

**VILLAGE OF ROUND LAKE, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

For the Year Ended  
April 30, 2016



**VILLAGE OF ROUND LAKE, ILLINOIS**

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## **INTRODUCTORY SECTION**



## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the Board of Trustees  
Village of Round Lake  
Round Lake, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village of Round Lake, Illinois (the Village) as of and for the year ended April 30, 2016, and the related notes to financial statements, which collectively comprise the Village'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 the modified cash basis and cash basis of accounting described in Note 1d; this includes determining that the modified cash basis and cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 error or fraud.

### **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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village'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 Village'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 modified cash financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village of Round Lake, Illinois, as of April 30, 2016, and the respective changes in modified cash financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1d.

## **Change in Accounting Principle**

The Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which modified certain disclosures in the notes to financial statements. Our opinion is not modified with respect to these matters.

## **Basis of Accounting**

We draw attention to Note 1d of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The management discussion and analysis, combining and individual fund financial statements and schedules, and the supplementary data 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 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 schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The management discussion and analysis and supplementary data has 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.

*Sikich LLP*

Naperville, Illinois

October 20, 2016

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**APRIL 30, 2016**

The discussion and analysis of the Village of Round Lake's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2016.

**FINANCIAL HIGHLIGHTS**

- The Village's Governmental net position, which equal total assets plus deferred outflows of resources less total liabilities, was \$36,461,785 and \$35,401,996 at the end of fiscal year 2016 and 2015, respectively, an increase of \$1,059,789. Business-type activities net position was \$39,406,479 and \$40,051,137 at the end of fiscal year 2016 and 2015, respectively, a decrease of \$644,658.
- Governmental unrestricted net position, assets that may be used to meet the Village's ongoing obligations to residents and creditors, was \$7,817,582 and \$7,788,738 for fiscal year 2016 and 2015, respectively, an increase of \$28,844. Business-type activities unrestricted net position was \$7,139,952 and \$6,971,319 for fiscal year 2016 and 2015, respectively, an increase of \$168,633.
- Revenues for Governmental Activities (excluding transfers) equaled \$9,452,264 and were higher than total program expenses of \$8,392,475 by \$1,059,789 as compared to total revenues of \$9,562,031 which were higher than total expenses of \$8,139,997 by \$1,422,034 in the prior year. Revenues for Business-Type Activities (excluding transfers) equaled \$4,178,895 and were lower than total program expenses of \$4,823,553 by \$644,658, as compared to total revenues of \$4,615,115 which were lower than total expenses of \$4,713,758 by \$98,643, in the prior year.
- The fund balance for the General Fund equaled \$5,862,305, an increase of \$35,328 from the beginning fund balance of \$5,826,977.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Village of Round Lake's basic financial statements. The Village's basic financial statements are comprised of three main components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary data in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Round Lake's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the Village's assets, deferred outflows of resources, and liabilities on a modified cash basis, with the difference between the three being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the receipts are collected (revenues) and the expenditures are paid (expenditures or expenses), except for capital asset and debt related transactions.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, community development, and interest expense. The business-type activities of Village include water/sewer operations, commuter parking lot activities, and internal service purchases.

## **Fund Financial Statements**

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

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

Because the focus of governmental funds is narrower than that of 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 impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**Proprietary funds.** The Village maintains two proprietary fund types. One type is enterprise funds, which has a fund for water and sewer operations and another for commuter lot operations. The other type is internal service, which has three funds; vehicle replacement, technology replacement, and building replacement. The enterprise funds are used to report the functions presented as business-type activities in the governmental-wide financial statements. The internal service funds are reported as governmental activities in the government-wide financial statements.

**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 statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds include the Police Pension Fund, Special Service Areas #1, #2, and #4, Builders Escrow, and the Impact Fee Funds.

## **Notes to the Financial Statements**

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

## **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary data.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, the net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Round Lake, assets plus deferred outflows of resources exceeded liabilities by \$75.8 million at April 30, 2016.

By far the largest portion of the Village's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets still outstanding. As of April 30, 2016, net investment in capital assets totaled \$59.1 million, representing 77.94% of total net position. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

Just over \$1.8 million (2.41%) of the Village's net position represents resources that are subject to restrictions on how they may be used, such as for debt service, capital projects, and other specific purposes. The remaining

\$14,909,508 balance of unrestricted net position may be used to meet the Village's ongoing obligations to citizens and creditors.

Following is a table that summarizes the net position of the Village at the close of the recent fiscal year by governmental activities, business-type activities, and village-wide. A comparison to the preceding fiscal year is presented for all three categories.

**Village of Round Lake Net Position  
Fiscal Years Ended April 30<sup>th</sup>**

	Governmental Activities		Business - Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current assets	\$9,617,108	\$9,580,020	\$7,212,009	\$7,031,356	\$16,829,117	\$16,611,376
Capital assets	38,640,301	38,207,900	32,886,527	33,814,818	71,526,828	72,022,718
<b>Total assets</b>	<b>48,257,409</b>	<b>47,787,920</b>	<b>40,098,536</b>	<b>40,846,174</b>	<b>88,355,945</b>	<b>88,634,094</b>
Unamortized loss on refunding						
<b>Total Deferred Outflows</b>	<b>639,233</b>	<b>706,642</b>	<b>0</b>	<b>0</b>	<b>639,233</b>	<b>706,642</b>
Other liabilities	18,147	14,738	72,057	60,037	90,204	74,775
Noncurrent liabilities	12,416,710	13,077,828	620,000	735,000	13,036,710	13,812,828
<b>Total liabilities</b>	<b>12,434,857</b>	<b>13,092,566</b>	<b>692,057</b>	<b>795,037</b>	<b>13,126,914</b>	<b>13,887,603</b>
Net Position						
Net investment in capital assets	26,862,824	25,836,714	32,266,527	33,079,818	59,129,351	58,916,532
Restricted	1,781,379	1,776,544	0	0	1,781,379	1,776,544
Unrestricted	7,817,582	7,788,738	7,139,952	6,971,319	14,957,534	14,760,057
<b>Total net position</b>	<b>\$36,461,785</b>	<b>\$35,401,996</b>	<b>\$39,406,479</b>	<b>\$40,051,137</b>	<b>\$75,868,264</b>	<b>\$75,453,133</b>

Total net position of the Village increased by \$415,131 for the fiscal year ended 2016. The net position related to governmental activities increased by \$1,059,789, while net position related to business-type activities decreased by \$644,658.

In the governmental activities, current assets, mainly cash and investments, increased \$37,088. General Fund cash and investments increased \$32,762; internal service activities cash increased \$82,752, while other governmental funds cash and investments decreased \$81,401. The General Fund had excess revenues over expenditures of roughly \$885,000 before transfers out of \$850,000 to fund capital projects and debt service resulting in an increase in cash and investments. All other governmental funds cash and investments decreased \$81,401 mainly due to budgeted capital outlay projects in the Capital Projects Fund. Noncurrent liabilities decreased \$661,118 mainly due to normal principal reductions for the Village's general obligation bonds.

In the business-type activities, current assets increased by \$180,653 mainly due to higher water and sewer receipts, from customers and users, coupled with an increase in net investment income over the previous year. Noncurrent liabilities decreased from the preceding fiscal year due to a \$115,000 principal payment made on the Village's 2010C outstanding debt series.

The table that follows summarizes the changes in net position for the fiscal year just ended and the prior fiscal year.

**Village of Round Lake Changes in Net Position  
Fiscal Years Ended April 30<sup>th</sup>**

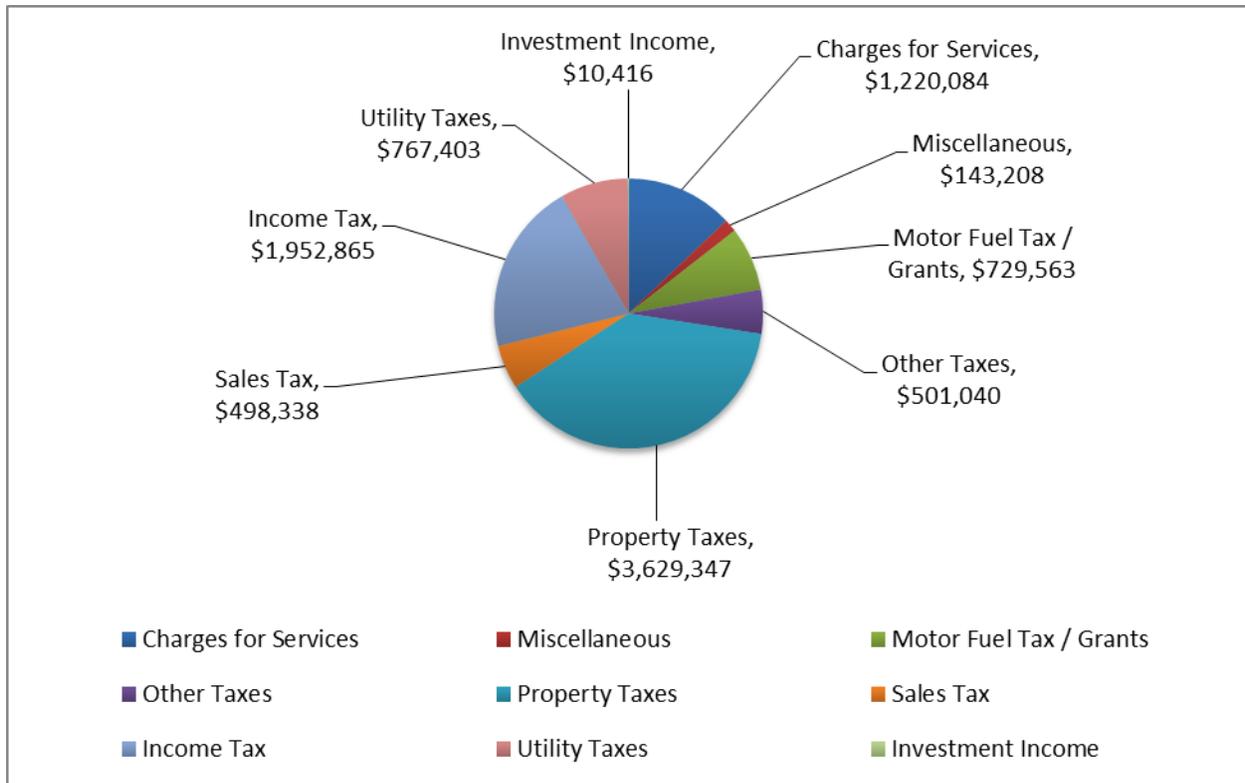
	Governmental Activities		Business - Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues</b>						
<b>Program revenues</b>						
Charges for services	\$1,220,084	\$1,179,003	\$4,165,495	\$4,095,766	\$5,385,579	\$5,274,769
Operating Grants	628,003	977,082	-	-	628,003	977,082
Capital Grants	101,560	100,000	-	-	101,560	100,000
<b>General revenues</b>						
Property taxes	3,629,347	3,566,671	-	-	3,629,347	3,566,671
Income tax	1,952,865	1,775,961	-	-	1,952,865	1,775,961
Utility taxes	767,403	850,457	-	-	767,403	850,457
Other taxes	999,378	905,031	-	-	999,378	905,031
Interest income	10,416	7,234	13,400	18,445	23,816	25,679
Impact fees and recaptures	-	19,745	-	-	-	19,745
Miscellaneous	143,208	180,847	-	500,904	143,208	681,751
<b>Total revenues</b>	<b>9,452,264</b>	<b>9,562,031</b>	<b>4,178,895</b>	<b>4,615,115</b>	<b>13,631,159</b>	<b>14,177,146</b>
<b>Program expenses</b>						
General government	2,245,713	2,682,202	-	-	2,245,713	2,682,202
Police department	3,770,768	3,604,976	-	-	3,770,768	3,604,976
Public works	1,543,020	1,005,941	-	-	1,543,020	1,005,941
Community development	253,018	247,812	-	-	253,018	247,812
Debt service	579,956	599,066	-	-	579,956	599,066
Parking Lot	-	-	64,552	51,737	64,552	51,737
Water and sewer	-	-	4,759,001	4,662,021	4,759,001	4,662,021
<b>Total expenses</b>	<b>8,392,475</b>	<b>8,139,997</b>	<b>4,823,553</b>	<b>4,713,758</b>	<b>13,216,028</b>	<b>12,853,755</b>
<b>Changes in net position before</b>						
<b>contributions and transfers</b>	<b>1,059,789</b>	<b>1,422,034</b>	<b>(644,658)</b>	<b>(98,643)</b>	<b>415,131</b>	<b>1,323,391</b>
Contributions	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
<b>Increase (decrease) in net position</b>	<b>1,059,759</b>	<b>1,422,034</b>	<b>(644,658)</b>	<b>(98,643)</b>	<b>415,131</b>	<b>1,323,391</b>
<b>Beginning of year</b>	<b>35,401,996</b>	<b>33,979,962</b>	<b>40,051,137</b>	<b>40,149,780</b>	<b>75,453,133</b>	<b>74,129,742</b>
<b>End of year</b>	<b>\$36,461,785</b>	<b>\$35,401,996</b>	<b>\$39,406,479</b>	<b>\$40,051,137</b>	<b>\$75,868,264</b>	<b>\$75,453,133</b>

**Governmental Activities**

Program revenues (amounts charged to residents for programs plus operating and capital grants) for governmental activities totaled \$1,949,647 and general revenues totaled \$7,502,617 for a total of \$9,452,264, a decrease of \$109,767 from the preceding year.

The following graph depicts both program and general revenues by major revenue sources for governmental activities.

