930	2,594,661	2,635,475	4,187,413
Utility	597,460	580,875	697,612	775,737	707,047	269,030	217,864	233,846	241,241	710,730
Income	1,061,272	1,041,899	1,072,510	1,184,222	1,280,442	1,286,861	1,400,362	1,242,056	1,371,776	1,359,403
Other	1,516,642	1,538,809	1,623,602	1,624,970	2,449,677	3,040,967	3,051,225	4,697,399	4,700,295	2,253,426
Investment Earnings	193,355	197,502	89,790	18,806	22,275	57,257	14,578	10,093	(23,914)	317,970
Developer Donations	-	-	-	-	-	-	-	-	-	-
Miscellaneous	48,815	49,513	144,897	41,110	21,708	150,107	141,807	174,820	192,810	189,242
<b>Total Governmental Activities</b>	<b>19,953,615</b>	<b>19,599,689</b>	<b>11,006,921</b>	<b>11,009,058</b>	<b>11,310,320</b>	<b>12,097,103</b>	<b>12,288,521</b>	<b>12,354,039</b>	<b>12,623,737</b>	<b>12,657,434</b>
Business-Type Activities										
Investment Earnings	230,828	161,481	117,297	71,758	19,954	57,907	19,683	6,018	(30,779)	146,544
Miscellaneous	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>230,828</b>	<b>161,481</b>	<b>117,297</b>	<b>71,758</b>	<b>19,954</b>	<b>57,907</b>	<b>19,683</b>	<b>6,018</b>	<b>(30,779)</b>	<b>146,544</b>
<b>Total Primary Government</b>	<b>20,184,443</b>	<b>19,761,170</b>	<b>11,124,218</b>	<b>11,080,816</b>	<b>11,330,274</b>	<b>12,155,010</b>	<b>12,308,204</b>	<b>12,360,057</b>	<b>12,592,958</b>	<b>12,803,978</b>
<b>Changes in Net Position</b>										
Governmental Activities	835,228	9,024,045	(366,571)	(5,407)	(1,557,343)	(770,560)	(980,050)	(1,827,513)	(747,649)	(1,043,226)
Business-Type Activities	(354,463)	(278,747)	(173,890)	(173,577)	81,127	119,080	994,216	(1,109,587)	(202,585)	(567,534)
<b>Total Primary Government</b>	<b>480,765</b>	<b>8,745,298</b>	<b>(540,461)</b>	<b>(178,984)</b>	<b>(1,476,216)</b>	<b>(651,480)</b>	<b>14,166</b>	<b>(2,937,100)</b>	<b>(950,234)</b>	<b>(1,610,760)</b>

Data Source: Audited Financial Statements

Note: The closure of TIF #1 Cantera Development in 2011 is the primary cause for the reduction of governmental activity expenses and revenues.

**CITY OF WARRENVILLE, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

	2010	2011	2012	2013
<b>General Fund</b>				
Reserved	\$ 62,769	-	-	-
Unreserved	7,558,056	-	-	-
Nonspendable	-	2,279,945	2,209,995	2,208,938
Assigned	-	-	-	-
Unassigned	-	4,412,572	5,168,013	5,873,707
<b>Total General Fund</b>	<b>7,620,825</b>	<b>6,692,517</b>	<b>7,378,008</b>	<b>8,082,645</b>
<b>All Other Governmental Funds</b>				
Unreserved/Unassigned:				
Special Revenues Funds	-	(662,451)	(639,558)	(639,558)
Capital Projects Funds	-	-	-	(92,625)
Reserved/Restricted, Reported in				
Special Revenue Funds	939,956	356,720	508,867	705,834
Debt Service Funds	-	-	-	-
Capital Projects Funds	7,709,070	246,449	303,326	-
Permanent Funds	411,407	411,407	-	-
Committed	-	461,580	593,760	223,545
Assigned	-	6,123,086	6,493,380	6,505,423
Nonspendable	-	662,451	639,558	732,183
<b>Total All Other Governmental Funds</b>	<b>9,060,433</b>	<b>7,599,242</b>	<b>7,899,333</b>	<b>7,434,802</b>
<b>Total Governmental Funds</b>	<b>16,681,258</b>	<b>14,291,759</b>	<b>15,277,341</b>	<b>15,517,447</b>

Data Source: Audited Financial Statements

Note: The City implemented GASB Statement No. 54 for the year ended April 30, 2011.

