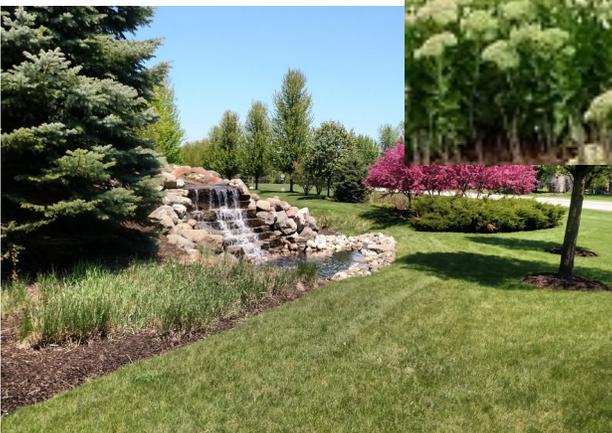


Comprehensive Annual Financial Report



10 S. Municipal Drive
Sugar Grove, Illinois 60554



FOR THE FISCAL YEAR ENDED APRIL 30, 2016

VILLAGE OF SUGAR GROVE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

Prepared by:

Finance Department

Pat Chamberlin
Finance Director/Treasurer

VILLAGE OF SUGAR GROVE, ILLINOIS

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INTRODUCTORY SECTION

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

VILLAGE OF SUGAR GROVE, ILLINOIS

**List of Principal Officials
April 30, 2016**

VILLAGE PRESIDENT

P. Sean Michels

BOARD OF TRUSTEES

Kevin M. Geary

Rick L. Montalto

Mari J. Johnson

David B. Paluch

Ted Koch

Sean Herron

APPOINTED

Brent M. Eichelberger

Village Administrator

Cynthia L. Galbreath

Village Clerk

Pat Chamberlin

Finance Director/Treasurer

Walter Magdziarz

Community Development Director

Patrick Rollins

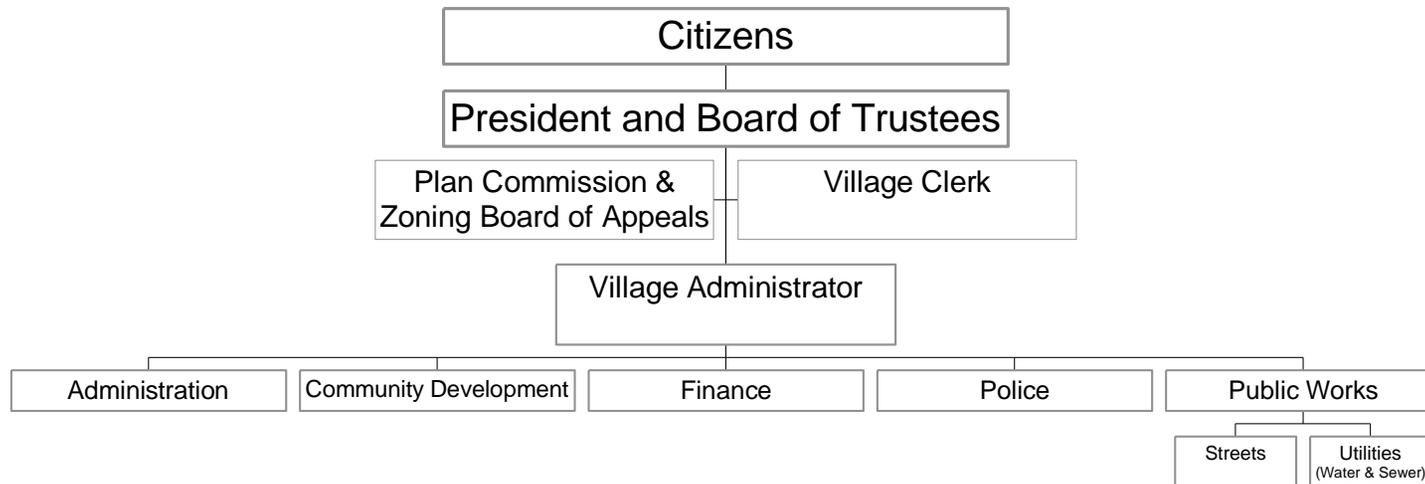
Police Chief

Anthony J. Speciale

Public Works Director



Organizational Chart



VILLAGE PRESIDENT

P. Sean Michels

VILLAGE ADMINISTRATOR

Brent M. Eichelberger

VILLAGE CLERK

Cynthia Galbreath



VILLAGE TRUSTEES

Kevin Geary
Sean Herron
Mari Johnson
Ted Koch
Rick Montalto
David Paluch

September 1, 2016

The Honorable Village President
Members of the Board of Trustees
Citizens of the Village of Sugar Grove

State law requires all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by an independent firm of certified public accountants. Pursuant to this requirement, the Comprehensive Annual Financial Report (CAFR) of the Village of Sugar Grove, Illinois (Village) for the fiscal year ended April 30, 2016, is hereby submitted.

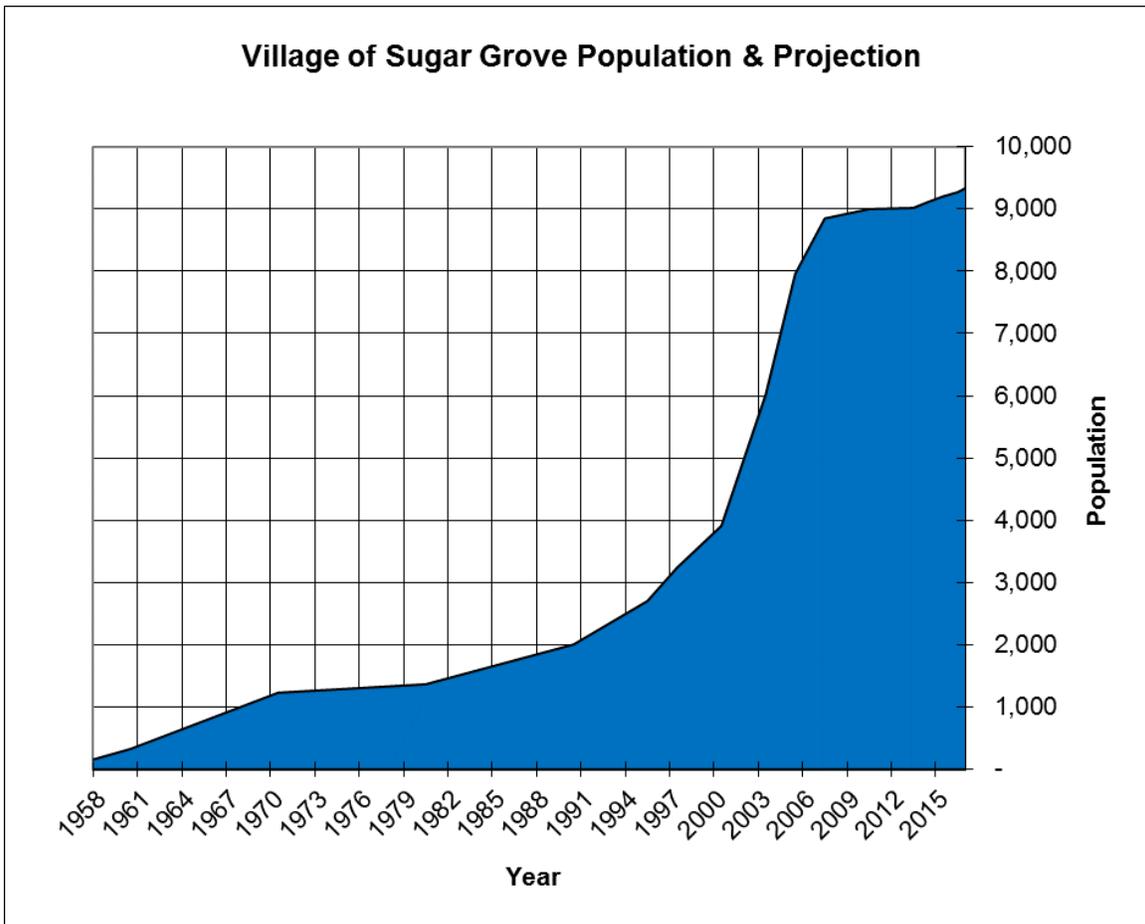
This report consists of management's representations concerning the finances of the Village. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework designed both to protect the Village's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance the financial statements will be free of any material misstatement. As management, we assert, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance the financial statements of the Village for the year ended April 30, 2016, are free of material misstatement. The independent auditor concluded, based upon the audit, there was a reasonable basis for rendering an unmodified opinion and the Village's financial statements for the fiscal year ended April 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors on page 4 of this report.