### Revenues by Source – Governmental Activities



Property taxes account for the largest revenue source in the governmental type activities of the Village at 38.40% of the overall revenues. Charges for services, 12.91% of the total, include items such as business licenses, building permits, and refuse pickup. Income Tax, 20.66% is the portion of state income tax that the State of Illinois distributes to the Village on a per capita basis. Utility taxes include electric, gas, and the municipal telecommunications tax, which accounted for 8.12% of the overall revenues. Other taxes of \$501,040 include use and replacement tax.

Expenses related to governmental activities totaled \$8,392,475 in the current fiscal year, representing an increase of \$252,478 from the preceding fiscal year. The increase is partially due to increased payroll expense as a result of the Police Department being fully staffed and roadway projects.

### Business-Type Activities

Program revenues for business type activities totaled \$4,165,495 and general revenues totaled \$13,400 for a total of \$4,178,895, a decrease of \$436,220 from the preceding year. Charges for services increased \$69,729 from 2015 mainly due to higher water and sewer rates. Miscellaneous revenue decreased \$40,904 from 2015 due to the completion of the Emerald Bay subdivision.

Expenses from business-type activities totaled \$4,823,553 compared to \$4,713,758 in the preceding year, an increase of \$109,795 or 2.33%.

## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

**Governmental funds.** The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, 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 April 30, 2016, the Village's governmental funds reported a combined ending fund balance of \$8,957,196, representing a decrease of \$49,073 or .54%, from the preceding year. Approximately 64.25% or \$5,754,630, constitutes unrestricted, unassigned fund balance, which is available for spending at the village's discretion. The remainder of fund balance is restricted or assigned, to indicate that it is not available for new spending because it has already been earmarked: 1) to pay debt service, or 2) for a variety of other restricted purposes.

**General Fund.** The General Fund is the main operating fund of the Village. At April 30, 2016 total fund balance was \$5,862,305, an increase of \$35,328 over the prior year fund balance. The following table summarizes General Fund revenues and expenditures, with a comparison to the operating budget, for the fiscal year ended April 30, 2016.

	<b>Operating Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent Variance</b>
<b>Revenues</b>				
Taxes	3,127,179	3,605,376	478,197	15.29%
Charges For Service	628,900	642,082	13,182	2.10%
Licenses And Permits	91,000	112,650	21,650	23.79%
Intergovernmental	2,729,502	2,973,620	244,118	8.94%
Fines	183,625	188,721	5,096	2.78%
Franchise Fees	258,500	277,081	18,581	7.19%
Interest Income	12,353	8,743	(3,610)	(29.22%)
Miscellaneous Income	163,000	143,208	(19,792)	(12.14%)
<b>Total Revenues</b>	<b>7,194,059</b>	<b>7,951,481</b>	<b>757,422</b>	<b>10.53%</b>
<b>Expenditures</b>				
General Government	2,047,807	1,876,757	171,050	8.35%
Police Department	3,779,732	3,960,017	(180,285)	(4.77%)
Public Works	1,050,102	902,561	147,541	14.05%
Community Development	298,713	277,412	21,301	7.13%
Capital Outlay	63,389	49,406	13,983	22.06%
Other Financing Uses	850,000	850,000	0	0.00%
<b>Total Expenditures</b>	<b>8,089,743</b>	<b>7,916,153</b>	<b>173,590</b>	<b>2.15%</b>
<b>Changes In Fund Balance</b>	<b>(895,684)</b>	<b>35,328</b>	<b>931,012</b>	<b>103.94%</b>

It should be noted for audit purposes the Police Pension Fund tax levy is included in the General Fund as revenue in the taxes category and as an expenditure in the Police Department, at \$448,626. As the chart shows, revenues were \$757,422, 10.53% above the operating budget amount. Besides taxes, the largest actual to budget dollar variance is intergovernmental; with actual revenue exceeding the budget amount by \$244,118 due to the following taxes coming in over budget; use, income, replacement, and video gaming. Sales tax was \$1,662 under budget.

Expenditures were 2.15% under the operating budget of \$8,089,743. The Police Department expenditures are \$268,341 under the operating budget after backing out the \$448,626 Police Pension tax levy. All other operating expenditures were consistent with the operating budget.

**Other Governmental Funds.** All other governmental fund type revenues were \$1,500,783, a decrease of \$462,661 from the prior year amount of \$1,963,444. The table below lists the revenue types and the change from the prior year.

	2016	2015	Dollar Change	Percent Change
<b>Revenues</b>				
Taxes	\$791,374	\$874,428	(\$83,054)	(9.50%)
Intergovernmental	\$707,736	\$1,055,967	(\$348,231)	(32.98%)
Impact Fees	\$0	\$19,745	(\$19,745)	(100.00%)
Interest Income	\$1,673	\$1,389	\$284	20.45%
Miscellaneous Income	\$0	\$11,915	(\$11,915)	(100.00%)
<b>Total Revenues</b>	<b>\$1,500,783</b>	<b>\$1,963,444</b>	<b>(\$462,661)</b>	<b>(23.56%)</b>

Fiscal year end 2016 taxes were \$83,054 lower than 2015 due to electric tax decreasing 2.14%, telephone tax decreasing .32%, and gas tax decreasing 31.97% from the previous fiscal year. Intergovernmental revenue decreased \$348,231 mainly due to the absence of significant grant and roadway project reimbursement receipts. Impact fees were \$19,745 lower than 2015 due to the completed development of the Emerald Bay subdivision.

The table below lists the expense types and the change from the prior year.

	2016	2015	Dollar Change	Percent Change
<b>Expenditures</b>				
General Government	137,515	193,184	(55,669)	(28.82%)
Public Works	102,146	61,420	40,726	66.31%
Capital Outlay	1,021,858	1,837,988	(816,130)	(44.40%)
Debt Service	1,173,665	1,176,775	(3,110)	(0.26%)
<b>Total Expenditures</b>	<b>2,435,184</b>	<b>3,269,367</b>	<b>(834,183)</b>	<b>(25.52%)</b>

All other governmental fund type expenditures were \$2,435,184, a decrease of \$834,183 from the prior year. As shown in the table above the major increase was in the capital outlay category. The majority of the net decrease relates to projects in the Motor Fuel Tax Fund for roadway improvements, specifically the near completion of Hart Rd in 2015. General Government expenditures decreased 28.82% due to a decrease in engineering fees related to the roadway improvement projects.

**Proprietary funds.** The Village's proprietary funds, the enterprise funds, which includes water/sewer and the commuter parking lot funds and the internal service funds which include the vehicle, technology, and building replacement funds, provides the same type of information found in the government-wide financial statements, but in more detail.

The Water and Sewer Fund reported total operating income before depreciation expense of \$564,956. Operating revenues totaled \$4,087,281, an increase of \$35,103 from the preceding year. Operating expenses excluding depreciation totaled \$3,522,325, an increase of \$72,876 from the prior year. Operating loss before non-operating items, transfers and contributions totaled \$647,912. The total change in net position reported for the current fiscal year was a negative \$658,363.

The Commuter Parking Lot Fund reported total operating income before depreciation expense of \$13,662. Operating revenue totaled \$78,214, a decrease of \$6,278 from the preceding year. Operating expenses excluding depreciation totaled \$64,552, an increase of \$12,815 from the prior year. The total change in net position reported for the current fiscal year was a positive \$13,705.

The internal service funds, which includes vehicle, technology, and the building replacement funds reported total operating income before depreciation expense of \$449,003. Operating revenues totaled \$498,545 and operating expenses excluding depreciation totaled \$49,542. The total change in net position reported for the current fiscal year was a positive \$348,480.

**Fiduciary funds.** The Village’s fiduciary funds consist of five agency funds and one Police Pension Trust Fund. Net position held by the Police Pension Trust Fund totaled \$6,094,436 at April 30, 2016, a decrease of \$51,349 from the prior year. Additions to the pension trust fund totaled \$560,075 and deductions totaled \$611,424.

## ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

General economic conditions are expected to improve in the fiscal year beginning May 1, 2016 and ending April 30, 2017. However, it is anticipated that no new development will occur in the near future. Although economic revenues are balanced with property tax revenues, certain tax revenues that are impacted by the economy will need to be monitored carefully, such as sales and income tax. Both revenue sources are expected to increase in the upcoming year.

In addition, Village officials considered many factors when setting the fiscal year 2016-2017 budget and the associated property tax rates and charges for services. These factors include anticipated consumer priced indexed costs, economic driven revenue sources, completion of capital projects along with future projects, larger contracts that may be up for renewal, and an assessment of future staffing needs.

## CAPITAL ASSETS

The Village’s investment in capital assets for its governmental and business type activities as of April 30, 2016 was \$71,526,828 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, streets and related infrastructure. The total decrease in the Village’s investment in capital assets for the year ended April 30, 2016 was \$495,890.

### Capital Assets (net of depreciation) Fiscal Years Ended April 30<sup>th</sup>

Description	Governmental Activities		Business - Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$12,026,483	\$12,026,483	\$130,000	\$130,000	\$12,156,483	\$12,156,483
Construction in progress	2,722,933	2,243,786	61,245	526,016	2,784,178	2,769,802
Buildings	7,313,422	7,533,874	0	0	7,313,422	7,533,874
Land Improvements	303,891	311,904	0	0	303,891	311,904
Vehicles and Equipment	811,184	563,980	189,040	231,195	1,000,224	795,175
Infrastructure	15,462,388	15,527,873	32,506,242	32,927,607	47,968,630	48,455,480
<b>Totals</b>	<b>\$38,640,301</b>	<b>\$38,207,900</b>	<b>\$32,886,527</b>	<b>\$33,814,818</b>	<b>\$71,526,828</b>	<b>\$72,022,718</b>

Governmental activities capital assets increased \$432,401 from the prior year and business-type activities capital assets decreased \$928,291. The majority of the increase in the current fiscal year relates to the capitalization of construction in progress projects along with prior year’s completed construction in progress projects in the infrastructure category.

Depreciation expense in the governmental and business-type activities totaled \$803,907 and \$1,212,868 respectively in the current fiscal year.

## DEBT ADMINISTRATION

As of April 30, 2016, the Village had five general obligation bonds outstanding. At the end of the current fiscal year, the Village of Round Lake had \$12,940,000 of debt outstanding as shown by the table below.

### Outstanding Debt Fiscal Year Ended April 30, 2016

<u>General Obligation Bonds</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
Series 2005	\$535,000	\$0	\$535,000
Series 2010A	\$9,100,000	\$0	\$9,100,000
Series 2010B	\$610,000	\$0	\$610,000
Series 2010C	0	620,000	620,000
Series 2011	2,075,000	0	2,075,000
Total	<u>\$12,320,000</u>	<u>\$620,000</u>	<u>\$12,940,000</u>

During the year the Village's total outstanding debt decreased by \$760,000. All the decrease was attributed to retirements of general obligation bonds. There were no new issuances during the fiscal year 2016.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

General economic conditions are expected to improve in the fiscal year beginning May 1, 2016 and ending April 30, 2017. However, it is anticipated that no new development will occur in the near future. Although economic revenues are balanced with property tax revenues, certain tax revenues that are impacted by the economy will need to be monitored carefully, such as sales and income tax. Both revenue sources are expected to increase in the upcoming year.

In addition, Village officials considered many factors when setting the fiscal year 2017 budget and the associated property tax rates and charges for services. These factors include anticipated consumer priced indexed costs, economic driven revenue sources, completion of capital projects along with future projects, larger contracts that may be up for renewal, and an assessment of future staffing needs.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Round Lake for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Wayde Frerichs, Director of Finance, Village of Round Lake, 442 N. Cedar Lake Road, Round Lake, IL 60073.