2014	2015	2016	2017	2018	2019
-	-	-	-	-	-
-	-	-	-	-	-
2,231,448	2,236,098	2,319,323	2,319,140	39,152	4,516,407
-	-	-	4,144,792	4,144,792	3,819,958
6,401,476	6,746,084	6,947,628	7,239,645	9,343,946	4,125,857
8,632,924	8,982,182	9,266,951	13,703,577	13,527,890	12,462,222
(639,558)	-	-	-	-	-
(400,237)	-	-	-	-	-
749,557	908,091	655,848	847,019	1,031,511	1,146,886
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
322,603	505,894	680,480	898,392	1,212,688	1,511,198
6,235,623	5,954,672	5,769,181	1,247,506	1,117,685	1,759,107
1,049,088	(1,206,432)	(1,354,135)	(1,602,594)	(3,746,433)	(4,449,132)
7,317,076	6,162,225	5,751,374	1,390,323	(384,549)	(31,941)
15,950,000	15,144,407	15,018,325	15,093,900	13,143,341	12,430,281

**CITY OF WARRENVILLE, ILLINOIS**

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

	2010	2011	2012	2013
<b>Revenues</b>				
Property Taxes	\$ 12,372,224	12,556,309	4,032,040	3,875,670
Other Taxes	7,339,223	6,796,365	5,669,526	5,904,972
Intergovernmental	439,496	502,182	1,566,251	1,913,771
Licenses, Permits, Fees	800,832	506,793	562,692	701,021
Fines and Forfeits	750,831	588,523	452,982	549,597
Investment Income	193,355	197,502	89,790	18,806
Miscellaneous	331,693	247,060	364,683	287,490
<b>Total Revenues</b>	<b>22,227,654</b>	<b>21,394,734</b>	<b>12,737,964</b>	<b>13,251,327</b>
<b>Expenditures</b>				
General Government	1,969,043	2,256,200	2,249,067	2,376,899
Public Safety	5,419,963	5,585,213	5,772,515	5,775,860
Public Works	1,819,645	1,635,169	1,616,731	1,537,076
Culture and Recreation	264,480	297,975	257,500	273,552
Economic Development	13,551,291	10,031,742	737,277	1,150,690
Capital Outlay	1,934,028	705,922	1,141,344	1,923,672
Debt Service				
Principal	760,000	-	-	-
Interest and Fiscal Charges	12,920	-	-	-
<b>Total Expenditures</b>	<b>25,731,370</b>	<b>20,512,221</b>	<b>11,774,434</b>	<b>13,037,749</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,503,716)</b>	<b>882,513</b>	<b>963,530</b>	<b>213,578</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	310,271	451,880	815,493	921,688
Transfers Out	(310,271)	(451,880)	(815,493)	(921,688)
Disposal of Capital Assets	58,042	123,912	22,052	26,528
	<b>58,042</b>	<b>123,912</b>	<b>22,052</b>	<b>26,528</b>
<b>Net Change in Fund Balances</b>	<b>(3,445,674)</b>	<b>1,006,425</b>	<b>985,582</b>	<b>240,106</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>3.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Data Source: Audited Financial Statements

Note: The closure of TIF #1 Cantera Development in 2011 is the primary cause for the reduction of governmental fund expenses and revenues.

2014	2015	2016	2017	2018	2019
3,286,186	3,319,256	3,280,809	3,353,479	3,467,596	3,600,494
6,725,745	5,492,705	5,472,558	5,189,324	4,979,994	4,655,511
1,976,654	3,812,885	4,269,622	4,218,487	4,366,563	4,365,671
586,161	583,533	544,347	523,906	847,917	1,006,347
371,920	355,887	294,366	265,464	253,241	398,898
22,275	57,257	14,579	10,093	(23,914)	317,970
262,210	180,526	175,668	205,923	192,810	189,242
13,231,151	13,802,049	14,051,949	13,766,676	14,084,207	14,534,133
2,324,352	3,596,990	3,804,284	3,573,968	3,665,304	4,508,388
6,000,541	5,680,486	5,643,598	5,698,846	6,044,780	6,191,810
1,800,634	1,592,078	1,495,110	1,458,350	1,790,257	2,211,343
257,149	247,069	252,325	366,399	253,619	283,801
308,925	92,794	78,592	131,300	91,317	115,241
2,132,236	3,419,222	2,925,609	2,486,812	2,373,173	2,004,270
-	-	-	-	-	-
-	-	-	-	-	-
12,823,837	14,628,639	14,199,518	13,715,675	14,218,450	15,314,853
407,314	(826,590)	(147,569)	51,001	(134,243)	(780,720)
538,433	1,250,274	607,638	4,613,747	359,358	365,225
(538,433)	(1,250,274)	(607,638)	(4,613,747)	(359,358)	(365,225)
25,239	20,997	21,487	24,574	(1,816,316)	67,660
25,239	20,997	21,487	24,574	(1,816,316)	67,660
432,553	(805,593)	(126,082)	75,575	(1,950,559)	(713,060)
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**CITY OF WARRENVILLE, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years  
April 30, 2019 (Unaudited)**