Profile of the Village of Sugar Grove

The Village had its beginning as home to Native Americans who called the area “Sin-Qua-Sip”. In 1835, settlers arrived at what is now known as Bliss Woods Forest Preserve. The Village was incorporated in 1957 with a population of approximately 200 residents and until the 1960’s was predominantly a farming community. The Village, a non-home rule community as defined by the Illinois Constitution, is now a diverse middle and upper-middle class residential community covering approximately 9 square miles with a 2010 Census population of 8,997 residents. The Village is located 50 miles west of Chicago, in southern Kane County. The following graph shows how the population has grown over the past 40 years with a majority of the growth taking place in the last 15 years.



Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to overlapping four-year terms. The Village Board is responsible for, among other things, passing ordinances and resolutions, adopting the budget, and appointing the Village Administrator, Village Clerk, and each of the four department heads. The Village Administrator is responsible for the day-to-day operations and staffing of the Village.



The Village provides a full range of services including police protection, the construction and maintenance of highways, streets and infrastructure, water treatment and distribution, planning and zoning, and general administrative services.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Finance Director on or before January 31st of each year. The Village Administrator and staff use these requests as the starting point for developing the annual proposed budget. The proposed budget is presented to the Village Board at budget workshops throughout February, March, and April of each year. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30th of each year; the close of the Village's previous fiscal year.

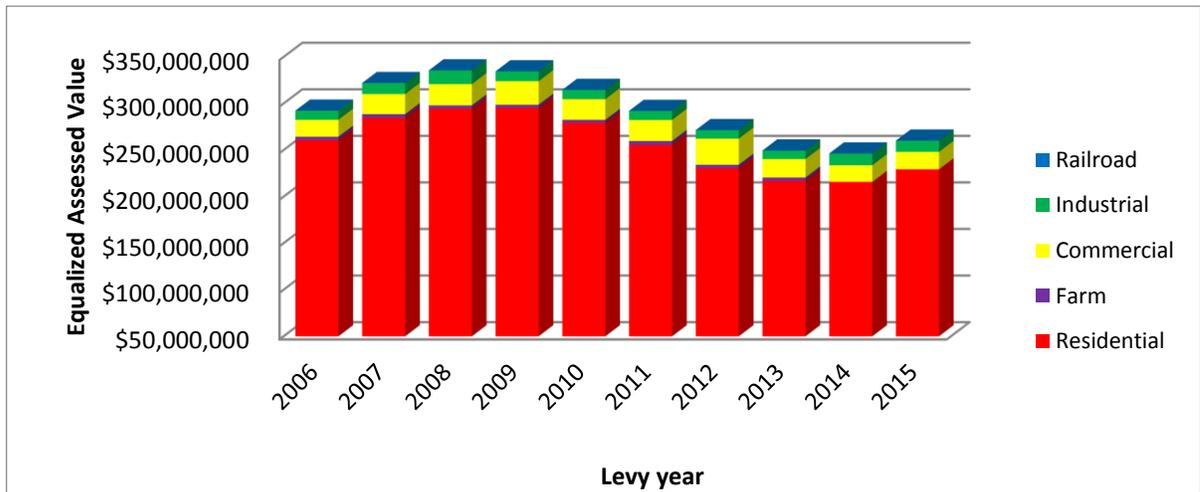
Local Economy

The Village has faced unprecedented challenges over the last several years under the Great Recession. Although the recession has ended, the economic recovery continues to be slow. The Village has noticed the number of foreclosures drop and expects that trend to continue, while purchases of homes already foreclosed upon have been on the increase. The Village fees associated with new home sales, which used to account for over 30% of Village revenues, are minimal. There were 34 single permits issued in 2015 – 2016. It is expected that there will continue to be an increase in building permits in the near future.

The Village expects most revenues to increase slightly. Sales tax began to recover during the fiscal year 2011 – 2012 but decreased slightly in fiscal year 2015 – 2016. The sales decrease was a result of a large retail establishment closing but it is anticipated that it will be opened in the upcoming fiscal year under different ownership.

Property tax revenue is still expected to increase, albeit by a smaller amount than the past as new construction is still limited, during fiscal year 2015 – 2016. The existing residential areas are among the Village's most important assets. The Village has a diverse mix of detached and attached single family homes and a limited number of multi-family dwelling units. The current residential property tax base accounts for approximately 87% of the assessed value of the Village. Equalized assessed valuation is

based on the last three years of housing data. Total assessed value increased slightly during fiscal year 2015 – 2016 to 2006 levels. The most recent data indicates the assessed values are starting to increase at a very small pace. It is anticipated that this trend will continue into the future.



Following several years of a virtual standstill in single family residential permits, the Village continues to see activity in fiscal year 2015 – 2016. The Village also projects an increase in residential permits between fiscal years 2016 – 2017 and through 2017 – 2018. Three out of four of the failed residential subdivisions (Hannaford Farms, Prairie Glen, and Meadowridge Villas) are making public improvements and are actively marketing their subdivisions. The fourth residential subdivision’s lawsuit (Settlers Ridge) has been settled and the Village is currently working to make the needed improvements to that subdivision.



The Village purchased the buildings at 140 and 160 S. Municipal Drive. The purchase was made so that the Police Department could utilize the entire 10 S. Municipal Drive building. The initial proposal was for the Administration and Finance Departments to be relocated in the 140 S. Municipal Drive building, however, the move was put on hold at this time. The building at 160 S. Municipal Drive is currently being rented to

three growing businesses. It is the Village's hope that additional tenants will want to use the remaining portion of the building.

The Pirhl group opened their newly constructed Senior Apartment complex. This is a 55+ age community with approximately 60 units available for seniors. There seems to be a significant amount of interest in this facility.

First Secure Community Bank (formerly American Heartland Bank) moved into their newly expanded facility. They are now visible from Route 47 and also be in a larger facility to accommodate their growing needs.

There is now a Verizon Wireless store in the Village. Anyone that has questions or concerns about their Verizon cell phone can go to this store instead of going to another community.

A new business, Canopy, opened in the Village this past fiscal year. This is a day program for adult individuals (primarily between the ages of 22 and 33) on the autism spectrum. The goal of the program is to provide individualized programming that recognizes the strengths and interest of each participant and to support participants in lifelong learning and engagement.

The Village of Sugar Grove is uniquely situated to take advantage of access to multiple transportation options that benefit current and potential businesses in the area. State Highways 47, 30, and 56 run through the Village, with Interstate 88 on the northern border. The Burlington Northern Santa Fe Railroad runs transcontinental freight service through the Village and the Aurora Municipal Airport, a general aviation facility, is located along State Highway 30 adjacent to the Village. The combination of its transportation assets makes the Village an attractive and logical choice for commercial, manufacturing, industrial, distribution, and retail interests.

Long-Term Financial Planning

The Village annually updates a three-year financial plan providing for all Village revenues and expenditures. Information is gathered from each department regarding major capital projects and changes in operating levels and services that may be needed over the next several years. The Village completed a Five-Year Capital Improvement Program (CIP) for fiscal year 2017 through fiscal year 2021 during fiscal year 2016. Lastly, the Village submitted its fiscal year 2015 budget to the Government Finance Officers Association (GFOA) Distinguished Budget program and received this prestigious award for the tenth time during fiscal year 2016.

Cash Management Policies and Practices

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, the Illinois Funds, U.S. Government Agency Securities, and Municipal Securities. The maturities of the investments range from immediately accessible to three years. Short-term interest rates showed no growth throughout fiscal year 2016 resulting in minimal investment income. Rates are expected to remain low throughout fiscal year 2016 as the economy struggles in its recovery. The Village did update its cash and investment policies to ensure principal safety while maximizing yield. The Village's investment committee continues to meet regularly to look for safe, appropriate investment opportunities.

Risk Management

The Village continues to participate in the Intergovernmental Risk Management Agency (IRMA) insurance risk pool. This pool is utilized to provide the Village with insurance coverage for liability, property damage, workers' compensation, and other types of coverage. IRMA is an organization of municipalities and special

districts in Northeastern Illinois, which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs. In addition, various control techniques, including employee accident prevention training, are utilized to minimize accident-related losses. The Village continues to earn high ratings for its risk management activities.

Pension Benefits

The Village provides two separate defined benefit plans for its employees. Non-public safety employees participate in the Illinois Municipal Retirement Fund (IMRF) and public safety employees are members of the Police Pension Plan. Information on each of these plans can be found in the notes to the financial statements.

Major Initiatives

It is more important than ever, in the current economic climate with such limited resources, to understand resident priorities in planning, budgeting, and managing services.