**VILLAGE OF ROUND LAKE, ILLINOIS**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2016

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 8,625,497	\$ 3,890,135	\$ 12,515,632
Investments	988,611	3,321,874	4,310,485
Due from other funds	3,000	-	3,000
Capital assets not being depreciated	14,749,416	191,245	14,940,661
Capital assets (net of accumulated depreciation)	23,890,885	32,695,282	56,586,167
<b>Total assets</b>	<b>48,257,409</b>	<b>40,098,536</b>	<b>88,355,945</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	639,233	-	639,233
<b>Total deferred outflows of resources</b>	<b>639,233</b>	<b>-</b>	<b>639,233</b>
<b>LIABILITIES</b>			
Escrow deposits	15,147	-	15,147
Due to other funds	3,000	-	3,000
Other liabilities	-	72,057	72,057
Noncurrent liabilities			
Due within one year	725,000	115,000	840,000
Due within more than one year	11,691,710	505,000	12,196,710
<b>Total liabilities</b>	<b>12,434,857</b>	<b>692,057</b>	<b>13,126,914</b>
<b>NET POSITION</b>			
Net investment in capital assets	26,862,824	32,266,527	59,129,351
Restricted for			
Public safety	107,675	-	107,675
Streets	798,910	-	798,910
Working cash	673,612	-	673,612
Debt service	66,657	-	66,657
Specific purposes	134,525	-	134,525
Unrestricted	7,817,582	7,139,952	14,957,534
<b>TOTAL NET POSITION</b>	<b>\$ 36,461,785</b>	<b>\$ 39,406,479</b>	<b>\$ 75,868,264</b>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2016

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 2,245,713	\$ 1,029,613	\$ -	\$ -
Public safety	3,770,768	190,471	21,827	-
Public works	1,543,020	-	606,176	101,560
Community development	253,018	-	-	-
Interest	579,956	-	-	-
Total governmental activities	8,392,475	1,220,084	628,003	101,560
Business-Type Activities				
Water and sewer	4,759,001	4,087,281	-	-
Parking lot	64,552	78,214	-	-
Total business-type activities	4,823,553	4,165,495	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 13,216,028</b>	<b>\$ 5,385,579</b>	<b>\$ 628,003</b>	<b>\$ 101,560</b>

<b>Net (Expense) Revenue and Change in Net Position</b>			
<b>Primary Government</b>			
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (1,216,100)	\$ -	\$ (1,216,100)
	(3,558,470)	-	(3,558,470)
	(835,284)	-	(835,284)
	(253,018)	-	(253,018)
	(579,956)	-	(579,956)
	<u>(6,442,828)</u>	-	<u>(6,442,828)</u>
	-	(671,720)	(671,720)
	-	13,662	13,662
	-	(658,058)	(658,058)
	<u>(6,442,828)</u>	<u>(658,058)</u>	<u>(7,100,886)</u>
General Revenues			
Taxes			
Property	3,629,347	-	3,629,347
Replacement	25,283	-	25,283
Sales	498,338	-	498,338
Utility	767,403	-	767,403
Other	475,757	-	475,757
State-shared income taxes	1,952,865	-	1,952,865
Investment income	10,416	13,400	23,816
Miscellaneous	143,208	-	143,208
	<u>7,502,617</u>	<u>13,400</u>	<u>7,516,017</u>
CHANGE IN NET POSITION	1,059,789	(644,658)	415,131
NET POSITION, MAY 1	<u>35,401,996</u>	<u>40,051,137</u>	<u>75,453,133</u>
<b>NET POSITION, APRIL 30</b>	<u>\$ 36,461,785</u>	<u>\$ 39,406,479</u>	<u>\$ 75,868,264</u>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM CASH BASIS  
GOVERNMENTAL FUNDS

April 30, 2016

	<b>General</b>	<b>Nonmajor Governmental</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 4,987,079	\$ 2,996,653	\$ 7,983,732
Investments	887,373	101,238	988,611
Due from other funds	3,000	-	3,000
<b>TOTAL ASSETS</b>	<b>\$ 5,877,452</b>	<b>\$ 3,097,891</b>	<b>\$ 8,975,343</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Escrow deposits	\$ 15,147	\$ -	\$ 15,147
Due to other funds	-	3,000	3,000
Total liabilities	15,147	3,000	18,147
<b>FUND BALANCES</b>			
Restricted			
Public safety	107,675	-	107,675
Streets	-	798,910	798,910
Working cash	-	673,612	673,612
Debt service	-	66,657	66,657
Specific purposes	-	134,525	134,525
Assigned			
Debt service	-	50,550	50,550
Capital projects	-	1,373,161	1,373,161
Unrestricted			
Unassigned	5,754,630	(2,524)	5,752,106
Total fund balances	5,862,305	3,094,891	8,957,196
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,877,452</b>	<b>\$ 3,097,891</b>	<b>\$ 8,975,343</b>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

**RECONCILIATION OF FUND BALANCES ARISING FROM CASH BASIS  
OF THE GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES  
IN THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS**

April 30, 2016

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 8,957,196
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	38,640,301
Less amount reported in internal service funds below	(718,120)
Unamortized loss on refunding is reported as a deferred outflow of resources on the statement of net position	639,233
Long-term liabilities, including installment contracts, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(12,320,000)
Unamortized premium	(96,710)
The net position of internal service funds are included in the governmental activities in the statement of net position	<u>1,359,885</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 36,461,785</u></u>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	<b>General</b>	<b>Nonmajor Governmental</b>	<b>Total</b>
<b>REVENUES COLLECTED</b>			
Taxes	\$ 3,605,376	\$ 791,374	\$ 4,396,750
Intergovernmental	2,973,620	707,736	3,681,356
Licenses and permits	112,650	-	112,650
Fines	188,721	-	188,721
Charges for service	919,163	-	919,163
Investment income	8,743	1,673	10,416
Miscellaneous	143,208	-	143,208
Total revenues collected	<u>7,951,481</u>	<u>1,500,783</u>	<u>9,452,264</u>
<b>EXPENDITURES PAID</b>			
Current			
General government	1,876,757	137,515	2,014,272
Public safety	3,960,017	-	3,960,017
Public works	902,561	102,146	1,004,707
Community development	277,412	-	277,412
Capital outlay	49,406	1,021,858	1,071,264
Debt service			
Principal retirement	-	645,000	645,000
Interest and fiscal charges	-	528,665	528,665
Total expenditures paid	<u>7,066,153</u>	<u>2,435,184</u>	<u>9,501,337</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	<u>885,328</u>	<u>(934,401)</u>	<u>(49,073)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	850,000	850,000
Transfers (out)	<u>(850,000)</u>	<u>-</u>	<u>(850,000)</u>
Total other financing sources (uses)	<u>(850,000)</u>	<u>850,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	35,328	(84,401)	(49,073)
FUND BALANCES, MAY 1	<u>5,826,977</u>	<u>3,179,292</u>	<u>9,006,269</u>
<b>FUND BALANCES, APRIL 30</b>	<u><u>\$ 5,862,305</u></u>	<u><u>\$ 3,094,891</u></u>	<u><u>\$ 8,957,196</u></u>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES  
COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES -  
CASH BASIS - TO THE GOVERNMENTAL ACTIVITIES IN  
THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2016

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ (49,073)</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	832,496
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(803,907)
Amortization	(51,291)
Less amount reported in internal service funds below	138,084
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	645,000
The change in net position of internal service funds is in governmental funds	<u>348,480</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 1,059,789</u></u></b>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

**STATEMENT OF ASSETS, LIABILITIES AND NET POSITION  
ARISING FROM MODIFIED CASH BASIS  
PROPRIETARY FUNDS**

April 30, 2016

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	<b>Water and Sewer</b>	<b>Nonmajor Enterprise</b>	<b>Total</b>	<b>Internal Service</b>
<b>ASSETS</b>				
Cash	\$ 3,513,496	\$ 376,639	\$ 3,890,135	\$ 641,765
Investments	3,321,874	-	3,321,874	-
Capital assets not being depreciated	91,245	100,000	191,245	-
Capital assets (net of accumulated depreciation)	32,695,282	-	32,695,282	718,120
Total assets	39,621,897	476,639	40,098,536	1,359,885
<b>LIABILITIES</b>				
Current liabilities				
Other liabilities	72,057	-	72,057	-
Noncurrent liabilities				
Due within one year	115,000	-	115,000	-
Due within more than one year	505,000	-	505,000	-
Total liabilities	692,057	-	692,057	-
<b>NET POSITION</b>				
Net investment in capital assets	32,166,527	100,000	32,266,527	718,120
Unrestricted	6,763,313	376,639	7,139,952	641,765
<b>TOTAL NET POSITION</b>	<b>\$ 38,929,840</b>	<b>\$ 476,639</b>	<b>\$ 39,406,479</b>	<b>\$ 1,359,885</b>

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See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

STATEMENT OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	<b>Water and Sewer</b>	<b>Nonmajor Enterprise</b>	<b>Total</b>	<b>Internal Service</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 4,087,281	\$ 78,214	\$ 4,165,495	\$ -
Interfund contributions	-	-	-	498,545
Total operating revenues	4,087,281	78,214	4,165,495	498,545
<b>OPERATING EXPENSES</b>				
Operations	3,522,325	64,552	3,586,877	49,542
Total operating expenses	3,522,325	64,552	3,586,877	49,542
<b>OPERATING INCOME</b>				
BEFORE DEPRECIATION	564,956	13,662	578,618	449,003
Depreciation	1,212,868	-	1,212,868	138,084
<b>OPERATING INCOME (LOSS)</b>	<b>(647,912)</b>	<b>13,662</b>	<b>(634,250)</b>	<b>310,919</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	13,357	43	13,400	78
Insurance reimbursement	-	-	-	37,483
Interest expense	(23,808)	-	(23,808)	-
Total non-operating revenues (expenses)	(10,451)	43	(10,408)	37,561
<b>CHANGE IN NET POSITION</b>	<b>(658,363)</b>	<b>13,705</b>	<b>(644,658)</b>	<b>348,480</b>
<b>NET POSITION, MAY 1</b>	<b>39,588,203</b>	<b>462,934</b>	<b>40,051,137</b>	<b>1,011,405</b>
<b>NET POSITION, APRIL 30</b>	<b>\$ 38,929,840</b>	<b>\$ 476,639</b>	<b>\$ 39,406,479</b>	<b>\$ 1,359,885</b>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Water and Sewer	Nonmajor Enterprise	Total	Internal Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 4,099,301	\$ 78,214	\$ 4,177,515	\$ -
Receipts from interfund services	-	-	-	498,545
Receipts from miscellaneous	-	-	-	37,483
Payments to suppliers	(3,388,660)	(64,552)	(3,453,212)	(49,542)
Payments for interfund services	(133,665)	-	(133,665)	-
Net cash from operating activities	576,976	13,662	590,638	486,486
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
None	-	-	-	-
Net cash from noncapital financing activities	-	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased	(284,577)	-	(284,577)	(403,812)
Bond principal payments	(115,000)	-	(115,000)	-
Bond interest payments	(23,808)	-	(23,808)	-
Net cash from capital and related financing activities	(423,385)	-	(423,385)	(403,812)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	13,357	43	13,400	78
Purchase of investments	(11,515)	-	(11,515)	-
Net cash from investing activities	1,842	43	1,885	78
NET INCREASE IN CASH AND CASH EQUIVALENTS	155,433	13,705	169,138	82,752
CASH AND CASH EQUIVALENTS, MAY 1	3,358,063	362,934	3,720,997	559,013
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<b>\$ 3,513,496</b>	<b>\$ 376,639</b>	<b>\$ 3,890,135</b>	<b>\$ 641,765</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (647,912)	\$ 13,662	\$ (634,250)	\$ 310,919
Other miscellaneous receipts	-	-	-	37,483
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	1,212,868	-	1,212,868	138,084
Other liabilities	12,020	-	12,020	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 576,976</b>	<b>\$ 13,662</b>	<b>\$ 590,638</b>	<b>\$ 486,486</b>

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

**STATEMENT OF ASSETS, LIABILITIES AND NET POSITION  
ARISING FROM MODIFIED CASH BASIS  
FIDUCIARY FUNDS**

April 30, 2016

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	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 581,526	\$ 1,432,749
Investments		
U.S. Treasury obligations	1,026,932	-
U.S. agency obligations	873,578	-
Corporate bonds	844,226	-
Money market mutual funds	157,518	-
Mutual funds	2,610,656	-
	<hr/>	<hr/>
Total assets	6,094,436	\$ 1,432,749
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Deposits payable	-	\$ 37,271
Other payables	-	1,395,478
	<hr/>	<hr/>
Total liabilities	-	\$ 1,432,749
	<hr/>	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<hr/>	
	\$ 6,094,436	
	<hr/>	

See accompanying notes to financial statements.

**VILLAGE OF ROUND LAKE, ILLINOIS**

**STATEMENT OF ADDITIONS, DEDUCTIONS AND  
CHANGES IN NET POSITION - MODIFIED CASH BASIS  
PENSION TRUST FUND**

For the Year Ended April 30, 2016

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**ADDITIONS**

Contributions - employer	\$ 448,626
Contributions - employee	<u>190,946</u>
Total contributions	<u>639,572</u>
Investment income	
Net appreciation in fair value of investments	(119,598)
Interest earned on investments	<u>60,682</u>
Total investment income	(58,916)
Less investment expense	<u>(20,581)</u>
Net investment income	<u>(79,497)</u>
Total additions	<u>560,075</u>

**DEDUCTIONS**

Benefits and refunds	
Retirement pension	276,681
Disability pension	87,799
Refund of contribution	233,743
Administrative	<u>13,201</u>
Total deductions	<u>611,424</u>

NET INCREASE (DECREASE) (51,349)

**NET POSITION RESTRICTED FOR  
PENSIONS**

May 1	<u>6,145,785</u>
April 30	<u>\$ 6,094,436</u>

See accompanying notes to financial statements.

# VILLAGE OF ROUND LAKE, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2016

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Round Lake, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)), except as described in Note 1d. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

#### a. Reporting Entity

The Village is a body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected Mayor/Board of Trustees. These financial statements present the Village and its component units as required by GAAP.

The Village's financial statements include a pension trust fund:

#### Police Pension Employees Retirement System

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

#### b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b. Fund Accounting (Continued)

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

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity and agency funds which are used to account for funds held by the Village in an agent capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements (Continued)

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

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the Village, except those accounted for in another fund.

The Village reports the following major proprietary funds:

The Water and Sewer Fund accounts for the provision of water and wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund and agency funds for special service areas and impact fees.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary and fiduciary financial statements are reported using the economic resources measurement focus and using the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The Village reports capital assets and liabilities issued to acquire capital assets, not long-term operating liabilities. Revenues are recorded at the time of receipt by the Village. Expenses are recorded when the funds are disbursed. Depreciation of capital assets has also been shown on the government-wide financial statements. Payroll withholdings from employees and escrow deposits are reflected on the statement of net position and balance sheets as liabilities. Other liabilities are primarily credit balances in customer accounts. Finally, debt payable and the unamortized loss on refunding related to capital assets are reflected as liabilities and deferred outflows of resources, respectively, on the statement of net position and proprietary fund balance sheet. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues are recorded at the time of receipt by the Village. Expenditures are recorded when the funds are disbursed. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, non-negotiable certificates of deposit and investments with a maturity of less than one year at date of purchase are stated at amortized cost. All other investments are stated at fair value. All investments of the pension trust fund are stated at fair value. Fair value has been based on quoted market prices at April 30, 2016 for debt and equity securities.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet/statement of net position. Short-term interfund loans, if any, are classified as “interfund receivables/payables.” Long-term portions are classified as “advances from other funds” or “advances to other funds.”

g. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$5,000 (except for land which has no threshold) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-45
Equipment and vehicles	5-10
Water and sewer infrastructure	30-50
Other infrastructure	10-50

h. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium.