Tax Levy Year	District	Residential Property	Farm Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2009	General	\$ 325,801,565	\$ 47,416	\$ 43,994,598	\$ 7,973,915	\$ 377,817,494	0.5711	\$ 1,133,452,482	33.33%
	TIF #1	235,383	-	5,290,398	162,825	5,688,606		17,065,818	33.33%
	TIF #2	7,831,160	-	1,478,880	484,820	9,794,860		29,384,580	33.33%
2010	General	324,664,129	17,154	166,268,173	14,112,640	505,062,096	0.6170	1,515,186,288	33.33%
	TIF #2	7,829,420	-	1,478,880	484,820	9,793,120		29,379,360	33.33%
2011	General	300,370,647	19,381	156,319,940	13,325,490	470,035,458	0.6515	1,410,106,374	33.33%
	TIF #2	7,831,180	-	1,578,910	484,820	9,894,910		29,684,730	33.33%
2012	General	276,576,265	21,477	144,737,529	12,726,100	434,061,371	0.7356	1,302,184,113	33.33%
2013	General	249,584,910	26,145	139,314,296	12,051,260	400,976,611	0.8131	1,202,929,833	33.33%
	TIF #3	2,881,150	-	4,468,587	884,070	8,233,807		24,701,421	33.33%
2014	General	240,786,744	28,761	138,887,324	12,010,200	391,713,029	0.8227	1,175,139,087	33.33%
	TIF #3	2,764,890	-	4,276,727	852,850	7,894,467		23,683,401	33.33%
2015	General	247,203,723	21,639	145,236,122	12,828,513	405,289,997	0.8107	1,215,869,991	33.33%
	TIF #3	2,634,440	-	4,226,467	895,510	7,756,417		23,269,251	33.33%
2016	General	271,442,481	26,450	148,567,811	13,437,920	433,474,662	0.7710	1,300,423,986	33.33%
	TIF #3	2,769,240	-	4,355,797	959,700	8,084,737		24,254,211	33.33%
	TIF #4	4,954,150	15,044	2,848,761	80,660	7,898,615		23,695,845	33.33%
2017	General	296,689,771	27,282	156,257,196	14,184,050	467,158,299	0.7282	1,401,474,897	33.33%
	TIF #3	2,772,630	-	4,391,337	830,170	7,994,137		23,982,411	33.33%
	TIF #4	4,790,597	14,739	2,848,760	80,660	7,734,756		23,204,268	33.33%
2018	General	316,358,720	24,546	158,187,839	16,748,940	491,320,045	0.7135	1,473,960,135	33.33%
	TIF #3	2,792,372	-	3,970,257	830,170	7,592,799		22,778,397	33.33%
	TIF #4	4,730,320	10,743	2,855,660	80,660	7,677,383		23,032,149	33.33%

Data Source: Office of the County Clerk and based upon property being located in Winfield Township.

Note: Property in the City is reassessed each year. Property is assessed at 33.33% of actual value.