In early 2007, the Village Board discussed ways to gather input from the community and determined the use of a survey would be the best option to evaluate the Board and staff's performance. The first survey was used as an aide in determining the needs, wants, and overall satisfaction level of Sugar Grove citizens. The first survey gave the Village the insight it desired, but also served as a baseline for measurement in the future. The survey was done in the context of planning for the future, balancing priorities, setting new objectives, funding decisions, and determining which services needed improvement. The second survey was done in 2013 showing notable improvement in all areas. The Village Board commissioned the National Research Center, Inc. to perform the citizen survey.

The budget for fiscal year 2016 - 2017 remains conservative and does not include significant new services. However, all basic services residents have come to expect from the Village will remain stable in spite of continued tight economic times.

Overall approved staffing levels will increase slightly between fiscal year 2015 – 2016 and fiscal year 2016 – 2017. The only increases will be in the use of part-time staff in the Police Department and the utilization of seasonal help in the Water Utilities Department and Street Department.

Represented employees (patrol) received a lump sum payout of 3.0% for all hours worked from May 1, 2015, to April 30, 2016, along with step increases for those eligible. The patrol contract was signed on May 17, 2016, and the contract period is from May 1, 2015, to April 30, 2019. The Village is currently in contract negotiations with the Sergeant's union for the May 1, 2015, increase. Non-represented employees received a salary increase of 1.50% on May 1, 2015.

Transportation enhancements continue to be an ongoing effort for the Village. Intersection improvements at Bliss/Wheeler and IL 47 includes adding single left turn lanes on Bliss and Wheeler Road. Phase I engineering has started for the long sought IL 47 and I-88 Interchange Completion Project. The State is also funding a roundabout at the intersection of Dugan and Granart Roads.

The Administration Department will continue efforts on the public improvements in the Settlers Ridge subdivision. Continue to work with other local entities to procure high speed internet access for governmental use and spur economic development within the TIF #2 area.

The Community Development Department will focus on developing an economic development strategy for the Village and utilizing the Village's website to dispense more information about development in the Village. The Department will also foster redevelopment projects within the established TIF Area Number 1 and 2.

The Finance Department will concentrate its efforts on the implementation of the new financial software and to implement positive pay at approximately the same time as the software conversion process. With the new software, staff will be producing a new procedures manual.

The Police Department will be focusing on conducting monthly PPCT (Pressure Point Control Techniques) Defensive Tactics training, maintaining current employee training records, and beginning the process of becoming accredited through the Illinois Police Chief's Association.

Public Works will be coordinating several major infrastructure improvements throughout the community, including the 1) Illinois 47 and I-88 Phase I engineering; 2) US 30 and Dugan Road intersection improvements; 3) Bliss & 47 intersection improvements; and 4) Settler's Ridge to Prestbury water main extension.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Sugar Grove for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2015. This was the fifteenth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for a fourteenth certificate.

In addition, the Village also received the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award for its fiscal year 2015-2016 budget document. This was the eleventh consecutive year the Village has received this award. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, and operations guide and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my sincere appreciation to all employees of the Village who assisted and contributed to the preparation of this report. In addition, I would like to thank the Village President, and the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Village's finances.

Respectfully submitted,



Pat Chamberlin
Finance Director



Government Finance Officers Association

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

Presented to

**Village of Sugar Grove
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

August 30, 2016

The Honorable Village President
Members of the Board of Trustees
Village of Sugar Grove, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Sugar Grove, Illinois, as of and for the year ended April 30, 2016, and the related notes to the 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Sugar Grove, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Sugar Grove, Illinois', basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Other Matters – Continued

Other Information – Continued

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

Lauterbach + Amen LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Village of Sugar Grove, Illinois (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2016. Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Letter of Transmittal, which can be found on pages iii through ix of this report, and the Village's financial statements, which begin on page 4 of this report. All amounts in the MD&A, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

The assets/deferred outflows of the Village exceeded its liabilities/deferred inflows as of April 30, 2016, by \$46,521 (net position). Of this amount, \$5,308 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors. The Village's total net position increased by \$4,895 over the prior year. The increase reflects an increase of \$4,436 in general operations and an increase of approximately \$459 attributable to the waterworks/sewerage operations. The increase in general operations is a result of increases in state income tax, local use tax, court and drug fines, and reimbursement for unanticipated expenses. Increase in expenses consist of overtime, part-time salaries, repair and maintenance services, legal services, and engineering services. The increase in waterworks/sewerage operations is a result of an increase in water and sewer sales and reimbursement for unanticipated expenses as well as a decrease in operating expenses.

As of April 30, 2016, the Village's governmental funds reported combined ending fund balances of \$7,334, an increase of \$1,931 from the prior year. Of this amount, \$1,228 (16.7%) is available for spending at the Village's discretion (unassigned fund balance). In addition, the Village's proprietary funds reported combined ending net position of \$17,868, an increase of \$459 over the prior year. Approximately 21.4% of this total amount, \$3,832, is available for spending at the Village's discretion (unrestricted net position) for proprietary purposes.

Overview of the Financial Statements

The focus of the financial statements is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden the basis for comparison (year to year or government to government), and enhance the Village's accountability.

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Village's financial position, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two 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 Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the 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 reflect the Village's basic services, including general government, public safety, and highways and streets. The Business-Type Activities include the waterworks, sewerage, and refuse operations.

The government-wide financial statements can be found on pages 4 through 7 of this report.

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. The Village can be divided into three fund 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, General Capital Projects Fund, and Infrastructure Capital Projects Fund, all of which are considered to be major funds. The Industrial Tax Increment Financing (TIF) District #1 and #2 Funds are considered to be nonmajor governmental fund.

The Village adopts an annual budget for each of its governmental funds. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 8 through 13 of this report.

Proprietary Funds. The Village maintains two proprietary funds, both of which are enterprise funds. Enterprise funds are used to report the same functions and provide the same type of information, only in more detail, as presented in the business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its waterworks and sewerage operation and refuse operation, both of which are considered to be major funds. There are no proprietary nonmajor funds.

The Village adopts an annual budget for each of its proprietary funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with these budgets.

The basic proprietary fund financial statements can be found on pages 14 through 17 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 18 through 19 of this report.

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. The notes to the financial statements can be found on pages 20 through 62 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget to actual comparisons for the General Fund and the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 63 through 69 of this report.

Individual fund statements and schedules are presented immediately following the required supplementary information discussed above which can be found on pages 70 through 104 of this report.

Financial Analysis of the Village as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by \$46,521 as of April 30, 2016.

The largest portion of the Village's net position (88.1%) reflects its investment in capital assets (e.g. land, infrastructure, buildings, improvements, vehicles, and equipment) less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for 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 sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current/other assets/						
deferred outflows	\$ 10,879	\$ 8,110	\$ 4,464	\$ 5,004	\$ 15,343	\$ 13,114
Capital assets	33,529	30,405	19,890	19,377	53,419	49,782
Total assets/deferred outflows	44,408	38,515	24,354	24,381	68,762	62,896
Long-term liabilities	12,143	7,058	5,314	6,659	17,457	13,717
Other liabilities/deferred inflows	3,612	3,150	1,172	334	4,784	3,484
Total liabilities/deferred inflows	15,755	10,208	6,486	6,993	22,241	17,201
Net position:						
Net investment in						
capital assets	26,937	23,145	14,036	12,820	40,973	35,965
Restricted	240	329	-	-	240	329
Unrestricted	1,476	4,833	3,832	4,568	5,308	9,401
Total net position	\$ 28,653	\$ 28,307	\$ 17,868	\$ 17,388	\$ 46,521	\$ 45,695

An additional portion of the Village's net position (0.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (11.4%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of April 30, 2016, the Village was able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The Village's total net position increased by \$4,895 over the prior year. The increase reflects an increase of \$4,436 in general operations and an increase of approximately \$459 attributable to the waterworks/sewerage operations. The increase in general operations is a result of increases in state income tax, local use tax, court and drug fines, and reimbursement for unanticipated expenses. Increase in expenses consist of overtime, part-time salaries, repair and maintenance services, legal services, and engineering services. The increase in waterworks/sewerage operations is a result of an increase in water and sewer sales and reimbursement for unanticipated expenses as well as a decrease in operating expenses.

The Village's unrestricted net position decreased by \$4,093 during the current fiscal year. In addition, the majority of restricted net position is legally restricted to certain capital projects.

The Village's net position net investment in capital assets increased by \$5,008 during the current fiscal year. The Village added \$5,072 of new capital assets and had depreciation of \$1,989 during the year.