In the fund financial statements, governmental funds recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures and expenses.

i. Fund Balance/Net Position

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator; however, this has not been authorized through a formal policy. Any residual fund balance in the General Fund and any deficit fund balance in other governmental funds are reported as unassigned.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Fund Balance/Net Position (Continued)

The Village's flow of funds assumption specified that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

j. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**2. DEPOSITS AND INVESTMENTS**

The Village's investment policy authorizes the Village to invest in debt securities guaranteed by the United States Government (explicitly or implicitly), interest-bearing savings and money market accounts (also interest-bearing time deposits if FDIC insured and credit if main office is located in Illinois), interest-bearing certificates of deposit and Illinois Funds (a money market fund created by the state legislature under the control of the State Treasurer that maintains a \$1 share value).

It is the policy of the Village 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 Village and conforming to all state and local statutes governing the investment of public funds using "good judgment and care" for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

The Village maintains a cash pool that is available for use by all funds. In addition, cash and investments are separately held by several of the Village's funds.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**2. DEPOSITS AND INVESTMENTS (Continued)**

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral at a minimum of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

Village Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to meet daily cash flow requirements for ongoing operations in order to maximize yield on longer term investments by avoiding having to sell securities on the open market before maturity and by investing operating funds in shorter term securities, money market mutual funds or external investment pools.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party custodian evidenced by safekeeping receipts. As of April 30, 2016, the investments were being held by the Village's counterparty, which is not in accordance with the investment policy.

Concentration of credit risk is the risk that the Village has too high a percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk.

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2016:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury	\$ 1,631,623	\$ 675,712	\$ 955,911	\$ -	\$ -
U.S. agency securities	2,670,009	1,724,719	945,290	-	-
<b>TOTAL</b>	<b>\$ 4,301,632</b>	<b>\$ 2,400,431</b>	<b>\$ 1,901,201</b>	<b>\$ -</b>	<b>\$ -</b>

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in Illinois Funds. The U.S. Treasury and U.S. agency securities are rated AAA.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the Village.

- The property tax lien date is January 1;
- Property taxes are due to the County Collector in two installments, June 1 and September 1; and
- Property taxes for 2015 were levied in December 2015 and are normally received monthly beginning in June and generally ending by December 2016.

**4. CAPITAL ASSETS**

Governmental Activities

Governmental capital asset activity for the year ended April 30, 2016 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 12,026,483	\$ -	\$ -	\$ 12,026,483
Construction in progress	2,243,786	766,964	287,817	2,722,933
Total capital assets not being depreciated	<u>14,270,269</u>	<u>766,964</u>	<u>287,817</u>	<u>14,749,416</u>
Capital assets being depreciated				
Buildings	9,785,456	-	-	9,785,456
Land improvements	877,587	22,900	-	900,487
Vehicles and equipment	2,208,625	426,369	192,169	2,442,825
Infrastructure	18,318,398	307,892	-	18,626,290
Total capital assets being depreciated	<u>31,190,066</u>	<u>757,161</u>	<u>192,169</u>	<u>31,755,058</u>
Less accumulated depreciation for				
Buildings	2,251,582	220,452	-	2,472,034
Land improvements	565,683	30,913	-	596,596
Vehicles and equipment	1,644,645	179,165	192,169	1,631,641
Infrastructure	2,790,525	373,377	-	3,163,902
Total accumulated depreciation	<u>7,252,435</u>	<u>803,907</u>	<u>192,169</u>	<u>7,864,173</u>
Total capital assets being depreciated, net	<u>23,937,631</u>	<u>(46,746)</u>	<u>-</u>	<u>23,890,885</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 38,207,900</u>	<u>\$ 720,218</u>	<u>\$ 287,817</u>	<u>\$ 38,640,301</u>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

Governmental Activities (Continued)

Depreciation expense was charged to functions of the primary government as follows:

**GOVERNMENTAL ACTIVITIES**

General government	\$ 256,250
Public safety	83,633
Public works	458,465
Community Development	<u>5,559</u>
<b>TOTAL</b>	<u><u>\$ 803,907</u></u>

Business-Type Activities

Business-type capital asset activity for the year ended April 30, 2016 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Construction in progress	\$ 526,016	\$ 253,688	\$ 718,459	\$ 61,245
Land	130,000	-	-	130,000
Total capital assets not being depreciated	<u>656,016</u>	<u>253,688</u>	<u>718,459</u>	<u>191,245</u>
Capital assets being depreciated				
Infrastructure	45,150,166	718,459	-	45,868,625
Vehicles and equipment	919,065	30,889	-	949,954
Total capital assets being depreciated	<u>46,069,231</u>	<u>749,348</u>	<u>-</u>	<u>46,818,579</u>
Less accumulated depreciation for				
Infrastructure	12,222,559	1,139,824	-	13,362,383
Vehicles and equipment	687,870	73,044	-	760,914
Total accumulated depreciation	<u>12,910,429</u>	<u>1,212,868</u>	<u>-</u>	<u>14,123,297</u>
Total capital assets being depreciated, net	<u>33,158,802</u>	<u>(463,520)</u>	<u>-</u>	<u>32,695,282</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u><u>\$ 33,814,818</u></u>	<u><u>\$ (209,832)</u></u>	<u><u>\$ 718,459</u></u>	<u><u>\$ 32,886,527</u></u>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT**

A summary of long-term debt of the Village for the year ended April 30, 2016 consisted of the following:

a. General Obligation Bonds

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General Obligation (Alternate Revenue Source) Bonds, Series 2005, are due in annual installments ranging from \$35,000 to \$275,000 through January 1, 2018, interest rates range from 2.6% to 4.1%, and payments are due semiannually on January 1 and July 1.	2005 Bonds Debt Service	\$ 780,000	\$ -	\$ 245,000	\$ 535,000	\$ 260,000
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010A, are due in annual installments ranging from \$50,000 to \$1,320,000 through January 1, 2029, interest rates range from 3.60% to 4.65%, and payments are due semiannually on January 1 and July 1.	2010 Bonds Debt Service	9,100,000	-	-	9,100,000	50,000
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010B, are due in annual installments ranging from \$105,000 to \$255,000 through January 1, 2021, interest rates range from 2.25% to 3.60%, and payments are due semiannually on January 1 and July 1.	2010 Bonds Debt Service	720,000	-	110,000	610,000	115,000
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010C, are due in annual installments ranging from \$105,000 to \$135,000 through January 1, 2021, interest rates range from 2.0% to 3.7%, and payments are due semiannually on January 1 and July 1.	Water and Sewer	735,000	-	115,000	620,000	115,000

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

a. General Obligation Bonds (Continued)

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2011, are due in annual installments ranging from \$20,000 to \$500,000 through January 1, 2022, interest rates range from 2% to 4%, and payments are due semiannually on January 1 and July 1.	2011 Bonds Debt Service	\$ 2,365,000	\$ -	\$ 290,000	\$ 2,075,000	\$ 300,000
<b>TOTAL</b>		<b>\$ 13,700,000</b>	<b>\$ -</b>	<b>\$ 760,000</b>	<b>\$ 12,940,000</b>	<b>\$ 840,000</b>

b. Long-Term Liabilities Summarized

Transactions for the year ended April 30, 2016 are summarized as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
General obligation bonds	\$ 12,965,000	\$ -	\$ 645,000	\$ 12,320,000	\$ 725,000
Unamortized premium on bonds	112,828	-	16,118	96,710	-
<b>Total governmental activities</b>	<b>13,077,828</b>	<b>-</b>	<b>661,118</b>	<b>12,416,710</b>	<b>725,000</b>
<b>Business-Type Activities</b>					
General obligation bonds	735,000	-	115,000	620,000	115,000
<b>Total business-type activities</b>	<b>735,000</b>	<b>-</b>	<b>115,000</b>	<b>620,000</b>	<b>115,000</b>
<b>TOTAL</b>	<b>\$ 13,812,828</b>	<b>\$ -</b>	<b>\$ 776,118</b>	<b>\$ 13,036,710</b>	<b>\$ 840,000</b>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

c. Debt Service to Maturity

The annual requirements to amortize all debt outstanding of the Village as of April 30, 2016 are as follows:

Bonds

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$ 725,000	\$ 506,635	\$ 1,231,635	\$ 115,000	\$ 20,458	\$ 135,458
2018	755,000	481,885	1,236,885	120,000	17,583	137,583
2019	625,000	455,785	1,080,785	125,000	13,683	138,683
2020	915,000	433,880	1,348,880	125,000	9,620	134,620
2021	990,000	400,568	1,390,568	135,000	4,995	139,995
2022-2026	4,675,000	1,428,602	6,103,602	-	-	-
2027-2029	3,635,000	342,958	3,977,958	-	-	-
<b>TOTAL</b>	<b>\$ 12,320,000</b>	<b>\$ 4,050,313</b>	<b>\$ 16,370,313</b>	<b>\$ 620,000</b>	<b>\$ 66,339</b>	<b>\$ 686,339</b>

d. Special Service Area Debt without Village Obligation

Special Service Area #1 - The Village issued special tax bonds in the fiscal year ended 2003 in the amount of \$12,600,000 for improvements within Special Service Area (SSA) #1. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #1, issued Special Tax Refunding Bonds, Series 2007 with a face value of \$13,000,000, bearing interest ranging from 5% to 9%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund the Prior SSA One Bonds. These bonds are payable by tax levy from the SSA #1 only, and are not village obligations. No SSA One Bonds were outstanding at April 30, 2016, and Refunding Bonds outstanding at April 30, 2016 were \$11,395,000.

Special Service Area #3 - The Village issued special tax bonds in the fiscal year ended 2004 in the amount of \$3,570,000 for improvements within SSA #3. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #3, issued Special Tax Refunding Bonds, Series 2007 with a face value of \$4,040,000, bearing interest ranging from 4.7% to 5.5%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund Prior SSA Three Bonds. These bonds are payable by tax levy from the SSA #3 only, and are not village obligations. No SSA Three Bonds were outstanding at April 30, 2016, and Refunding Bonds outstanding at April 30, 2016 were \$3,380,000.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**5. LONG-TERM DEBT (Continued)**

d. Special Service Area Debt without Village Obligation (Continued)

Special Service Area #4 - The Village issued special tax bonds in the fiscal year ended 2004 in the amount of \$5,040,000 for improvements within SSA #4. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #4, issued Special Tax Refunding Bonds, Series 2007 with a face value of \$5,750,000 and an interest rate of 6.75%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund Prior SSA Four Bonds. These bonds are payable by tax levy from the SSA #4 only, and are not village obligations. No SSA Four Bonds were outstanding at April 30, 2016, and Refunding Bonds outstanding at April 30, 2016 were \$4,841,000.

These Special Service Area Bonds are treated as special service area no commitment debt without village obligation. The Village acts only as an agent for the property owners in collecting property taxes and forwarding payments to the bond paying agent. Transactions are recorded in an agency fund. The bonds are not reflected in long-term debt.

e. Alternate Revenue Bonds

The Village has pledged future simplified telecommunications tax, electric utility tax and natural gas tax revenues (collectively, the utility taxes) to repay the General Obligation (Alternate Revenue Source) Bonds, Series 2005 and the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010A, 2010B and 2011. The bonds are payable from the utility taxes and ad valorem taxes and are payable through 2029. The total principal and interest remaining to be paid on the bonds is \$16,370,313. Principal and interest paid for the current year and total net revenues, excluding ad valorem taxes, were \$1,171,765 and \$767,403, respectively. The current year principal and interest of \$1,171,765 was 152.7% of the pledged revenue.

The Village has pledged future water and sewer revenue to repay the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010C. The bonds are payable from the water and sewer revenues and ad valorem taxes and are payable through 2021. The total principal and interest remaining to be paid on the bonds is \$686,339. Principal and interest paid for the current year and total net revenues were \$138,333 and \$4,088,173, respectively. The current year principal and interest of \$138,333 was 3.4% of the pledged water and sewer revenues.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. INTERFUND ACTIVITY**

Interfund transfers during the year ended April 30, 2016 consisted of the following:

	Transfer In	Transfer Out
General Fund	\$ -	\$ 850,000
Nonmajor Governmental Funds	850,000	-
	\$ 850,000	\$ 850,000
<b>TOTAL</b>	<b>\$ 850,000</b>	<b>\$ 850,000</b>

Significant transfers between funds for the year ended April 30, 2016 consist of the following:

- \$325,000 transferred to the Nonmajor Governmental Funds (Capital Projects Fund) from the General Fund to support future capital projects.
- \$525,000 transferred to Nonmajor Governmental Funds (Debt Service Funds) from the General Fund to support debt service payments. The transfers will not be repaid.

Interfund payables and receivables at April 30, 2016 consisted of the following:

	Payable Fund	Receivable Fund
General Fund	\$ -	\$ 3,000
Nonmajor Governmental	3,000	-
	\$ 3,000	\$ 3,000
<b>TOTAL</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>

Interfund payables and receivables at April 30, 2016 consist of the following:

- \$3,000 payable to the General Fund from Nonmajor Governmental (2011 Debt Service Fund) as a result of the General Fund provided additional funding. Repayment is expected within one year.