**CITY OF WARRENVILLE, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years  
April 30, 2019 (Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>City Direct Rates</b>										
Corporate	\$ 0.2205	0.2372	0.2575	0.2959	0.3288	0.3400	0.3261	0.3039	0.2908	0.2636
IMRF	0.0295	0.0318	0.0346	0.0396	0.0452	0.0468	0.0449	0.0418	0.0400	0.0385
Police Protection	0.0642	0.0647	0.0703	0.0803	0.0887	0.0918	0.0881	0.0821	0.0786	0.0755
Police Pension	0.1511	0.1739	0.1746	0.1890	0.2061	0.1945	0.2105	0.2114	0.1919	0.2000
Audit	0.0030	0.0031	0.0030	0.0034	0.0038	0.0040	0.0039	0.0037	0.0036	0.0035
Tort Judgments/Liability	0.0194	0.0215	0.0185	0.0212	0.0235	0.0243	0.0234	0.0218	0.0209	0.0201
Social Security	0.0453	0.0488	0.0530	0.0606	0.0682	0.0706	0.0678	0.0632	0.0605	0.0582
School Crossing Guards	0.0097	0.0085	0.0093	0.0103	0.0094	0.0098	0.0091	0.0085	0.0082	0.0079
Workers' Compensation	0.0110	0.0105	0.0118	0.0135	0.0150	0.0156	0.0150	0.0140	0.0134	0.0129
Road and Bridge	0.0174	0.0170	0.0189	0.0218	0.0244	0.0253	0.0219	0.0206	0.0203	0.0211
<b>Total Direct Tax Rate</b>	<b>0.5711</b>	<b>0.6170</b>	<b>0.6515</b>	<b>0.7356</b>	<b>0.8131</b>	<b>0.8227</b>	<b>0.8107</b>	<b>0.7710</b>	<b>0.7282</b>	<b>0.7013</b>
<b>Overlapping Rates</b>										
College of DuPage (#502)	0.2127	0.2349	0.2495	0.2681	0.2956	0.2975	0.2786	0.2626	0.2341	0.2317
DuPage Airport Authority	0.0148	0.0158	0.0169	0.0168	0.0178	0.0196	0.0188	0.0176	0.0166	0.0146
DuPage County	0.1554	0.1659	0.1773	0.1929	0.2040	0.2057	0.1971	0.1848	0.1749	0.1673
DuPage County Forest										
Preserve District	0.1217	0.1321	0.1414	0.1533	0.1657	0.1691	0.1622	0.1514	0.1306	0.1278
Unit School District #200	3.7697	4.0437	4.3812	4.8474	5.2036	5.3915	5.3108	5.1076	4.9916	4.8883
Warrenville Fire										
Protection District	0.3892	0.4199	0.4621	0.5237	0.5745	0.5973	0.5840	0.5572	0.5347	0.5241
Warrenville Library	0.2701	0.2922	0.3224	0.3675	0.4070	0.4247	0.4153	0.3944	0.3777	0.3697
Warrenville Park District	0.3460	0.3984	0.4341	0.4902	0.5393	0.5604	0.5461	0.5131	0.4862	0.4698
Winfield Township	0.0854	0.0924	0.1021	0.1174	0.1318	0.1396	0.1370	0.1275	0.1192	0.1008
Winfield Township R&B	0.1123	0.1215	0.1342	0.1543	0.1730	0.1835	0.1801	0.1676	0.1587	0.1526
<b>Total Overlapping Rates</b>	<b>5.4773</b>	<b>5.9168</b>	<b>6.4212</b>	<b>7.1316</b>	<b>7.7123</b>	<b>7.9889</b>	<b>7.8300</b>	<b>7.4838</b>	<b>7.2243</b>	<b>7.0467</b>
<b>Total Tax Rates</b>	<b>6.0484</b>	<b>6.5338</b>	<b>7.0727</b>	<b>7.8672</b>	<b>8.5254</b>	<b>8.8116</b>	<b>8.6407</b>	<b>8.2548</b>	<b>7.9525</b>	<b>7.7480</b>

**CITY OF WARRENVILLE, ILLINOIS**

**Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago  
April 30, 2019 (Unaudited)**

Taxpayer	Tax Levy Year 2018			Tax Levy Year 2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Preserve at Cantera Owner	\$ 10,969,060	1	2.23%			
Northwestern Memorial	9,866,130	2	2.01%			
Adventus US Realty #5 LP	5,970,960	3	1.22%			
CII Landlord IL LLC	5,781,900	4	1.18%			
MJH Warrenville, LLC	5,765,960	5	1.17%	\$ 9,332,400	4	1.63%
R.R. Donnelley & Sons	5,502,600	6	1.12%			
CPX Warrenville OPAG LLC	5,424,940	7	1.10%			
Globe Corporation	5,212,040	8	1.06%	6,326,890	5	1.11%
Cornerstone Cantera LLC	5,149,600	9	1.05%			
Liberty/Warrenville LLC	4,966,190	10	1.01%			
Amoco Properties, Inc				13,367,030	1	2.34%
Northwestern Mutual Life				12,472,560	2	2.18%
Village Green at Cantera				9,412,910	3	1.64%
Burnham Cantera LLC				5,964,810	6	1.04%
Cantera 30 Theatre LP				4,932,840	7	0.86%
Target Corp				4,523,030	8	0.79%
GK II Diehl Rd LLC				4,262,810	9	0.74%
Arnold & Kadjan				4,137,060	10	0.72%
	<u>64,609,380</u>		<u>13.15%</u>	<u>74,732,340</u>		<u>13.05%</u>

Data Source: Office of the County Clerk

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.