Table 2
Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 593	\$ 701	\$ 4,477	\$ 4,127	\$ 5,070	\$ 4,828
Operating grants and contributions	-	10	-	-	-	10
Capital grants and contributions	3,374	1,351	-	-	3,374	1,351
General revenues:						
Property taxes	1,646	1,580	-	-	1,646	1,580
Other taxes	3,336	3,348	-	-	3,336	3,348
Other	2,644	290	25	25	2,669	315
Total revenues	11,593	7,280	4,502	4,152	16,095	11,432
Expenses:						
General government	1,756	1,575	-	-	1,756	1,575
Public safety	2,849	2,274	-	-	2,849	2,274
Highways and streets	2,669	1,805	-	-	2,669	1,805
Interest	237	259	-	-	237	259
Water and sewer	-	-	2,879	2,582	2,879	2,582
Refuse	-	-	809	774	809	774
Total expenses	7,512	5,913	3,688	3,356	11,200	9,269
Increase in net position						
before transfers	4,081	1,367	814	796	4,895	2,163
Transfers	355	354	(355)	(354)	-	-
Increase in net position	4,436	1,721	459	442	4,895	2,163
Net position, beginning of year	24,217	26,586	17,409	16,946	41,626	43,532
Net position, end of year	\$ 28,653	\$ 28,307	\$ 17,868	\$ 17,388	\$ 46,521	\$ 45,695

Governmental activities. Governmental activities increased the Village's net position by \$346. Key elements of this increase are as follows:

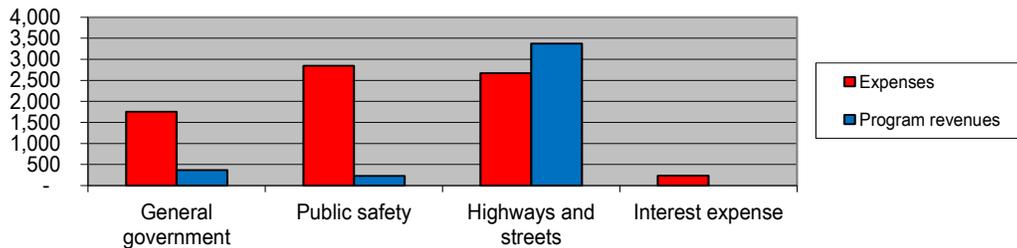
Governmental revenues increased by \$4,313 (59.2%). Components of this increase are as follows:

- Capital and operating grants and contributions increased by \$2,023 (149.7%) due to receiving the Dugan & Granart roundabout grant, the grant for Cross and 47 engineering costs, and the I88 and IL Route 47 project.
- Property taxes increased slightly by \$66 (4.2%).
- Other taxes increased by \$2,354 due to reimbursement of insurance claims, workers compensation cases, and funds from the litigation of a failed subdivision.

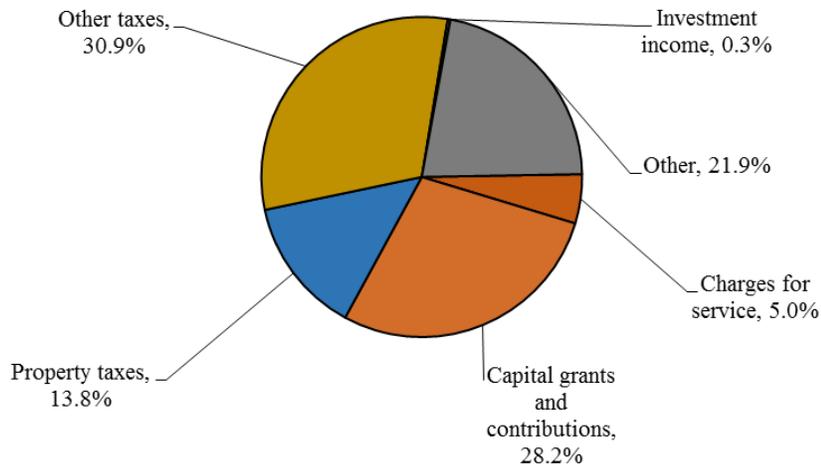
Governmental expenses increased by \$1,599 (27.0%). Components of this increase are as follows:

- General operating expenses increased approximately \$181 during fiscal year 2016 (11.5% of the total above). This increase reflected a slight general overall increase in the cost of providing Village services.
- Highways and street expenses increased by \$864 due to more general road maintenance and large road projects in fiscal year 2016.
- Public Safety expenses increased \$575 due mainly to an increase in personnel costs.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Business-type activities. Business-type activities increased the Village's net position by \$480. Key elements of this increase are as follows:

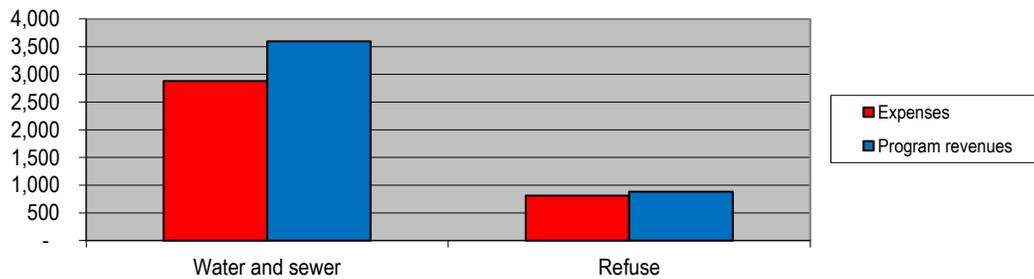
Business-type revenues increased by \$350 (8.4%). Components of this increase are as follows:

- Waterworks and sewerage charges for services increased by \$471 (15.1%)
- Refuse charges for services increased by \$85 (10.7%) which reflects the rate increase from \$22.66 to \$23.34 per month. The rate increase is intended to cover the annual escalation in the Village's contract with Waste Management.

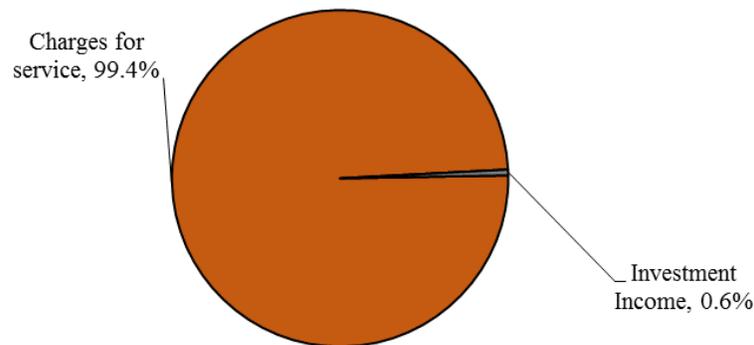
Business-type expenses increased by \$332 (9.9%). Components of this increase are as follows:

- The increase was a result of several capital projects being completed at the same time.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Village's Funds

As noted earlier, the Village 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, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$7,334, an increase of \$1,931 in comparison with the prior year. Approximately 16.7% of this total amount, \$1,228, is available for spending at the Village's discretion (unassigned fund balance). The remainder of fund balance is either nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form (\$142), 2) restricted for particular purposes (\$308), or 3) assigned for particular purposes (\$5,656).

The General Fund is the primary operating fund of the Village. As of April 30, 2016, unassigned fund balance of the General Fund was \$1,403. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 31.5% (approximately 3.00 months) of the total General Fund expenditures, while total fund balance represents 34.7% (approximately 4.00 months) of total General Fund expenditures.

The fund balance of the General Fund increased by \$5 to a total of \$1,545 of fund balance at the end of the current fiscal year. The primary factors in this increase are in 1) income tax, 2) local use tax, 3) court and drug fines, and 4) reimbursement.

The fund balance of the Debt Service Fund decreased by \$1 to a total of \$209 of fund balance at the end of the current fiscal year. The decrease is a result of a smaller transfer in for bond payments.

The fund balance of the General Capital Projects Fund decreased by \$142 to a total of \$1,509 of fund balance at the end of the current fiscal year. The Village purchased two large dump trucks for the Street Department and three vehicles for the Police Department.

The fund balance of the Infrastructure Capital Projects Fund increased by \$2,060 to a total of \$4,247 of fund balance at the end of the current fiscal year. The increase is attributable to grants received for road projects that haven't been totally expended in the current fiscal year.

Proprietary Funds. The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Waterworks and Sewerage Fund had an increase in net position of \$426 to a total of \$17,735 of net position at the end of the current fiscal year. Approximately 20.9% of that total is unrestricted net position. Other factors concerning the finances of the Waterworks and Sewerage Fund have already been addressed in the discussion of the Village's business-type activities.

The Refuse Fund had an increase in net position of \$33 to a total of \$133 of net position at the end of the current fiscal year. The Village has started to rebuild the reserve as approved by the Village Board.