**7. RISK MANAGEMENT**

The Village purchases property, auto, general liability, public officials bonds and health, dental, vision and life insurance from various insurance brokers for the benefit of its employees. Losses have not exceeded coverage in the current year or the preceding two years.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**7. RISK MANAGEMENT (Continued)**

Illinois Public Risk Fund

The Village participates in the Illinois Public Risk Fund (IPRF). IPRF is an organization of Illinois municipalities and special districts in Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its workers' compensation needs.

**8. COMMITMENTS AND CONTINGENCIES**

a. Litigation

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

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

c. The Village's contract with Solid Waste Agency of Lake County (SWALCO) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Construction Contracts

The Village has entered into contracts for the construction or renovation of various facilities as follows:

	Purpose	Expended to Date	Total Commitment
Hart and Sunset Road	Reconstruct roads and storm sewers	\$ 1,471,130	\$ 1,770,492
MacGillis Drive Bridge	Reconstruction of bridge	22,622	340,360
Second JAWA Connection	Establish second connection point to JAWA	-	25,900
Forest Avenue	Reconstruction of road	350,449	401,400
Long Lake East	Reconstruction of road	163,487	201,667
Nippersink	Reconstruction of road	29,485	29,988
Nippersink	Reconstruction of watermain	5,907	6,012
Cambridge Lift Station	Lift station replacement	43,576	47,500
Well #3	Establish reliable emergency water source	4,991	5,000

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. JOINT VENTURES**

Solid Waste Agency of Lake County (SWALCO)

Description of Joint Venture

The Village is a member of SWALCO, which consists of 42 municipalities. SWALCO is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWALCO is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

The members form a contiguous geographic service area, which is located in Lake County. Under the Agency Agreement, additional members may join SWALCO upon the approval of each member.

SWALCO is governed by a Board of Directors, which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWALCO are appointed by the Board of Directors. The Board of Directors determines the general policy of SWALCO; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of bonds or notes by SWALCO; adopts by-laws, rules and regulations; and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

SWALCO is an oversight advisory board providing long-range planning services to member municipalities. The Village is a participant in SWALCO, but no agreement has been reached as to services to be provided. The Village made no payments to SWALCO during the current fiscal year.

Complete financial statements can be obtained from the Solid Waste Agency of Lake County, 1300 N. Skokie Highway, Suite 103, Gurnee, Illinois 60031.

The Village does not have an equity interest in SWALCO at April 30, 2016.

CenCom E-911 Joint Emergency Telephone System

The Village is a member of CenCom E-911 Joint Emergency Telephone System (CenCom). The Village's contribution to CenCom is reflected as an operating disbursement of the General Fund.

The purpose of the joint agreement is to provide joint and mutual operation of an E-911 emergency telephone system.

At April 30, 2016, CenCom had eight members. Each member is represented on the Board of Directors, which governs CenCom and establishes the budget.

**9. JOINT VENTURES (Continued)**

CenCom E-911 Joint Emergency Telephone System (Continued)

CenCom is financed by a telephone surcharge. In addition, participating members pay a share of operating costs for dispatching services. Payments to CenCom during the current fiscal year totaled \$260,199. The entity is not considered a component unit of the Village. The Village does not have an equity interest in CenCom at April 30, 2016.

**10. EMPLOYEE RETIREMENT SYSTEMS**

The Village contributes to three defined benefit pension plans (collectively referred to as the Pension Plans), the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by IMRF and is also an agent multiple-employer public employee retirement system; and the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Pension Plans do not issue separate reports on the plans. However, IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. Those reports can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

*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.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2015, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	19
Inactive employees entitled to but not yet receiving benefits	18
Active employees	<u>23</u>
 TOTAL	 <u><u>60</u></u>

*Benefits Provided*

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

*Contributions*

Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2015 was 9.86% of covered payroll.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	4.00%
Salary increases	0.40% to 10.00%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

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

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability was 7.49%. 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 the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members.

Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.49% used to determine the total pension liability.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 6,003,380	\$ 5,805,072	\$ 198,308
Changes for the period			
Service cost	156,071	-	156,071
Interest	446,139	-	446,139
Difference between expected and actual experience	116,639	-	116,639
Changes in assumptions	7,603	-	7,603
Employer contributions	-	142,234	(142,234)
Employee contributions	-	64,914	(64,914)
Net investment income	-	28,879	(28,879)
Benefit payments and refunds	(265,786)	(265,786)	-
Other (net transfer)	-	13,604	(13,604)
Net changes	460,666	(16,155)	476,821
BALANCES AT DECEMBER 31, 2015	\$ 6,464,046	\$ 5,788,917	\$ 675,129

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability (Continued)*

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 86,752	\$ -
Changes in assumption	5,655	-
Net difference between projected and actual earnings on pension plan investments	323,850	-
Employer contributions after the measurement date	43,044	-
<b>TOTAL</b>	<b>\$ 459,301</b>	<b>\$ -</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF would be amortized in a full accrual entity as follows:

<u>Year Ending April 30,</u>	
2017	\$ 155,842
2018	112,798
2019	109,700
2020	80,961
2021	-
Thereafter	-
<b>TOTAL</b>	<b>\$ 459,301</b>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (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 net pension liability of the Village calculated using the discount rate of 7.49% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.49%) or 1 percentage point higher (8.49%) than the current rate:

	1% Decrease (6.49%)	Current Discount Rate (7.49%)	1% Increase (8.49%)
Net pension liability	\$ 1,526,956	\$ 675,129	\$ 64

The net pension liability and deferred outflows of resources are not reported on the Village's financial statements as the Village reports on the modified cash basis of accounting as discussed in Note 1d.

Sheriff's Law Enforcement Personnel

*Plan Administration*

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.

*Plan Membership*

At December 31, 2015, SLEP membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	-
Active employees	-
	<hr/>
TOTAL	<u>1</u>

**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

*Benefits Provided*

SLEP having accumulated at least 20 years of SLEP service and terminating IMRF participation or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. SLEP members meeting the two qualifications described in the first sentence of this paragraph are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 55 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited. The pension for participating members who retire between age 50 and 55 will be reduced by 1/2% for each month under age 55. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS.

*Contributions*

Participating members are required to contribute 6.5% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund the SLEP as specified by statute. The employer contribution rate for the year ended December 31, 2015 was 0.00% of covered payroll.

*Actuarial Assumptions*

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

*Actuarial Assumptions (Continued)*

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

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

*Discount Rate*

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

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Asset
BALANCES AT JANUARY 1, 2015	\$ 104,115	\$ 115,303	\$ (11,188)
Changes for the period			
Service cost	-	-	-
Interest	7,809	-	7,809
Difference between expected and actual experience	(22,438)	-	(22,438)
Changes in assumptions	-	-	-
Employer contributions	-	-	-
Employee contributions	-	-	-
Net investment income	-	577	(577)
Benefit payments and refunds	-	-	-
Administrative expense	-	-	-
Other (net transfer)	-	(14,151)	14,151
Net changes	(14,629)	(13,574)	(1,055)
BALANCES AT DECEMBER 31, 2015	\$ 89,486	\$ 101,729	\$ (12,243)

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to SLEP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	6,032	-
<b>TOTAL</b>	<b>\$ 6,032</b>	<b>\$ -</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to SLEP would be amortized in a full accrual entity as follows:

<u>Year Ended April 30,</u>	
2017	\$ 1,508
2018	1,508
2019	1,508
2020	1,508
2021	-
Thereafter	-
<b>TOTAL</b>	<b>\$ 6,032</b>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (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 Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ (2,328)	\$ (12,243)	\$ (20,520)

The net pension asset and deferred outflows of resources are not reported on the Village's financial statements as the Village reports on the modified cash basis of accounting as discussed in Note 1d.

Police Pension Plan

*Plan Administration*

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Plan Membership*

At April 30, 2016, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	8
Inactive plan members entitled to benefits but not yet receiving them	-
Active plan members	
Vested	13
Nonvested	13
	13
<b>TOTAL</b>	<b>34</b>

*Benefits Provided*

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% 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 2.5% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided* (Continued)

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.

*Contributions*

Employees are required by ILCS 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 Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended April 30, 2016, the Village's contribution was 23.66% of covered payroll.

*Investment Policy*

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and requires the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The investment policy was not modified during the year ended April 30, 2016.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy (Continued)*

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Equity	0-75%	45.00%	7.0%
Fixed Income	0-55%	55.00%	2.8%

The overall target for the Fund is approximately 55% invested in fixed income securities and 45% invested in equity securities. The long-term expected real rates of return are net of a 2% factor for inflation and investment expense. 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 the Asset Management and Trust Division of the investment management consultant's proprietary research and analytical tools 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. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2016 are listed in the table above.

*Investment Valuations*

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities, mutual funds and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a \$1 per share value.

*Investment Concentrations*

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Rate of Return*

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (1.42%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2016:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury	\$ 1,026,932	\$ 187,927	\$ 762,984	\$ 76,021	\$ -
U.S. agency securities	873,578	231,530	91,384	29,522	521,142
Corporate bonds	844,226	136,016	638,719	69,491	-
<b>TOTAL</b>	<b>\$ 2,744,736</b>	<b>\$ 555,473</b>	<b>\$ 1,493,087</b>	<b>\$ 175,034</b>	<b>\$ 521,142</b>

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Credit Risk*

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and other obligations which are rated in the top three classes by a national rating agency. The U.S. agency obligations are rated AA+. The corporate bonds are rated A3- to AA2.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party.

To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk. The pension fund's investments are held by the counterparty and are covered by a portion of the counterparty's excess SIPC insurance. However, the insurance is aggregate across all of the counterparty's clients; therefore, the pension fund's assets may not be 100% insured.

*Discount Rate*

The discount rate used to measure the total pension liability was 7%. 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 the Village contributions will be made at rates equal to the difference between 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 projected future benefit payments of current plan members.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 10,237,087	\$ 6,145,785	\$ 4,091,302
Changes for the period			
Service cost	506,982	-	506,982
Interest	695,658	-	695,658
Difference between expected and actual experience	(41,056)	-	(41,056)
Changes in assumptions	804,160	-	804,160
Employer contributions	-	448,626	(448,626)
Employee contributions	-	190,946	(190,946)
Net investment income	-	(79,497)	79,497
Benefit payments and refunds	(598,223)	(598,223)	-
Administrative expense	-	(13,201)	13,201
Net changes	1,367,521	(51,349)	1,418,870
BALANCES AT APRIL 30, 2016	\$ 11,604,608	\$ 6,094,436	\$ 5,510,172

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to salary assumptions.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	5.50%
Interest rate	7.00%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

Mortality rates were based on the RP 2014 Mortality Table (BCHA) projected using improvement scale MP-2015. The other non-economic actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

*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 Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 7,314,508	\$ 5,510,172	\$ 4,048,637

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 41,056
Changes in assumptions	804,160	-
Net difference between projected and actual earnings on pension plan investments	510,687	-
<b>TOTAL</b>	<u>\$ 1,314,847</u>	<u>\$ 41,056</u>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension would be amortized in a full accrual entity as follows:

<u>Year Ending April 30,</u>	
2017	\$ 223,264
2018	223,264
2019	223,264
2020	223,264
2021	223,266
Thereafter	<u>157,469</u>
<b>TOTAL</b>	<u>\$ 1,273,791</u>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources* (Continued)

The net pension liability and deferred outflows and inflows of resources are not reported on the Village's financial statements as the Village reports on the modified cash basis of accounting as discussed in Note 1d.

**11. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

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

**VILLAGE OF ROUND LAKE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

c. Membership

At April 30, 2016, membership consisted of:

Retirees and beneficiaries currently receiving benefits	1
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>42</u>
<b>TOTAL</b>	<u><b>43</b></u>
 Participating Employers	 <u><u>1</u></u>

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2016 and the two preceding years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 25,694	\$ 13,268	51.64%	\$ 67,502
2015	34,241	13,268	38.75%	88,475
2016	65,225	30,642	46.98%	123,058

The net OPEB obligation as of April 30, 2016 was calculated as follows:

Annual required contribution	\$ 64,635
Interest on net OPEB obligation	3,539
Adjustment to annual required contribution	<u>(2,949)</u>
 Annual OPEB cost	 65,225
Contributions made	<u>(30,642)</u>
 Increase in net OPEB obligation	 34,583
Net OPEB obligation, beginning of year	<u>88,475</u>
 <b>NET OPEB OBLIGATION, END OF YEAR</b>	 <u><b>\$ 123,058</b></u>

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

A net other postemployment benefit obligation (asset) has not been included in the basic financial statements of the Village, as it is not a requirement for cash basis presentation.

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2016 was as follows:

Actuarial accrued liability (AAL)	\$	465,415
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)		465,415
Funded ratio (actuarial value of plan assets/AAL)		0.00%
Covered payroll (active plan members)	\$	2,898,417
UAAL as a percentage of covered payroll		16.1%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2016 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.0% and an initial healthcare cost trend rate of 5.5% with an ultimate healthcare inflation rate of 5%. Both rates include a 2.5% inflation assumption and 4.0% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016 was 30 years.

**VILLAGE OF ROUND LAKE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**12. SUBSEQUENT EVENT**

At the Village's October 17, 2016 Board of Trustees meeting, ordinances were adopted to provide for the issuance of bonds not to exceed \$12,400,000 for the Lakewood Grove Special Service Area Number One Special Tax Refunding Bonds, Series 2016, \$3,800,000 Lakewood Grove Special Service Area Number Three Special Tax Refunding Bonds, Series 2016, and \$5,400,000 Lakewood Grove Special Service Area Number Four Special Tax Refunding Bonds, Series 2016. Each of the preceding bonds will refunding existing non general obligation debt described in Note 5d. The bonds are expected to be priced the week of November 10, 2016 and the closing is expected on or about December 2, 2016. The refunding bonds will not be a general obligation of the Village.