**CITY OF WARRENVILLE, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Tax Levy Years  
April 30, 2019 (Unaudited)**

Levy Year	Levy	Taxes 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
2009	General	\$ 2,197,764	\$ 2,185,282	99.43%	\$ -	\$ 2,185,282	99.43%
	TIF #1	9,523,555	9,522,480	99.99%	-	9,522,480	99.99%
	TIF #2	803,505	803,140	99.95%	-	803,140	99.95%
2010	General	3,173,306	3,170,140	99.90%	-	3,170,140	99.90%
	TIF #2	795,780	794,122	99.79%	-	794,122	99.79%
2011	General	3,118,215	3,080,966	98.81%	-	3,080,966	98.81%
	TIF #2	754,935	754,739	99.97%	-	754,739	99.97%
2012	General	3,251,120	3,240,450	99.67%	-	3,240,450	99.67%
2013	General	3,318,834	3,269,775	98.52%	-	3,269,775	98.52%
	TIF #3	3,794	3,794	100.00%	-	3,794	100.00%
2014	General	3,281,728	3,232,584	98.50%	-	3,232,584	98.50%
	TIF #3	3,632	3,632	100.00%	-	3,632	100.00%
2015	General	3,357,021	3,303,980	98.42%	-	3,303,980	98.42%
	TIF #3	4,489	4,489	100.00%	-	4,489	100.00%
2016	General	3,409,278	3,348,222	98.21%	-	3,348,222	98.21%
	TIF #3	15,807	15,722	99.46%	-	15,722	99.46%
	TIF #4	47,729	47,712	99.96%	-	47,712	99.96%
2017	General	3,468,651	3,399,198	98.00%	-	3,399,198	98.00%
	TIF #3	52,975	52,960	99.97%	-	52,960	99.97%
	TIF #4	92,377	92,283	99.90%	-	92,283	99.90%
2018	General *	3,505,569	-	0.00%	-	-	0.00%
	TIF #3 *	99,183	-	0.00%	-	-	0.00%
	TIF #4 *	117,100	-	0.00%	-	-	0.00%

Data Source: Office of the County Clerk

\*The 2018 levy amounts will be collectible during City Fiscal Year 2020, as such none of this levy is collected during fiscal year 2019.

**CITY OF WARRENVILLE, ILLINOIS**

**Sales Tax Revenue by Category - Last Ten Calendar Years  
April 30, 2019 (Unaudited)**

	2009	2010	2011	2012
General Merchandise	\$ 3,110,309	3,211,974	3,219,110	3,331,080
Food	212,310	480,153	433,767	423,111
Drinking and Eating Places	2,758,943	2,781,235	2,759,916	2,815,753
Apparel	72,601	81,438	-	-
Furniture and H.H. and Radio	-	-	33,211	33,141
Lumber, Building Hardware	151,857	141,291	135,209	132,506
Automobile and Filling Stations	1,913,456	2,113,858	2,450,161	2,489,266
Drugs and Miscellaneous Retail	679,659	1,205,797	1,378,819	1,600,895
Agriculture and All Others	1,496,259	642,785	735,339	937,574
Manufacturers	548,669	601,490	235,659	26,013
Totals	10,944,063	11,260,021	11,381,191	11,789,339
City Direct Sales Tax Rate	2.25%	2.25%	2.25%	2.25%