General Fund Budgetary Highlights

It has been a policy of the Village to not adopt budget amendments during or after the fiscal year. This year was no exception and no General Fund budget amendments occurred during the current fiscal year.

The General Fund revenues were more than the budget by \$201 or 4.2%. The most significant differences between budgeted and actual revenues included 1) income taxes being higher than anticipated due to the economic recovery, 2) sales taxes higher than budget due to retail sales being higher than anticipated, 3) local use tax higher than budget because of purchases made outside the State of Illinois, 5) county court and drug fines (increased activity in the Police Department), and 6) reimbursement from a lawsuit and insurance company reimbursement for damage to Village property.

The General Fund expenditures were lower than budget by \$68 or 1.5%. The most significant differences between budgeted and actual expenditures included 1) health insurance costs, 2) landscaping supplies, and 3) snow and ice control supplies.

Capital Asset and Debt Administration

Capital assets. The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2016, amounts to \$53,418 (net of accumulated depreciation). This investment in capital assets includes land (including rights-of-way), buildings, improvements other than buildings, vehicles and equipment, and infrastructure (including streets, storm sewers, water mains, water pumping and storage facilities, and sanitary sewers).

Major capital asset events during the current fiscal year included the following:

- The Village has been involved in a number of road projects that resulted in an increase of \$3,267 in construction in progress.
- In business-type activities, the Village is currently working on a number of water main improvement projects that also increased the construction in progress by \$700.

The following schedule summarizes the Village's capital assets.

Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 10,161	\$ 10,159	\$ 368	\$ 356	\$ 10,529	\$ 10,515
Construction in progress	5,641	2,374	790	90	6,431	2,464
Infrastructure	22,303	22,303	26,100	25,682	48,403	47,985
Buildings	3,427	3,376	1,569	1,510	4,996	4,886
Improvements other than buildings	257	257	467	467	724	724
Vehicles and equipment	2,076	1,731	1,409	1,409	3,485	3,140
Less:						
Accumulated depreciation	(10,337)	(9,266)	(10,814)	(10,113)	(21,151)	(19,379)
Total capital assets, restated	\$ 33,529	\$ 30,934	\$ 19,889	\$ 19,401	\$ 53,418	\$ 50,335

Additional information regarding the capital assets can be found in note 3 on pages 38 through 39 of this report.

Long-term debt. At the end of the current fiscal year, the Village had total debt outstanding of \$12,785 (excluding compensated absences, net pension liability, and the net other post-employment benefit obligation). This amount is partially comprised of six general obligation alternate revenue bonds which pledge income, sales, use, property and utility taxes, capital improvement and road impact fees, and net revenues of the waterworks and sewerage system. These bonds further pledge the full faith and credit of the

Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2006, Series 2008A, Series 2009, Series 2013A and Series 2013B bonds. The remaining amount of debt outstanding is comprised of three Illinois Environmental Protection Agency (IEPA) loans backed by the net revenues of the waterworks and sewerage system. The Village's debt decreased by \$1,450 (10.0%) during fiscal year 2016.

Major long-term debt events during the current fiscal year included the following:

- The Village made its regularly scheduled payments of principal and interest on the existing outstanding debt.

The following schedule summarizes the Village's indebtedness.

Table 4
Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 6,887	\$ 7,617	\$ 3,762	\$ 4,118	\$ 10,649	\$ 11,735
IEPA loans	-	-	2,136	2,500	2,136	2,500
Total long-term debt	\$ 6,887	\$ 7,617	\$ 5,898	\$ 6,618	\$ 12,785	\$ 14,235

Additional information regarding the Village's long-term debt can be found in note 3 on pages 41 through 45 of this report.

Economic Factors and Next Year's Budgets and Rates

Property taxes imposed on property within the Village's corporate limits provide a stable revenue source. Property tax revenue is still expected to increase, albeit a smaller amount than the past, during fiscal year 2016 – 2017. The existing residential areas are among the Village's most important assets. The Village has a diverse mix of detached and attached single family homes and a limited number of multi-family dwelling units. The current residential property tax base accounts for approximately 86.6% of the assessed value of the Village. Equalized assessed valuation is based on the last three years of housing data. Although the assessed value has more than doubled over the past ten years, assessed values have increased over the last two years (during fiscal year 2014 – 2015 and 2015 – 2016 to 2005 levels). The property tax rate will decrease slightly as the equalized assessed value of homes increases. The Village expected most revenues to increase slightly during fiscal year 2015 – 2016. Sales tax started to recover during the latter part of fiscal year 2010 – 2011 and continued to increase through fiscal year 2015-2016. The Village expects this trend to continue throughout fiscal year 2016 – 2017 as new businesses open in the Village.

The Village increased the resident and non-resident water and sewer service charges and usage rates by an additional 6.25% to cover lower usage trends and higher operating expenses including increases in electric costs for pump and lift stations, new requirements from the state and federal governments regarding drinking water, installation costs of replacement water meters, and payments on the IEPA loans for wells 8 and 9.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Pat Chamberlin, Finance Director/Treasurer, Village of Sugar Grove, 10 South Municipal Drive, Sugar Grove, IL 60554.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Statement of Net Position

April 30, 2016

See Following Page

VILLAGE OF SUGAR GROVE, ILLINOIS

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

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 6,767,654	3,785,123	10,552,777
Receivables - Net of Allowances			
Property Taxes	1,727,757	-	1,727,757
Other Taxes	749,595	-	749,595
Intergovernmental	640,187	-	640,187
Accounts	-	398,050	398,050
Interest	8,267	7,233	15,500
Other	49,683	4,190	53,873
Internal Balances	(13,553)	13,553	-
Prepays	141,979	141,979	283,958
Total Current Assets	<u>10,071,569</u>	<u>4,350,128</u>	<u>14,421,697</u>
Noncurrent Assets			
Capital Assets			
Land	10,161,357	368,249	10,529,606
Construction in Progress	5,641,229	790,301	6,431,530
Infrastructure	22,303,427	26,100,442	48,403,869
Buildings	3,427,528	1,568,911	4,996,439
Improvements other Than Buildings	256,743	467,274	724,017
Vehicles and Equipment	2,075,630	1,408,650	3,484,280
Accumulated Depreciation	(10,337,252)	(10,814,283)	(21,151,535)
Total Noncurrent Assets	<u>33,528,662</u>	<u>19,889,544</u>	<u>53,418,206</u>
Total Assets	<u>43,600,231</u>	<u>24,239,672</u>	<u>67,839,903</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding	295,597	44,373	339,970
Deferred Items - IMRF	267,510	69,872	337,382
Deferred Items - Police Pension	244,320	-	244,320
Total Deferred Outflows of Resources	<u>807,427</u>	<u>114,245</u>	<u>921,672</u>
Total Assets and Deferred Outflows of Resources	<u>44,407,658</u>	<u>24,353,917</u>	<u>68,761,575</u>

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

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 484,086	219,786	703,872
Retainage Payable	67,617	69,366	136,983
Accrued Payroll	46,301	12,375	58,676
Deposits Payable	354,586	-	354,586
Accrued interest	68,562	91,326	159,888
Other Payables	-	21,000	21,000
Other Liabilities	57,283	549	57,832
Current Portion of Long-Term Debt	749,823	746,033	1,495,856
Total Current Liabilities	<u>1,828,258</u>	<u>1,160,435</u>	<u>2,988,693</u>
Noncurrent Liabilities			
Net Pension Liability - IMRF	485,572	126,828	612,400
Net Pension Liability - Police	5,372,476	-	5,372,476
Compensated Absences Payable	79,290	28,227	107,517
Net Other Post-Employment Benefit Obligation	48,035	-	48,035
General Obligation Bonds Payable - Net	6,157,352	3,397,118	9,554,470
Loans Payable	-	1,762,089	1,762,089
Total Noncurrent Liabilities	<u>12,142,725</u>	<u>5,314,262</u>	<u>17,456,987</u>
Total Liabilities	<u>13,970,983</u>	<u>6,474,697</u>	<u>20,445,680</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	42,488	11,097	53,585
Deferred Items - Police Pension	13,781	-	13,781
Property Taxes	1,727,757	-	1,727,757
Total Deferred Inflows of Resources	<u>1,784,026</u>	<u>11,097</u>	<u>1,795,123</u>
Total Liabilities and Deferred Inflows of Resources	<u>15,755,009</u>	<u>6,485,794</u>	<u>22,240,803</u>
NET POSITION			
Net Investment in Capital Assets	26,936,907	14,035,734	40,972,641
Restricted for			
Debt Service	139,968	-	139,968
Motor Fuel Tax	99,820	-	99,820
Unrestricted	1,475,954	3,832,389	5,308,343
Total Net Position	<u>28,652,649</u>	<u>17,868,123</u>	<u>46,520,772</u>