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

**MAJOR GOVERNMENTAL FUNDS**

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
GENERAL FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Property taxes	\$ 3,127,179	\$ 3,127,179	\$ 3,605,376
Charges for service	628,900	628,900	642,082
Licenses and permits	91,000	91,000	112,650
Intergovernmental	2,729,502	2,729,502	2,973,620
Fines	183,625	183,625	188,721
Franchise fees	258,500	258,500	277,081
Investment income	12,353	12,353	8,743
Miscellaneous income	163,000	163,000	143,208
	<hr/>	<hr/>	<hr/>
Total revenues collected	7,194,059	7,194,059	7,951,481
<b>EXPENDITURES PAID</b>			
Current			
General government	2,047,807	2,047,807	1,876,757
Public safety	3,779,732	3,779,732	3,960,017
Public works	1,050,102	1,050,102	902,561
Community development	298,713	298,713	277,412
Capital outlay	63,389	63,389	49,406
	<hr/>	<hr/>	<hr/>
Total expenditures paid	7,239,743	7,239,743	7,066,153
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>			
	(45,684)	(45,684)	885,328
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(850,000)	(850,000)	(850,000)
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (895,684)</b>	<b>\$ (895,684)</b>	35,328
	<hr/>	<hr/>	<hr/>
FUND BALANCE, MAY 1			5,826,977
			<hr/>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 5,862,305</b>
			<hr/>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

DETAILED SCHEDULE OF EXPENDITURES PAID -  
BUDGET AND ACTUAL - CASH BASIS  
GENERAL FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>EXPENDITURES PAID</b>			
General government			
Administration			
Personal services	\$ 349,285	\$ 349,285	\$ 338,745
Taxes, pensions and insurance	95,925	95,925	93,605
Contractual services	1,496,094	1,496,094	1,372,652
Commodities	19,200	19,200	8,406
Repairs and replacement	51,008	51,008	42,078
Miscellaneous	36,295	36,295	21,271
<b>Total administration</b>	<b>2,047,807</b>	<b>2,047,807</b>	<b>1,876,757</b>
Capital outlay	6,485	6,485	6,518
Public safety			
Police			
Personal services	2,323,683	2,323,683	2,239,325
Taxes, pensions and insurance	484,400	484,400	904,404
Contractual services	550,364	550,364	469,276
Commodities	119,746	119,746	74,089
Repairs and replacement	61,403	61,403	36,067
Miscellaneous	240,136	240,136	236,856
<b>Total police</b>	<b>3,779,732</b>	<b>3,779,732</b>	<b>3,960,017</b>
Capital outlay	14,637	14,637	7,466
Public works			
Public works department			
Personal services	349,500	349,500	294,350
Taxes, pensions and insurance	122,000	122,000	101,262
Contractual services	156,301	156,301	127,819
Commodities	178,125	178,125	149,027
Repairs and replacement	244,176	244,176	230,103
<b>Total public works</b>	<b>1,050,102</b>	<b>1,050,102</b>	<b>902,561</b>
Capital outlay	42,267	42,267	35,422

(This schedule is continued on the following page.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**DETAILED SCHEDULE OF EXPENDITURES PAID -  
BUDGET AND ACTUAL - CASH BASIS (Continued)  
GENERAL FUND**

For the Year Ended April 30, 2016

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>EXPENDITURES PAID (Continued)</b>			
Community development			
Building department			
Personal services	\$ 176,500	\$ 176,500	\$ 174,700
Taxes, pensions and insurance	64,570	64,570	61,114
Contractual services	23,378	23,378	12,427
Commodities	8,395	8,395	4,903
Repairs and replacement	25,870	25,870	24,268
Total building department	298,713	298,713	277,412
<b>TOTAL EXPENDITURES PAID</b>	<b>\$ 7,239,743</b>	<b>\$ 7,239,743</b>	<b>\$ 7,066,153</b>

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

**VILLAGE OF ROUND LAKE, ILLINOIS**

COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

	Special Revenue		Capital Projects
	Bright Meadows SSA #1	Motor Fuel Tax	Capital Projects
<b>ASSETS</b>			
Cash	\$ 134,525	\$ 798,910	\$ 1,273,151
Investments	-	-	100,010
<b>TOTAL ASSETS</b>	<b>\$ 134,525</b>	<b>\$ 798,910</b>	<b>\$ 1,373,161</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Due to other funds	\$ -	\$ -	\$ -
Total liabilities	-	-	-
<b>FUND BALANCES</b>			
Assigned			
Debt service	-	-	-
Capital projects	-	-	1,373,161
Restricted			
Working cash	-	-	-
Streets	-	798,910	-
Debt service	-	-	-
Specific purpose	134,525	-	-
Unassigned	-	-	-
Total fund balances	134,525	798,910	1,373,161
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 134,525</b>	<b>\$ 798,910</b>	<b>\$ 1,373,161</b>

		Debt Service		Permanent			
2005 Bonds	2010 Bonds	2011 Bonds		Working Cash		Total	
Debt Service	Debt Service	Debt Service					
\$ 66,657	\$ 49,322	\$ 476	\$ 673,612	\$ 2,996,653			
-	1,228	-	-	101,238			
\$ 66,657	\$ 50,550	\$ 476	\$ 673,612	\$ 3,097,891			
\$ -	\$ -	\$ 3,000	\$ -	\$ 3,000			
-	-	3,000	-	3,000			
-	50,550	-	-	50,550			
-	-	-	-	1,373,161			
-	-	-	673,612	673,612			
-	-	-	-	798,910			
66,657	-	-	-	66,657			
-	-	-	-	134,525			
-	-	(2,524)	-	(2,524)			
66,657	50,550	(2,524)	673,612	3,094,891			
\$ 66,657	\$ 50,550	\$ 476	\$ 673,612	\$ 3,097,891			

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCES - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	Special Revenue		Capital
	Bright Meadows SSA #1	Motor Fuel Tax	Projects Capital Projects
<b>REVENUES COLLECTED</b>			
Property taxes	\$ 23,971	\$ -	\$ -
Utility taxes	-	-	79,303
Intergovernmental	-	657,914	49,822
Investment income	16	898	503
Total revenues collected	23,987	658,812	129,628
<b>EXPENDITURES PAID</b>			
Current			
General government	15,660	-	110,655
Public works	2	102,144	-
Capital outlay	-	566,347	455,511
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures paid	15,662	668,491	566,166
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	8,325	(9,679)	(436,538)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	325,000
Total other financing sources (uses)	-	-	325,000
NET CHANGE IN FUND BALANCES	8,325	(9,679)	(111,538)
FUND BALANCES, MAY 1	126,200	808,589	1,484,699
<b>FUND BALANCES (DEFICIT), APRIL 30</b>	<b>\$ 134,525</b>	<b>\$ 798,910</b>	<b>\$ 1,373,161</b>

		<b>Debt Service</b>		<b>Permanent</b>		
<b>2005 Bonds</b>	<b>2010 Bonds</b>	<b>2011 Bonds</b>				
<b>Debt Service</b>	<b>Debt Service</b>	<b>Debt Service</b>	<b>Working Cash</b>		<b>Total</b>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,971	
331,432	7,930	348,738	-	-	767,403	
-	-	-	-	-	707,736	
220	24	12	-	-	1,673	
331,652	7,954	348,750	-	-	1,500,783	
-	-	11,200	-	-	137,515	
-	-	-	-	-	102,146	
-	-	-	-	-	1,021,858	
245,000	110,000	290,000	-	-	645,000	
32,080	415,085	81,500	-	-	528,665	
277,080	525,085	382,700	-	-	2,435,184	
54,572	(517,131)	(33,950)	-	-	(934,401)	
-	525,000	-	-	-	850,000	
-	525,000	-	-	-	850,000	
54,572	7,869	(33,950)	-	-	(84,401)	
12,085	42,681	31,426	673,612	-	3,179,292	
\$ 66,657	\$ 50,550	\$ (2,524)	\$ 673,612	\$ -	\$ 3,094,891	

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
BRIGHT MEADOWS SSA #1 FUND**

For the Year Ended April 30, 2016

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Property taxes	\$ 23,730	\$ 23,730	\$ 23,971
Investment income	63	63	16
Total revenues collected	<u>23,793</u>	<u>23,793</u>	<u>23,987</u>
<b>EXPENDITURES PAID</b>			
Current			
General government			
Contractual services	21,568	21,568	15,660
Public works			
Contractual services	10	10	2
Total expenditures paid	<u>21,578</u>	<u>21,578</u>	<u>15,662</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,215</u>	<u>\$ 2,215</u>	8,325
FUND BALANCE, MAY 1			<u>126,200</u>
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 134,525</u>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Intergovernmental			
Motor fuel tax	\$ 483,424	\$ 483,424	\$ 516,546
Other	271,600	271,600	141,368
Investment income	450	450	898
	<hr/>	<hr/>	<hr/>
Total revenues collected	755,474	755,474	658,812
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES PAID</b>			
Current			
Public works			
Contractual services	500	500	-
Commodities	106,275	106,275	77,144
Administrative charges	25,000	25,000	25,000
Capital outlay	1,230,251	1,230,251	566,347
	<hr/>	<hr/>	<hr/>
Total expenditures paid	1,362,026	1,362,026	668,491
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (606,552)</b>	<b>\$ (606,552)</b>	<b>(9,679)</b>
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, MAY 1</b>			<b>808,589</b>
			<hr/>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 798,910</b>
			<hr/>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Utility tax	\$ 117,500	\$ 117,500	\$ 79,303
Intergovernmental	53,839	53,839	49,822
Investment income	750	750	503
	<hr/>	<hr/>	<hr/>
Total revenues collected	172,089	172,089	129,628
<b>EXPENDITURES PAID</b>			
Current			
General government			
Contractual services	132,421	132,421	110,655
Capital outlay	655,065	655,065	455,511
	<hr/>	<hr/>	<hr/>
Total expenditures paid	787,486	787,486	566,166
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>			
	(615,397)	(615,397)	(436,538)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	325,000	325,000	325,000
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (290,397)</b>	<b>\$ (290,397)</b>	<b>(111,538)</b>
	<hr/>	<hr/>	<hr/>
FUND BALANCE, MAY 1			1,484,699
			<hr/>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 1,373,161</b>
			<hr/>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
2005 BONDS DEBT SERVICE FUND**

For the Year Ended April 30, 2016

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Utility taxes	\$ 326,000	\$ 326,000	\$ 331,432
Investment income	9	9	220
Total revenues collected	<u>326,009</u>	<u>326,009</u>	<u>331,652</u>
<b>EXPENDITURES PAID</b>			
Debt service			
Principal	245,000	245,000	245,000
Interest and fiscal charges	32,156	32,156	32,080
Total expenditures paid	<u>277,156</u>	<u>277,156</u>	<u>277,080</u>
NET CHANGE IN FUND BALANCE	<u>\$ 48,853</u>	<u>\$ 48,853</u>	54,572
FUND BALANCE, MAY 1			<u>12,085</u>
<b>FUND BALANCE, APRIL 30</b>			<u><u>\$ 66,657</u></u>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
2010 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Utility taxes	\$ 11,750	\$ 11,750	\$ 7,930
Investment income	23	23	24
Total revenues collected	<u>11,773</u>	<u>11,773</u>	<u>7,954</u>
<b>EXPENDITURES PAID</b>			
Debt service			
Principal	110,000	110,000	110,000
Interest and fiscal charges	415,385	415,385	415,085
Total expenditures paid	<u>525,385</u>	<u>525,385</u>	<u>525,085</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	<u>(513,612)</u>	<u>(513,612)</u>	<u>(517,131)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	525,000	525,000	525,000
Total other financing sources (uses)	<u>525,000</u>	<u>525,000</u>	<u>525,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 11,388</u>	<u>\$ 11,388</u>	7,869
FUND BALANCE, MAY 1			<u>42,681</u>
<b>FUND BALANCE, APRIL 30</b>			<u><u>\$ 50,550</u></u>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
2011 BONDS DEBT SERVICE FUND**

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Utility taxes	\$ 389,750	\$ 389,750	\$ 348,738
Investment income	17	17	12
	<hr/>		
Total revenues collected	389,767	389,767	348,750
<hr/>			
<b>EXPENDITURES PAID</b>			
Current			
General government			
Rebates	10,000	12,000	11,200
Debt service			
Principal	290,000	290,000	290,000
Interest and fiscal charges	81,775	81,775	81,500
	<hr/>		
Total expenditures paid	381,775	383,775	382,700
<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ 7,992</u>	<u>\$ 5,992</u>	(33,950)
FUND BALANCE, MAY 1			<hr/> 31,426
<b>FUND BALANCE (DEFICIT), APRIL 30</b>			<u><u>\$ (2,524)</u></u>

(See independent auditor's report.)