Data Source: City Records, Illinois Department of Revenue

2013	2014	2015	2016	2017	2018
3,399,980	3,402,088	3,530,429	1,475,697	3,388,673	3,322,435
417,704	425,396	908,969	960,754	948,194	907,742
2,853,404	2,895,031	3,295,386	2,975,178	3,067,615	2,911,169
99,495	90,200	102,250	93,739	95,769	112,934
-	-	-	-	-	-
167,632	234,540	261,611	493,421	545,890	492,487
2,963,861	3,232,307	2,931,586	3,170,251	3,477,269	3,273,681
1,534,410	1,730,646	472,360	1,782,907	1,942,325	1,638,740
507,432	984,820	2,163,503	1,082,070	1,673,848	625,393
298,802	354,254	349,866	191,047	157,741	170,516
12,242,720	13,349,282	14,015,962	12,225,064	15,297,324	13,455,097
2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

**CITY OF WARRENVILLE, ILLINOIS**

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

---

---

Fiscal Year	City Direct Rate	State Rate	DuPage County Rate	RTA Rate	County Water Commission Rate
2010	2.25%	5.00%	0.25%	0.75%	0.25%
2011	2.25%	5.00%	0.25%	0.75%	0.25%
2012	2.25%	5.00%	0.25%	0.75%	0.25%
2013	2.25%	5.00%	0.25%	0.75%	0.25%
2014	2.25%	5.00%	0.25%	0.75%	0.25%
2015	2.25%	5.00%	0.25%	0.75%	0.25%
2016	2.25%	5.00%	0.25%	0.75%	0.00%
2017	2.25%	5.00%	0.25%	0.75%	0.00%
2018	2.25%	5.00%	0.25%	0.75%	0.00%
2019	2.25%	5.00%	0.25%	0.75%	0.00%

Data Source: City and County Records

**CITY OF WARRENVILLE, ILLINOIS**

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income *	Per Capita *
	Installment Contracts Payable	Tax Increment Revenue Bonds			
2010	\$ -	\$ -	\$ -	0.00%	\$ -
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-

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

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

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

**CITY OF WARRENVILLE, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property*	Per Capita
2010	\$ -	\$ -	\$ -	0.00%	\$ -
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-

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

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

**CITY OF WARRENVILLE, ILLINOIS**

**Schedule of Direct and Overlapping Bonded Debt  
April 30, 2019 (Unaudited)**

Governmental Unit	Gross Debt	Percentage Debt Applicable to City (1)	City's Share of Debt
City of Warrenville	\$ -	100.00 %	\$ -
DuPage County	176,574,944	1.23 %	2,171,095
DuPage County Forest Preserve District	120,024,849	1.23 %	1,475,777
Warrenville Park District	323,255	92.68 %	299,593
Warrenville Library District	1,685,000	95.55 %	1,610,065
Schools			
Elementary District No. 33	30,990,000	63.76 %	19,760,001
High School District No. 94	33,860,000	42.31 %	14,326,367
Community Unit School District No. 200	131,845,000	15.11 %	19,923,102
Community Unit School District No. 203	15,860,000	10.86 %	1,722,071
Community Unit School District No. 204	235,282,866	15.09 %	35,512,853
College of DuPage No. 502	200,635,000	1.27 %	2,550,109
Total Overlapping Debt	<u>947,080,914</u>		<u>99,351,032</u>
 Total Direct and Overlapping Debt	 <u>947,080,914</u>		 <u>99,351,032</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.

**CITY OF WARRENVILLE, ILLINOIS**

**Legal Debt Margin**

**April 30, 2019 (Unaudited)**

---

---

Article VII, Section 6(k) of the Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and may 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 per cent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amounts."

**CITY OF WARRENVILLE, ILLINOIS**

**Pledged-Revenue Coverage - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Fiscal Year	Tax Increment Revenue Bonds			Coverage
	Tax Increment Revenue	Debt Service		
		Principal	Interest	
2010	\$ 12,012,403	\$ 760,000	\$ 12,920	\$ 15.54
2011	10,784,361	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-

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

**CITY OF WARRENVILLE, ILLINOIS**

**Demographic and Economic Statistics - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

---

---

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2010	13,363	\$ 414,854,335	\$ 31,045	8.70%
2011	13,140	425,670,300	32,395	6.90%
2012	13,140	409,416,120	31,158	6.90%
2013	13,140	409,968,000	31,200	7.70%
2014	13,140	414,345,414	31,533	6.30%
2015	13,140	416,498,580	31,697	6.30%
2016	13,140	444,302,820	33,813	5.90%
2017	13,140	467,389,800	35,570	4.30%
2018	13,140	471,226,680	35,862	4.48%
2019	13,140	478,282,860	35,493	2.90%