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

VILLAGE OF SUGAR GROVE, ILLINOIS

**Statement of Activities
For the Fiscal Year Ended April 30, 2016**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	1,756,476	365,163	-	-
Public Safety	2,849,187	227,842	-	2,590
Highways and Streets	2,668,481	-	-	3,371,043
Interest Expense	237,235	-	-	-
Total Governmental Activities	7,511,379	593,005	-	3,373,633
Business-Type Activities				
Water and Sewer	2,879,470	3,594,980	-	-
Refuse	808,500	881,869	-	-
Total Business-Type Activities	3,687,970	4,476,849	-	-
Total Primary Government	11,199,349	5,069,854	-	3,373,633

General Revenues
Taxes
Property
Electric
Natural Gas
Telecommunications
Motor Fuel
Other
Intergovernmental - Unrestricted
Sales Taxes
Income Taxes
Investment Income
Miscellaneous
Transfers - Internal Activity

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(1,391,313)	-	(1,391,313)
(2,618,755)	-	(2,618,755)
702,562	-	702,562
(237,235)	-	(237,235)
<u>(3,544,741)</u>	<u>-</u>	<u>(3,544,741)</u>
-	715,510	715,510
-	73,369	73,369
<u>-</u>	<u>788,879</u>	<u>788,879</u>
<u>(3,544,741)</u>	<u>788,879</u>	<u>(2,755,862)</u>
1,645,689	-	1,645,689
271,345	-	271,345
93,448	-	93,448
235,838	-	235,838
250,580	-	250,580
212,448	-	212,448
1,352,423	-	1,352,423
920,275	-	920,275
33,074	24,831	57,905
2,611,021	-	2,611,021
354,590	(354,590)	-
<u>7,980,731</u>	<u>(329,759)</u>	<u>7,650,972</u>
4,435,990	459,120	4,895,110
<u>24,216,659</u>	<u>17,409,003</u>	<u>41,625,662</u>
<u>28,652,649</u>	<u>17,868,123</u>	<u>46,520,772</u>

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2016

	<u>General</u>
ASSETS	
Cash and Investments	1,340,850
Receivables - Net of Allowances	
Property Taxes	1,626,464
Other Taxes	601,586
Intergovernmental	9,365
Interest	3,100
Other	27,063
Due from Other Funds	181,593
Prepays	141,979
Total Assets	<u><u>3,932,000</u></u>
LIABILITIES	
Accounts Payable	118,101
Retainage Payable	-
Accrued Payroll	46,301
Deposits Payable	354,586
Due to Other Funds	183,923
Other Liabilities	57,283
Total Liabilities	<u>760,194</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	1,626,464
Total Liabilities and Deferred Inflows of Resources	<u><u>2,386,658</u></u>
FUND BALANCES	
Nonspendable	141,979
Restricted	-
Assigned	-
Unassigned	1,403,363
Total Fund Balances	<u><u>1,545,342</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>3,932,000</u></u>

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

Debt Service	Capital Projects			Totals
	General Capital Projects	Infrastructure	Nonmajor	
201,541	2,588,840	2,636,423	-	6,767,654
-	-	-	101,293	1,727,757
-	-	148,009	-	749,595
-	-	624,994	5,828	640,187
-	5,167	-	-	8,267
7,389	322	14,909	-	49,683
-	694,461	1,892,593	-	2,768,647
-	-	-	-	141,979
208,930	3,288,790	5,316,928	107,121	12,853,769
400	57,313	308,272	-	484,086
-	-	67,617	-	67,617
-	-	-	-	46,301
-	-	-	-	354,586
-	1,722,593	694,091	181,593	2,782,200
-	-	-	-	57,283
400	1,779,906	1,069,980	181,593	3,792,073
-	-	-	101,293	1,727,757
400	1,779,906	1,069,980	282,886	5,519,830
-	-	-	-	141,979
208,530	-	99,820	-	308,350
-	1,508,884	4,147,128	-	5,656,012
-	-	-	(175,765)	1,227,598
208,530	1,508,884	4,246,948	(175,765)	7,333,939
208,930	3,288,790	5,316,928	107,121	12,853,769

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

VILLAGE OF SUGAR GROVE, ILLINOIS

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

April 30, 2016

Total Governmental Fund Balances	\$ 7,333,939
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Amounts reported for governmental activities in the Statement of Net Position
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	33,528,662
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Deferred outflows (inflows) of resources related to the pensions not reported
in the funds.

Deferred Items - IMRF	225,022
Deferred Items - Police Pension	230,539

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Accrued Interest Payable	(68,562)
Net Pension Liability - IMRF	(485,572)
Net Pension Liability - Police	(5,372,476)
Compensated Absences Payable	(99,113)
Net Other Post-Employment Benefit Obligation Payable	(48,035)
General Obligation Bonds Payable	(6,760,000)
Bond Premium	(127,352)
Loss on Refunding	295,597

Net Position of Governmental Activities	<u><u>28,652,649</u></u>
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The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF SUGAR GROVE, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2016**

See Following Page

VILLAGE OF SUGAR GROVE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2016

	<u>General</u>
Revenues	
Property Taxes	\$ 1,578,210
Other Taxes	813,079
Charges for Services	118,044
Intergovernmental, Grants and Contributions	1,734,830
Licenses and Permits	187,661
Fines, Fees and Forfeitures	277,864
Interest	12,516
Miscellaneous	233,749
Total Revenues	<u>4,955,953</u>
Expenditures	
Current	
General Government	1,387,444
Public Safety	2,283,117
Highways and Streets	787,046
Capital Outlay	-
Debt Service	
Principal	-
Interest and Fiscal Charges	-
Total Expenditures	<u>4,457,607</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>498,346</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	-
Transfers In	40,000
Transfers Out	(532,728)
	<u>(492,728)</u>
Net Change in Fund Balance	5,618
Fund Balance - Beginning	<u>1,539,724</u>
Fund Balance - Ending	<u><u>1,545,342</u></u>

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

Debt Service	Capital Projects			Totals
	General Capital Projects	Infrastructure	Nonmajor	
-	-	-	67,479	1,645,689
-	-	250,580	-	1,063,659
-	-	-	-	118,044
-	5,340	3,897,483	8,678	5,646,331
-	-	-	-	187,661
-	9,436	-	-	287,300
527	17,678	2,353	-	33,074
-	319,723	2,057,549	-	2,611,021
527	352,177	6,207,965	76,157	11,592,779
-	-	-	56,927	1,444,371
-	-	-	-	2,283,117
-	45,727	819,926	-	1,652,699
-	623,307	3,133,595	28,400	3,785,302
705,000	-	-	-	705,000
206,527	-	-	-	206,527
911,527	669,034	3,953,521	85,327	10,077,016
(911,000)	(316,857)	2,254,444	(9,170)	1,515,763
-	60,690	-	-	60,690
909,919	223,819	290,845	18,064	1,482,647
-	(109,622)	(485,707)	-	(1,128,057)
909,919	174,887	(194,862)	18,064	415,280
(1,081)	(141,970)	2,059,582	8,894	1,931,043
209,611	1,650,854	2,187,366	(184,659)	5,402,896
208,530	1,508,884	4,246,948	(175,765)	7,333,939

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

VILLAGE OF SUGAR GROVE, ILLINOIS

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

For the Fiscal Year Ended April 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ 1,931,043

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

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

Capital Outlays	3,882,810
Depreciation Expense	(1,288,219)
Disposals - Cost	(217,347)
Disposals - Accumulated Depreciation	217,347

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

Change in Deferred Items - IMRF	145,970
Change in Deferred Items - Police Pension	(38,463)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Deductions to Compensated Absences Payable	3,367
Additions to Net Pension Liability - IMRF	(360,113)
Additions to Net Pension Liability - Police Pension	(499,096)
Additions to Net Other Post-Employment Benefit Obligation Payable	(15,601)
Amortization of Bond Premium and Deferred Loss on Refunding	(36,632)
Retirement of Debt	705,000

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

Accrued Interest	<u>5,924</u>
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Changes in Net Position of Governmental Activities 4,435,990