## **ENTERPRISE FUNDS**

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
WATER AND SEWER FUND**

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
Charges for services			
Water and sewer fees	\$ 4,028,000	\$ 4,028,000	\$ 4,087,281
	<hr/>	<hr/>	<hr/>
Total operating revenues	4,028,000	4,028,000	4,087,281
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>			
Water and sewer operations			
Personal services	565,450	565,450	484,048
Taxes, pensions and insurance	181,040	181,040	151,772
Contractual services	2,568,244	2,568,244	2,509,273
Commodities	82,966	82,966	154,259
Repairs and replacement	274,131	274,131	167,731
Capital outlay	1,679,649	1,679,649	339,819
	<hr/>	<hr/>	<hr/>
Total operating expenses excluding depreciation	5,351,480	5,351,480	3,806,902
OPERATING INCOME (LOSS)	<hr/>	<hr/>	<hr/>
	(1,323,480)	(1,323,480)	280,379
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	50,359	50,359	13,357
Debt service			
Principal	(115,000)	(115,000)	(115,000)
Interest expense	(24,033)	(24,033)	(23,808)
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	(88,674)	(88,674)	(125,451)
NET INCOME (LOSS) - BUDGETARY BASIS	<hr/>	<hr/>	<hr/>
	\$ (1,412,154)	\$ (1,412,154)	154,928
<b>ADJUSTMENTS TO MODIFIED CASH BASIS</b>			
Debt principal payment			115,000
Capitalized assets			284,577
Depreciation			<hr/> (1,212,868)
			<hr/>
Total adjustments to modified cash basis			(813,291)
CHANGE IN NET POSITION			<hr/> (658,363)
NET POSITION, MAY 1			<hr/> 39,588,203
NET POSITION, APRIL 30			<hr/> <hr/> \$ 38,929,840

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
COMMUTER PARKING LOT FUND**

For the Year Ended April 30, 2016

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
Charges for services			
Parking lot fees	\$ 84,000	\$ 84,000	\$ 78,214
Total operating revenues	84,000	84,000	78,214
<b>OPERATING EXPENSES</b>			
Parking lot operations			
Contractual services	12,050	12,050	10,130
Commodities	1,850	1,850	1,604
Repairs and replacement	37,000	37,000	30,612
Capital outlay	233,000	233,000	19,460
Miscellaneous	2,852	2,852	2,746
Total operating expenses	286,752	286,752	64,552
<b>OPERATING INCOME (LOSS)</b>	(202,752)	(202,752)	13,662
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	178	178	43
Total non-operating revenues (expenses)	178	178	43
<b>CHANGE IN NET POSITION</b>	<u>\$ (202,574)</u>	<u>\$ (202,574)</u>	13,705
<b>NET POSITION, MAY 1</b>			<u>462,934</u>
<b>NET POSITION, APRIL 30</b>			<u>\$ 476,639</u>

(See independent auditor's report.)

**INTERNAL SERVICE FUNDS**

**VILLAGE OF ROUND LAKE, ILLINOIS**

**COMBINING STATEMENT OF ASSETS, LIABILITIES AND  
NET POSITION ARISING FROM MODIFIED CASH BASIS  
INTERNAL SERVICE FUNDS**

April 30, 2016

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	<b>Vehicle Replacement</b>	<b>Technology Replacement</b>	<b>Building Replacement</b>	<b>Total</b>
<b>ASSETS</b>				
Cash	\$ 154,283	\$ 162,150	\$ 325,332	\$ 641,765
Capital assets (net of accumulated depreciation)	634,650	83,470	-	718,120
Total assets	788,933	245,620	325,332	1,359,885
<b>LIABILITIES</b>				
None	-	-	-	-
Total liabilities	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	634,650	83,470	-	718,120
Unrestricted	154,283	162,150	325,332	641,765
<b>TOTAL NET POSITION</b>	<b>\$ 788,933</b>	<b>\$ 245,620</b>	<b>\$ 325,332</b>	<b>\$ 1,359,885</b>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENSES  
PAID AND CHANGES IN NET POSITION - MODIFIED CASH BASIS  
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2016

	<b>Vehicle Replacement</b>	<b>Technology Replacement</b>	<b>Building Replacement</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Contributions	\$ 315,541	\$ 86,384	\$ 96,620	\$ 498,545
Total operating revenues	315,541	86,384	96,620	498,545
<b>OPERATING EXPENSES</b>				
Capital outlay	15,694	31,391	2,457	49,542
Total operating expenses	15,694	31,391	2,457	49,542
OPERATING INCOME BEFORE DEPRECIATION	299,847	54,993	94,163	449,003
Depreciation	126,183	11,901	-	138,084
OPERATING INCOME	173,664	43,092	94,163	310,919
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	23	21	34	78
Miscellaneous	37,483	-	-	37,483
Total non-operating revenues (expenses)	37,506	21	34	37,561
CHANGE IN NET POSITION	211,170	43,113	94,197	348,480
NET POSITION, MAY 1	577,763	202,507	231,135	1,011,405
<b>NET POSITION, APRIL 30</b>	<b>\$ 788,933</b>	<b>\$ 245,620</b>	<b>\$ 325,332</b>	<b>\$ 1,359,885</b>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2016

	Vehicle Replacement	Technology Replacement	Building Replacement	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from interfund services	\$ 315,541	\$ 86,384	\$ 96,620	\$ 498,545
Receipts from miscellaneous	37,483	-	-	37,483
Payments to suppliers	(15,694)	(31,391)	(2,457)	(49,542)
Net cash from operating activities	337,330	54,993	94,163	486,486
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
None	-	-	-	-
Net cash from noncapital financing activities	-	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased	(350,253)	(53,559)	-	(403,812)
Net cash from capital and related financing activities	(350,253)	(53,559)	-	(403,812)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	23	21	34	78
Net cash from investing activities	23	21	34	78
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,900)	1,455	94,197	82,752
CASH AND CASH EQUIVALENTS, MAY 1	167,183	160,695	231,135	559,013
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 154,283	\$ 162,150	\$ 325,332	\$ 641,765
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 173,664	\$ 43,092	\$ 94,163	\$ 310,919
Other miscellaneous receipts	37,483	-	-	37,483
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation	126,183	11,901	-	138,084
NET CASH FROM OPERATING ACTIVITIES	\$ 337,330	\$ 54,993	\$ 94,163	\$ 486,486

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
VEHICLE REPLACEMENT FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
Contributions			
General Fund	\$ 217,001	\$ 217,001	\$ 217,001
Water and Sewer Fund	98,540	98,540	98,540
	<hr/>	<hr/>	<hr/>
Total operating revenues	315,541	315,541	315,541
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>			
Capital outlay	441,497	441,497	365,947
	<hr/>	<hr/>	<hr/>
Total operating expenses excluding depreciation	441,497	441,497	365,947
	<hr/>	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(125,956)	(125,956)	(50,406)
	<hr/>	<hr/>	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	81	81	23
Miscellaneous	-	-	37,483
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	81	81	37,506
	<hr/>	<hr/>	<hr/>
<b>NET INCOME (LOSS) - BUDGETARY BASIS</b>	<b>\$ (125,875)</b>	<b>\$ (125,875)</b>	<b>(12,900)</b>
	<hr/>	<hr/>	<hr/>
<b>ADJUSTMENTS TO MODIFIED CASH BASIS</b>			
Capitalized assets			350,253
Depreciation			<u>(126,183)</u>
			<hr/>
Total adjustments to modified cash basis			224,070
			<hr/>
CHANGE IN NET POSITION			211,170
			<hr/>
NET POSITION, MAY 1			577,763
			<hr/>
<b>NET POSITION, APRIL 30</b>			<b><u>\$ 788,933</u></b>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
TECHNOLOGY REPLACEMENT FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
Contributions			
General Fund	\$ 67,475	\$ 67,475	\$ 67,475
Water and Sewer Fund	18,909	18,909	18,909
Fines	15,000	15,000	-
	<hr/>	<hr/>	<hr/>
Total operating revenues	101,384	101,384	86,384
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>			
Capital outlay	99,200	99,200	84,950
	<hr/>	<hr/>	<hr/>
Total operating expenses excluding depreciation	99,200	99,200	84,950
	<hr/>	<hr/>	<hr/>
OPERATING INCOME (LOSS)	2,184	2,184	1,434
	<hr/>	<hr/>	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	80	80	21
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	80	80	21
	<hr/>	<hr/>	<hr/>
<b>NET INCOME - BUDGETARY BASIS</b>	<u>\$ 2,264</u>	<u>\$ 2,264</u>	1,455
	<hr/>	<hr/>	<hr/>
<b>ADJUSTMENTS TO MODIFIED CASH BASIS</b>			
Capitalized assets			53,559
Depreciation			<u>(11,901)</u>
			<hr/>
Total adjustments to modified cash basis			41,658
			<hr/>
CHANGE IN NET POSITION			43,113
			<hr/>
NET POSITION, MAY 1			202,507
			<hr/>
<b>NET POSITION, APRIL 30</b>			<u>\$ 245,620</u>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
BUILDING REPLACEMENT FUND

For the Year Ended April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>OPERATING REVENUES</b>			
Contributions			
General Fund	\$ 80,404	\$ 80,404	\$ 80,404
Water and Sewer Fund	16,216	16,216	16,216
	<hr/>	<hr/>	<hr/>
Total operating revenues	96,620	96,620	96,620
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>			
Capital outlay	135,280	135,280	2,457
	<hr/>	<hr/>	<hr/>
Total operating expenses	135,280	135,280	2,457
	<hr/>	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(38,660)	(38,660)	94,163
	<hr/>	<hr/>	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	116	116	34
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	116	116	34
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION	\$ (38,544)	\$ (38,544)	94,197
	<hr/>	<hr/>	<hr/>
NET POSITION, MAY 1			231,135
			<hr/>
<b>NET POSITION, APRIL 30</b>			<b>\$ 325,332</b>
			<hr/>

(See independent auditor's report.)

## **FIDUCIARY FUNDS**

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF ADDITIONS, DEDUCTIONS AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL - CASH BASIS  
POLICE PENSION FUND

For the Year Ended April 30, 2016

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>ADDITIONS</b>			
Contributions - employer	\$ 447,750	\$ 447,750	\$ 448,626
Contributions - employee	180,000	180,000	190,946
Contributions - other	250	250	-
Total contributions	<u>628,000</u>	<u>628,000</u>	<u>639,572</u>
Investment income			
Net appreciation in fair value of investments	35,000	35,000	(119,598)
Interest earned on investments	<u>65,000</u>	<u>65,000</u>	<u>60,682</u>
Total investment income	100,000	100,000	(58,916)
Less investment expense	<u>(23,500)</u>	<u>(23,500)</u>	<u>(20,581)</u>
Net investment income	<u>76,500</u>	<u>76,500</u>	<u>(79,497)</u>
Total additions	<u>704,500</u>	<u>704,500</u>	<u>560,075</u>
<b>DEDUCTIONS</b>			
Benefits and refunds			
Retirement pension	276,696	276,696	276,681
Disability pension	87,800	87,800	87,799
Refund of contribution	5,000	255,000	233,743
Administrative	<u>25,550</u>	<u>25,550</u>	<u>13,201</u>
Total deductions	<u>395,046</u>	<u>645,046</u>	<u>611,424</u>
NET INCREASE (DECREASE)	<u>\$ 309,454</u>	<u>\$ 59,454</u>	(51,349)
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
May 1			<u>6,145,785</u>
April 30			<u>\$ 6,094,436</u>

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
MODIFIED CASH BASIS  
AGENCY FUNDS

For the Year Ended April 30, 2016

	<b>Balances</b>			<b>Balances</b>
	<b>May 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>April 30</b>
<b>Total All Agency Funds</b>				
<b>ASSETS</b>				
Cash and investments	\$ 1,473,776	\$ 2,420,497	\$ 2,461,524	\$ 1,432,749
<b>TOTAL ASSETS</b>	<b>\$ 1,473,776</b>	<b>\$ 2,420,497</b>	<b>\$ 2,461,524</b>	<b>\$ 1,432,749</b>
<b>LIABILITIES</b>				
Deposits payable	\$ 60,764	\$ 27,945	\$ 51,438	\$ 37,271
Other payables	1,412,987	2,391,357	2,408,866	1,395,478
Due to other funds	25	-	25	-
<b>TOTAL LIABILITIES</b>	<b>\$ 1,473,776</b>	<b>\$ 2,419,302</b>	<b>\$ 2,460,329</b>	<b>\$ 1,432,749</b>
<b>1. Builders Escrow Fund</b>				
<b>ASSETS</b>				
Cash and investments	\$ 60,786	\$ 29,140	\$ 52,655	\$ 37,271
<b>TOTAL ASSETS</b>	<b>\$ 60,786</b>	<b>\$ 29,140</b>	<b>\$ 52,655</b>	<b>\$ 37,271</b>
<b>LIABILITIES</b>				
Deposits payable	\$ 60,764	\$ 27,945	\$ 51,438	\$ 37,271
Due to other funds	22	-	22	-
<b>TOTAL LIABILITIES</b>	<b>\$ 60,786</b>	<b>\$ 27,945</b>	<b>\$ 51,460</b>	<b>\$ 37,271</b>
<b>2. Impact Fee Fund</b>				
<b>ASSETS</b>				
Cash and investments	\$ 3	\$ -	\$ 3	\$ -
<b>TOTAL ASSETS</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
Due to other funds	\$ 3	\$ -	\$ 3	\$ -
<b>TOTAL LIABILITIES</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>\$ -</b>

(This statement is continued on the following page.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
MODIFIED CASH BASIS (Continued)  
AGENCY FUNDS

For the Year Ended April 30, 2016

	<b>Balances</b>				<b>Balances</b>
	<b>May 1</b>	<b>Additions</b>	<b>Deductions</b>		<b>April 30</b>
<b>3. Lakewood Grove SSA #1 Fund</b>					
<b>ASSETS</b>					
Cash and investments	\$ 796,931	\$ 966,099	\$ 970,009		\$ 793,021
<b>TOTAL ASSETS</b>	<b>\$ 796,931</b>	<b>\$ 966,099</b>	<b>\$ 970,009</b>		<b>\$ 793,021</b>
<b>LIABILITIES</b>					
Other payables	\$ 796,931	\$ 966,099	\$ 970,009		\$ 793,021
<b>TOTAL LIABILITIES</b>	<b>\$ 796,931</b>	<b>\$ 966,099</b>	<b>\$ 970,009</b>		<b>\$ 793,021</b>
<b>4. Lakewood Grove SSA #3 Fund</b>					
<b>ASSETS</b>					
Cash and investments	\$ 266,037	\$ 1,020,957	\$ 1,029,796		\$ 257,198
<b>TOTAL ASSETS</b>	<b>\$ 266,037</b>	<b>\$ 1,020,957</b>	<b>\$ 1,029,796</b>		<b>\$ 257,198</b>
<b>LIABILITIES</b>					
Other payables	\$ 266,037	\$ 1,020,957	\$ 1,029,796		\$ 257,198
<b>TOTAL LIABILITIES</b>	<b>\$ 266,037</b>	<b>\$ 1,020,957</b>	<b>\$ 1,029,796</b>		<b>\$ 257,198</b>
<b>5. Lakewood Grove SSA #4 Fund</b>					
<b>ASSETS</b>					
Cash and investments	\$ 350,019	\$ 404,301	\$ 409,061		\$ 345,259
<b>TOTAL ASSETS</b>	<b>\$ 350,019</b>	<b>\$ 404,301</b>	<b>\$ 409,061</b>		<b>\$ 345,259</b>
<b>LIABILITIES</b>					
Other payables	\$ 350,019	\$ 404,301	\$ 409,061		\$ 345,259
<b>TOTAL LIABILITIES</b>	<b>\$ 350,019</b>	<b>\$ 404,301</b>	<b>\$ 409,061</b>		<b>\$ 345,259</b>

(See independent auditor's report.)