Data Source: U.S. Census Data

**CITY OF WARRENVILLE, ILLINOIS**

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago  
April 30, 2019 (Unaudited)**

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
EN Engineering LLC	413	1	2.57%			
Edward Hospital	400	2	2.49%	155	7	1.33%
RR Donnelley	350	3	2.18%			
LSC Communications	331	4	2.06%			
A&H Management Group	265	5	1.65%			
Target	246	6	1.53%	279	5	2.38%
Lifetime Fitness	240	7	1.49%	261	6	2.24%
Sonova USA Inc (formerly Phon	220	8	1.37%	530	3	4.55%
Performance Health Supply	170	9	1.06%			
Paychex North America Inc	151	10	0.94%			
BP/Amoco (1)				1,399	2	12.00%
Navistar				2,189	1	18.78%
Exelon				445	4	3.82%
First American Title				150	8	1.29%
National Express				117	9	1.00%
Emerson Network Power				90	10	
Members United Corp Federal CU				90	10	
	<u>2,786</u>		<u>17.34%</u>	<u>5,705</u>		<u>46.06%</u>

Data Source: City Records

**CITY OF WARRENVILLE, ILLINOIS**

**Full-Time Equivalent City Government Employees by Function/Program - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Government</b>										
Administration	4.5	4.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Finance	6.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Community Development	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	11.0	11.0
<b>Public Safety</b>										
Police										
Officers	32.0	34.0	34.0	34.0	35.5	34.5	34.0	34.0	33.0	33.0
Civilians	15.0	16.0	16.0	16.0	16.0	14.0	14.0	14.0	14.0	14.0
<b>Public Works</b>										
Administration	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0
Street Maintenance	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Utility Maintenance	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0

Data Source: City Finance Department, Budget Documents and Authorized Strength Ordinance

**CITY OF WARRENVILLE, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Function/Program	2010	2011	2012
Public Safety			
Police			
Physical Arrests	2,312	1,755	1,144
Parking Violations	871	750	723
Traffic Violations	9,314	5,532	5,260
Public Works			
Street Resurfacing (Miles)	3.05	1.20	5.10
Potholes Repairs	52	60	48
Water			
New Connections	18	12	9
Water Main Breaks	22	17	22
Number of Meters in Operation	4,498	4,484	4,493
Number of Properties Connected to Sewer System	4,662	4,642	4,642
Average Daily Pumpage (MGD)	1.39	1.32	1.26
Maximum Daily Pumpage (MGD)	1.37	2.06	1.97
Number of Gallons Pumped (000)	499,220	481,890	461,000

Data Source: Various City Departments

\*Institution of local adjudication program resulted in reclassification of certain offenses, thereby decreasing the counts of arrests and traffic violations

2013	2014	2015	2016	2017	2018	2019
2,262	739	713	554	647	646	470 *
352	997	688	540	574	664	2,284 *
2,688	5,889	4,038	2,838	3,117	2,795	2,078 *
3.90	3.87	3.87	5.36	3.10	1.95	2.03
52	35	35	15	30	55	62
						4,677
15	22	38	20	15	25	14
28	27	41	15	11	18	4,677
4,508	4,492	4,530	4,550	4,565	4,590	
4,657	4,674	4,712	4,732	4,747	4,479	4,864
1.33	1.32	1.34	1.20	1.40	1.27	1.17
2.10	1.98	1.89	2.60	2.29	2.48	2.07
486,276	476,525	438,546	453,967	497,662	462,330	445,160

**CITY OF WARRENVILLE, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	17	17	17	17	17	17	17	17
<b>Public Works</b>										
Streets (Miles)	54	54	54	54	54	54	54	54	54.1	54.1
Streetlights	741	741	741	741	741	741	741	741	741	780
Traffic Signals:	4	4	4	4	4	4	4	4	4	4
<b>Water</b>										
Water Mains (Miles)	64.0	64.0	64.0	64.0	64.0	64.0	64.4	64.8	64.7	64.7
Fire Hydrants	702	702	702	702	702	702	714	714	718	1,023
System Capacity (Millions of Gallons)	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0
<b>Wastewater</b>										
Sanitary Sewers (Miles)	59.0	59.0	59.0	59.0	59.0	59.0	59.2	59.6	60.4	59.6
Storm Sewers (Miles)	30.4	30.4	30.4	30.4	30.4	30.4	30.7	30.7	31.0	31.0

Data Source: Various City Departments