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

VILLAGE OF SUGAR GROVE, ILLINOIS

**Statement of Net Position - Proprietary Funds
April 30, 2016**

See Following Page

VILLAGE OF SUGAR GROVE, ILLINOIS

**Statement of Net Position - Proprietary Funds
April 30, 2016**

	Business Type Activities		
	Enterprise Funds		
	Waterworks and Sewerage	Refuse	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 3,667,109	118,014	3,785,123
Receivables - Net of Allowance			
Accounts	319,027	79,023	398,050
Interest	7,233	-	7,233
Other	4,190	-	4,190
Due from Other Funds	13,553	3,933	17,486
Prepays	141,979	-	141,979
Total Current Assets	4,153,091	200,970	4,354,061
Noncurrent Assets			
Capital Assets			
Land	368,249	-	368,249
Construction in Progress	790,301	-	790,301
Infrastructure	26,100,442	-	26,100,442
Buildings	1,568,911	-	1,568,911
Improvements Other than Buildings	467,274	-	467,274
Vehicles and Equipment	1,408,650	-	1,408,650
Accumulated Depreciation	(10,814,283)	-	(10,814,283)
Total Noncurrent Assets	19,889,544	-	19,889,544
Total Assets	24,042,635	200,970	24,243,605
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding	44,373	-	44,373
Deferred Items - IMRF	69,872	-	69,872
Total Deferred Outflows of Resources	114,245	-	114,245
Total Assets and Deferred Outflows of Resources	24,156,880	200,970	24,357,850

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

	Business Type Activities		
	Enterprise Funds		
	Waterworks and Sewerage	Refuse	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 151,588	68,198	219,786
Retainage Payable	69,366	-	69,366
Accrued Payroll	12,375	-	12,375
Accrued interest	91,326	-	91,326
Due to Other Funds	3,933	-	3,933
Other Payables	21,000	-	21,000
Other Liabilities	549	-	549
Current Portion of Long-Term Debt	746,033	-	746,033
Total Current Liabilities	<u>1,096,170</u>	<u>68,198</u>	<u>1,164,368</u>
Noncurrent Liabilities			
Compensated Absences	28,227	-	28,227
Net Pension Liability - IMRF	126,828	-	126,828
General Obligation Bonds Payable - Net	3,397,118	-	3,397,118
Loans Payable	1,762,089	-	1,762,089
Total Noncurrent Liabilities	<u>5,314,262</u>	<u>-</u>	<u>5,314,262</u>
Total Liabilities	<u>6,410,432</u>	<u>68,198</u>	<u>6,478,630</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	11,097	-	11,097
Total Liabilities and Deferred Inflows of Resources	<u>6,421,529</u>	<u>68,198</u>	<u>6,489,727</u>
NET POSITION			
Net Investment in Capital Assets	14,035,734	-	14,035,734
Unrestricted	3,699,617	132,772	3,832,389
Total Net Position	<u>17,735,351</u>	<u>132,772</u>	<u>17,868,123</u>

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

VILLAGE OF SUGAR GROVE, ILLINOIS

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

	Business Type Activities		
	Enterprise Funds		
	Waterworks and Sewerage	Refuse	Totals
Operating Revenues			
Charges for Services	\$ 3,436,151	881,869	4,318,020
Operating Expenses	2,640,637	808,500	3,449,137
Operating Income	795,514	73,369	868,883
Nonoperating Revenues (Expenses)			
Connection Fees	158,829	-	158,829
Interest Income	24,790	41	24,831
Interest Expense	(238,833)	-	(238,833)
	(55,214)	41	(55,173)
Income Before Transfers	740,300	73,410	813,710
Transfer Out	(314,590)	(40,000)	(354,590)
Change in Net Position	425,710	33,410	459,120
Net Position - Beginning as Restated	17,309,641	99,362	17,409,003
Net Position - Ending	17,735,351	132,772	17,868,123

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

VILLAGE OF SUGAR GROVE, ILLINOIS

**Statement of Cash Flows – Proprietary Funds
For the Fiscal Year Ended April 30, 2016**

	Business Type Activities		
	Enterprise Funds		
	Waterworks and Sewerage	Refuse	Totals
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 3,565,053	869,495	4,434,548
Cash Paid to Suppliers	(1,207,507)	(805,688)	(2,013,195)
Cash Paid to Employees	(591,558)	-	(591,558)
	<u>1,765,988</u>	<u>63,807</u>	<u>1,829,795</u>
Cash Flows from Noncapital Financing Activities			
Transfers Out	(314,590)	(40,000)	(354,590)
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(1,189,540)	-	(1,189,540)
Interest and Fiscal Charges	(238,833)	-	(238,833)
Payment of Principal	(714,341)	-	(714,341)
	<u>(2,142,714)</u>	<u>-</u>	<u>(2,142,714)</u>
Cash Flows from Investing Activities			
Interest Received	24,790	41	24,831
Net Increase (Decrease) in Cash and Equivalents	(666,526)	23,848	(642,678)
Cash and Cash Equivalents - Beginning	4,333,635	94,166	4,427,801
Cash and Cash Equivalents - Ending	<u>3,667,109</u>	<u>118,014</u>	<u>3,785,123</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$ 795,514	73,369	868,883
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used In) Operating Activities:			
Depreciation Expense	701,095	-	701,095
Other Income (Expense)	158,829	-	158,829
(Increase) Decrease in Current Assets	(29,927)	(12,374)	(42,301)
Increase (Decrease) in Current Liabilities	140,477	2,812	143,289
Net Cash Provided (Used) by Operating activities	<u>1,765,988</u>	<u>63,807</u>	<u>1,829,795</u>

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

VILLAGE OF SUGAR GROVE, ILLINOIS

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

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 10,000	99,660
Investments		
U.S. Government and Agency Obligations	1,483,405	-
State and Local Obligations	239,212	-
Equity Mutual Funds	1,175,038	-
Money Market Mutual Funds	34,966	-
Receivables		
Special Assessments	-	100,772
Accrued Interest	14,917	-
Prepays	1,860	-
	<u>2,959,398</u>	<u>200,432</u>
Total Assets	<u>2,959,398</u>	<u>200,432</u>
LIABILITIES		
Accounts Payable	1,199	-
Due to Other Governments	-	99,660
Other Payables - Special Assessment	-	100,772
	<u>1,199</u>	<u>200,432</u>
Total Liabilities	<u>1,199</u>	<u>200,432</u>
NET POSITION		
Net Position Restricted for Pensions	<u>2,958,199</u>	

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

VILLAGE OF SUGAR GROVE, ILLINOIS

**Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2016**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 269,002
Contributions - Plan Members	92,439
Total Contributions	<u>361,441</u>
Investment Income	
Interest Earned	97,945
Net Change in Fair Value	(51,516)
	<u>46,429</u>
Less Investment Expenses	(11,447)
Net Investment Income	<u>34,982</u>
Total Additions	<u>396,423</u>
Deductions	
Administration	45,536
Benefits and Refunds	233,961
Total Deductions	<u>279,497</u>
Change in Fiduciary Net Position	116,926
Net Position Restricted for Pensions	
Beginning	<u>2,841,273</u>
Ending	<u><u>2,958,199</u></u>

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Sugar Grove, Illinois (Village) was incorporated July 2, 1957 and operates under a Trustee-Village form of government. The Village provides a full range of services including police protection, the construction and maintenance of highways, streets and infrastructure, water treatment and distribution, planning and zoning, and general administrative services.

The Village is a municipal corporation governed by an elected Village president and six-trustee Village Board. As required by accounting principles generally accepted in the United States of America, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either a) the ability to impose the will of the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:

Village of Sugar Grove

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining 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 is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, community development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services and refuse services are classified as business-type activities.

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Financial Statements – Continued

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

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

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

Fund Financial Statements

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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

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

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

Governmental Funds

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

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

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accumulates monies for the payment of general obligation debt, with financing provided by the annual tax levy.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains four capital projects funds. The General Capital Projects Fund, a major fund, is used to account for the acquisition, construction and improvement of governmental capital assets other than infrastructure. Activities are financed from developer contributions and transfers from other funds. The Infrastructure Fund, also a major fund, is used to account for the acquisition, construction and improvement of governmental infrastructure assets. Activities are financed from developer contributions and motor fuel taxes.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds. The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection. The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their monthly utility bill.

Fiduciary Funds

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village’s police force.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Mallard Point Rolling Oaks Special Assessment Fund, Sugar Grove Center Special Service Area #10, School District Development Impact Fee Fund, Library District Development Impact Fee Fund, Fire District Development Impact Fee Fund, Park District Development Land Cash Fund, Park District Development Impact Fee Fund, and School District Development Land Cash Fund are used to account for donations made by developers on behalf of the specific districts for acquisition of property and construction of facilities.

The Village’s fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

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

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

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

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, and of the Village's internal service funds are charges to customers for sales and services.