## **SUPPLEMENTARY DATA**

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

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	<u>2016</u>
Actuarially determined contribution	\$ 141,324
Contributions in relation to the actuarially determined contribution	<u>141,324</u>
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 1,442,533
Contributions as a percentage of covered-employee payroll	9.80%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 28 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4% to 16.0% compounded annually, and postretirement benefit increases of 3.0% compounded annually.

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
SHERIFF'S LAW ENFORCEMENT PERSONNEL PLAN

April 30, 2016

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	<u>2016</u>
Actuarially determined contribution	\$ -
Contributions in relation to the actuarially determined contribution	-
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>
Covered-employee payroll	\$ -
Contributions as a percentage of covered-employee payroll	0.00%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 28 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4% to 16.0% compounded annually, and postretirement benefit increases of 3.0% compounded annually.

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

April 30, 2016

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	<u>2015</u>	<u>2016</u>
Actuarially determined contribution	\$ 433,165	\$ 442,597
Contributions in relation to the actuarially determined contribution	<u>500,165</u>	<u>448,626</u>
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<u>\$ (67,000)</u>	<u>\$ (6,029)</u>
Covered-employee payroll	\$ 1,781,110	\$ 1,896,217
Contributions as a percentage of covered-employee payroll	28%	24%

Notes to Required Supplementary Information

This information directly above is presented in accordance with GASB Statement No. 68. The information presented was determined as part of the actuarial valuations as of April 30, 2016. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.0%, projected salary increases assumption of 5.5% compounded annually and postretirement benefit increases of 2.5% compounded annually.

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SUPPLEMENTARY INFORMATION  
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2016

Schedule of Funding Progress

<b>Actuarial Valuation Date April 30,</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Liability (AAL) Entry-Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (4) / (5)</b>
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	\$ -	\$ 285,903	0.00%	\$ 285,903	\$ 2,707,531	10.56%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	465,415	0.00%	465,415	2,898,417	16.06%

Schedule of Employer Contributions

<b>Fiscal Year April 30,</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
2011	\$ 17,845	\$ 25,241	70.70%
2012	9,088	25,241	36.00%
2013	3,061	25,091	12.20%
2014	13,268	25,091	52.88%
2015	13,268	25,091	52.88%
2016	30,642	64,225	47.71%

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

	<b>2015*</b>
<b>TOTAL PENSION LIABILITY</b>	
Service cost	\$ 156,071
Interest	446,139
Changes of benefit terms	-
Differences between expected and actual experience	116,639
Changes of assumptions	7,603
Benefit payments, including refunds of member contributions	(265,786)
Net change in total pension liability	460,666
Total pension liability - beginning	6,003,380
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 6,464,046</b>
<b>PLAN FIDUCIARY NET POSITION</b>	
Contributions - employer	\$ 142,234
Contributions - member	64,914
Net investment income	28,879
Benefit payments, including refunds of member contributions	(265,786)
Other	13,604
Net change in plan fiduciary net position	(16,155)
Plan fiduciary net position - beginning	5,805,072
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 5,788,917</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 675,129</b>
Plan fiduciary net position as a percentage of the total pension liability	89.6%
Covered-employee payroll	\$ 1,442,533
Employer's net pension liability as a percentage of covered-employee payroll	46.8%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

\*IMRF's measurement date is December 31, 2015; therefore, information above is presented for the calendar year ended December 31, 2015.

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
SHERIFF'S LAW ENFORCEMENT PERSONNEL PLAN

April 30, 2016

	<b>2015*</b>
<b>TOTAL PENSION LIABILITY</b>	
Service cost	\$ -
Interest	7,809
Changes of benefit terms	-
Differences between expected and actual experience	(22,438)
Changes of assumptions	-
Benefit payments, including refunds of member contributions	-
	(14,629)
Net change in total pension liability	(14,629)
Total pension liability - beginning	104,115
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 89,486</b>
<b>PLAN FIDUCIARY NET POSITION</b>	
Contributions - employer	\$ -
Contributions - member	-
Net investment income	577
Benefit payments, including refunds of member contributions	-
Other	(14,151)
	(13,574)
Net change in plan fiduciary net position	(13,574)
Plan fiduciary net position - beginning	115,303
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 101,729</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ (12,243)</b>
Plan fiduciary net position as a percentage of the total pension liability	113.7%
Covered-employee payroll	\$ -
Employer's net pension liability as a percentage of covered-employee payroll	0.0%

\*IMRF's measurement date is December 31, 2015; therefore, information above is presented for the calendar year ended December 31, 2015.

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
POLICE PENSION FUND**

April 30, 2016

	<b>2015</b>	<b>2016</b>
<b>TOTAL PENSION LIABILITY</b>		
Service cost	\$ 450,642	\$ 506,982
Interest	623,169	695,658
Changes of benefit terms	-	-
Differences between expected and actual experience	(217,513)	(41,056)
Changes of assumptions	655,591	804,160
Benefit payments, including refunds of member contributions	(354,433)	(598,223)
	1,157,456	1,367,521
Net change in total pension liability	1,157,456	1,367,521
Total pension liability - beginning	9,079,631	10,237,087
<b>TOTAL PENSION LIABILITY - ENDING</b>	\$ 10,237,087	\$ 11,604,608
<b>PLAN FIDUCIARY NET POSITION</b>		
Contributions - employer	\$ 500,165	\$ 448,626
Contributions - member	176,922	190,946
Net investment income	288,128	(79,497)
Benefit payments, including refunds of member contributions	(354,432)	(598,223)
Administrative expense	(14,021)	(13,201)
	596,762	(51,349)
Net change in plan fiduciary net position	596,762	(51,349)
Plan fiduciary net position - beginning	5,549,023	6,145,785
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	\$ 6,145,785	\$ 6,094,436
<b>EMPLOYER'S NET PENSION LIABILITY</b>	\$ 4,091,302	\$ 5,510,172
Plan fiduciary net position as a percentage of the total pension liability	60.0%	52.5%
Covered-employee payroll	\$ 1,781,110	\$ 1,896,217
Employer's net pension liability as a percentage of covered-employee payroll	229.7%	290.6%

Note: Assumption changes during 2016 included changes to the mortality tables.

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND**

April 30, 2016

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	<u>2015</u>	<u>2016</u>
Annual money-weighted rate of return, net of investment expense	5.43%	(1.42%)

(See independent auditor's report.)

# VILLAGE OF ROUND LAKE, ILLINOIS

## NOTES TO SUPPLEMENTARY DATA

April 30, 2016

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### **BUDGETS**

The Village prepares its budget ordinance (cash basis) in conformity with practices prescribed or permitted by the applicable statutes of the State of Illinois. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administrator submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them. The proposed budget is used to prepare the tentative budget ordinance.
2. The Annual Budget Ordinance is made available for public inspection for 30 days, after which a public hearing is conducted to obtain taxpayer comments.
3. Before April 30, the Annual Budget Ordinance is adopted. The current year's budget was adopted on April 18, 2016. A budget amendment was made to the 2011 Debt Service Fund and Police Pension Fund.
4. The legal spending limit is established at the fund level.
5. The budget is the legal spending limit. The budget columns are the working budget on which staff relies during the year and are presented for information purposes.
6. There were no funds that had an excess of actual expenditures/expenses over budget for the fiscal year.

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF TAX DATA**

For the Last Nine Levy Years

	Levy Year		
	2015	2014	2013
<b>ASSESSED VALUATION</b>	\$ 258,514,982	\$ 242,779,911	\$ 251,520,156
<b>TAX RATES BY FUND</b>			
Corporate	0.381	0.412	0.398
Municipal audit	0.008	0.008	0.009
Road and bridge	0.021	0.023	0.021
Garbage	0.144	0.149	0.139
Retirement	0.134	0.135	0.130
Working cash	-	-	-
Liability insurance	0.067	0.064	0.048
Civil defense/ES&DA	0.002	0.002	0.002
Police protection	0.456	0.484	0.440
Police pension	0.176	0.185	0.199
<b>TOTAL TAX RATES BY FUND</b>	1.389	1.462	1.386
<b>TAX EXTENSIONS BY FUND</b>			
Corporate	\$ 986,098	\$ 1,001,052	\$ 1,001,050
Municipal audit	20,025	20,627	22,637
Road and bridge	53,862	56,983	52,819
Garbage	371,194	362,271	349,613
Retirement	346,702	327,277	326,976
Working cash	-	-	-
Liability insurance	173,732	155,675	120,730
Civil defense/ES&DA	4,573	4,574	5,030
Police protection	1,175,002	1,175,001	1,106,689
Police pension	456,196	450,002	500,525
<b>TOTAL TAX EXTENSIONS BY FUND</b>	\$ 3,587,384	\$ 3,553,462	\$ 3,486,069
<b>TAX COLLECTIONS - ALL FUNDS</b>			
Levy collections through year end	\$ -	\$ 3,542,137	\$ 3,478,510
<b>PERCENT COLLECTED</b>	N/A	99.68%	99.78%

Levy Year						
2012	2011	2010	2009	2008	2007	
\$ 275,111,595	\$ 321,967,538	\$ 363,428,091	\$ 404,464,351	\$ 421,556,835	\$ 407,703,238	
0.433	0.396	0.399	0.433	0.416	0.386	
0.008	0.007	0.006	0.006	0.006	0.008	
0.019	0.034	0.030	0.022	0.021	0.029	
0.126	0.078	0.069	0.049	0.076	0.078	
0.122	0.098	0.084	0.098	0.091	0.118	
0.003	0.002	0.001	0.001	0.002	0.003	
0.037	0.043	0.046	0.039	0.041	0.050	
0.002	0.002	0.001	0.001	0.001	0.001	
0.338	0.288	0.274	0.147	0.116	0.083	
0.156	0.123	0.087	0.073	0.057	0.068	
1.244	1.071	0.997	0.869	0.827	0.824	
\$ 1,191,233	\$ 1,274,991	\$ 1,450,078	\$ 1,751,331	\$ 1,753,676	\$ 1,573,735	
22,009	22,538	21,806	24,268	25,293	32,616	
52,271	109,469	109,028	88,982	88,527	80,992	
346,641	251,135	250,766	198,188	320,383	318,009	
335,636	315,528	305,280	396,375	383,617	481,090	
8,253	6,439	3,634	4,044	8,431	12,231	
101,791	138,446	167,177	157,741	172,838	203,852	
5,502	6,439	3,634	4,044	4,216	4,077	
929,877	927,267	995,793	594,563	489,006	338,394	
429,174	396,020	316,182	295,259	240,287	277,238	
\$ 3,422,387	\$ 3,448,272	\$ 3,623,378	\$ 3,514,795	\$ 3,486,274	\$ 3,322,234	
\$ 3,410,038	\$ 3,443,199	\$ 3,600,578	\$ 3,503,869	\$ 3,481,655	\$ 3,319,067	
99.64%	99.85%	99.37%	99.69%	99.87%	99.90%	

(See independent auditor's report.)

**VILLAGE OF ROUND LAKE, ILLINOIS**

**SCHEDULE OF ASSESSED VALUATION BY TYPE OF PROPERTY**

For the Last Ten Levy Years

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<b>Tax Levy Year</b>	<b>Real Estate</b>	<b>Assessed Value</b>
2006	\$ 377,475,750	\$ 377,475,750
2007	407,703,238	407,703,238
2008	421,556,835	421,556,835
2009	404,464,351	404,464,351
2010	363,428,091	363,428,091
2011	321,967,538	321,967,538
2012	275,111,595	275,111,595
2013	251,520,156	251,520,156
2014	242,779,911	242,779,911
2015	258,514,982	258,514,982

(See independent auditor's report.)