The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Investments

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

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Prepays

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

Receivables

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

Capital Assets

Capital assets purchased or acquired with original costs from \$1 - \$250,000 or more, depending on asset category, are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

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

Land Improvements	15 - 20 Years
Buildings	45 Years
Vehicles	3 - 10 Years
Equipment	5 - 30 Years
Infrastructure	20 - 50 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Long-Term Obligations – Continued

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted for all funds on a basis consistent with accounting principles generally accepted in the United States of America except for the Waterworks and Sewerage Fund, in that gains/losses on the sales of capital assets and depreciation are not budgeted, and capital outlay and debt principal retirements are budgeted. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at the fiscal year end.

All departments of the Village submit requests for appropriations so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past two years, current year estimates and requested budget for the next fiscal year.

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

The proposed budget is then presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Management may transfer budget amounts between functions and activities. However, transfers between funds and increases in total funds must be approved by the governing board. Expenditures may not legally exceed appropriations at the fund level. There were no supplemental budget amendments approved during the year.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget for the fiscal year.

<u>Fund</u>	<u>Excess</u>
Debt Service	\$ 199
Industrial TIF District #1	11,675
Industrial TIF District #2	25,102

DEFICIT NET POSITION/FUND BALANCE

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

<u>Fund</u>	<u>Deficit</u>
Industrial TIF District #1	\$ 102,387
Industrial TIF District #2	73,378

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

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

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

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$10,235,982 and the bank balances totaled \$9,845,212.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
Illinois Funds	\$ 16,640	16,640	-	-	-
IMET	155	155	-	-	-
Municipal Bonds	300,000	300,000	-	-	-
	<u>316,795</u>	<u>316,795</u>	<u>-</u>	<u>-</u>	<u>-</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one year period. The investment policy limits the maximum maturity length of investments to three years from the date of purchase. Investment of reserve funds may exceed three years if the maturity is made to coincide with the expected use of the funds.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by primarily investing in obligations guaranteed by the U.S. Government or securities issued by agencies of the U.S. Government that are explicitly or implicitly guaranteed by the U.S. Government. In addition, the Village's investment policy prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived." At year-end, the Village's investments in the Illinois Funds was rated AAAM by Standard & Poor's, the Illinois Metropolitan Investment Trust Convenience Fund is not rated, and the Municipal Bonds are rated AA- by Standard & Poor's.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 102% of all bank balances in excess of federal depository insurance with the collateral held by the Village or a third party in the Village's name. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the 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 acting as the Village's agent separate from where the investment was purchased in the Village's name. The Illinois Funds and Illinois Metropolitan Investment Fund investment pools are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. With the exception of U.S. Treasury and U.S. Agency securities and authorized investment pools, no more than 90% of the Village's total investment portfolio will be invested in a single security type and no more than 50% of the Village of Sugar Grove's total investment portfolio will be invested with a single financial institution. At April 30, 2016, the Village had no investment greater than 5% of its overall portfolio (cash and cash equivalents and investments).

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

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$10,000 and the bank balances totaled \$11,251.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
State and Local Government	\$ 239,212	20,127	87,763	119,552	11,770
U.S. Treasuries	262,128	-	183,636	78,492	-
U.S. Agencies	1,221,277	60,211	161,136	779,694	220,236
Money Market Mutual Funds	34,966	34,966	-	-	-
	<u>1,757,583</u>	<u>115,304</u>	<u>432,535</u>	<u>977,738</u>	<u>232,006</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Interest Rate Risk. The fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected liabilities. The investment policy does not limit the maximum maturity length of investments.

Credit Risk. The fund limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in securities of the U.S. agency obligations, and state and local bonds were rated AAA by Standard & Poor's and/or Aaa by Moody's Investors Service.

The fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived."

Custodial Credit Risk. In the case of deposits, the fund's investment policy does not limit custodial credit risk. At April 30, 2016 the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, the fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Police Pension Board, to act as custodian for its securities and collateral.

Concentration Risk. The fund's investment policy defines the strategy in which the Police Pension Board adheres to for investments as follows:

The Police Pension Board allocates its fixed income investments as follows:

- Cash/money market – a range of 0% to 40% with a target of 0%.
- U.S. Treasury obligations – a range of 20 to 40% with a target of 30%.
- U.S. government agencies (non-mortgage backed securities) – a range of 30 to 80% with a target of 55%.
- U.S. government agencies (mortgage backed securities) – a range of 0 to 10% with a target of 5%.
- Taxable municipal securities – a range of 0 to 20% with a target of 10%.
- Certificates of deposit – a range of 0 to 20% with a target of 0%.

The Police Pension Board allocates its equity investments in mutual funds as follows:

- U.S. large company stocks – a range of 40 to 100% with a target of 70%.
- U.S. small company stocks – a range of 0 to 40% with a target of 20%.
- International stocks – a range of 0 to 20% with a target of 10%.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$1,175,038 invested in mutual funds. At year-end, the Fund had two investments over 5 percent of net position available for retirement benefits (other than U.S. Government guaranteed obligations), these investments are marked with * below.

The Pension Board has diversified its equity mutual fund holdings as follows:

Vanguard 500 Index Fund - \$278,858*
T. Rowe Price Growth Stock Fund - \$249,998*
LSV Value Equity Fund Institutional - \$135,697
Pioneer Equiy Income Fund - \$133,122
T. Rowe Price QM US Small - \$83,826
Homestead Small Company Stock Fund - \$80,418
Oppenheimer International Growth Fund - \$36,991
Hennessy Focus Fund - \$36,336
Bridgeway Ultra Small Fund - \$32,034
Cohen & Steers Institutional Fund - \$30,778
First Eagle Overseas Fund - \$18,630
Oppenheimer Developing Mkts Fund - \$18,588
Fidelity Adv Materials Fund - \$16,770
American Beacon International - \$16,479
Vanguard Energy Fund - \$6,513

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	59%	5.30%
Equities	40%	10.10% - 12.20%
Cash and Cash Equivalentents	1%	0.00%

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April, 30, 2016 are listed in the table above.

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 1.23%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 10,159,264	2,093	-	10,161,357
Construction in Progress	2,374,270	3,320,921	53,962	5,641,229
	<u>12,533,534</u>	<u>3,323,014</u>	<u>53,962</u>	<u>15,802,586</u>
Depreciable Capital Assets				
Buildings	3,375,659	51,869	-	3,427,528
Improvements Other than Buildings	256,743	-	-	256,743
Vehicles and Equipment	1,731,088	561,889	217,347	2,075,630
Infrastructure	22,303,427	-	-	22,303,427
	<u>27,666,917</u>	<u>613,758</u>	<u>217,347</u>	<u>28,063,328</u>
Less Accumulated Depreciation				
Buildings	778,518	77,103	-	855,621
Improvements Other than Buildings	134,067	12,837	-	146,904
Vehicles and Equipment	1,404,564	136,229	217,347	1,323,446
Infrastructure	6,949,231	1,062,050	-	8,011,281
	<u>9,266,380</u>	<u>1,288,219</u>	<u>217,347</u>	<u>10,337,252</u>
Total Net Depreciable Capital Assets	<u>18,400,537</u>	<u>(674,461)</u>	<u>-</u>	<u>17,726,076</u>
Total Net Capital Assets	<u>30,934,071</u>	<u>2,648,553</u>	<u>53,962</u>	<u>33,528,662</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 54,379
Public Safety	59,860
Highways and Streets	<u>1,173,980</u>
	<u>1,288,219</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

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

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 356,473	11,776	-	368,249
Construction in Progress	89,568	1,130,840	430,107	790,301
	<u>446,041</u>	<u>1,142,616</u>	<u>430,107</u>	<u>1,158,550</u>
Depreciable Capital Assets				
Buildings	1,510,211	58,700	-	1,568,911
Improvements Other than Buildings	467,274	-	-	467,274
Vehicles and Equipment	1,408,650	-	-	1,408,650
Infrastructure	25,682,111	418,331	-	26,100,442
	<u>29,068,246</u>	<u>477,031</u>	<u>-</u>	<u>29,545,277</u>
Less Accumulated Depreciation				
Buildings	408,316	34,783	-	443,099
Improvements Other than Buildings	299,381	26,813	-	326,194
Vehicles and Equipment	1,166,858	66,309	-	1,233,167
Infrastructure	8,238,633	573,190	-	8,811,823
	<u>10,113,188</u>	<u>701,095</u>	<u>-</u>	<u>10,814,283</u>
Total Net Depreciable Capital Assets	<u>18,955,058</u>	<u>(224,064)</u>	<u>-</u>	<u>18,730,994</u>
Total Net Capital Assets	<u>19,401,099</u>	<u>918,552</u>	<u>430,107</u>	<u>19,889,544</u>

Depreciation expense was charged to business-type as follows:

Waterworks and Sewerage	<u><u>\$ 701,095</u></u>
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VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General Capital Projects	General	\$ 370
General Capital Projects	Infrastructure	694,091
Infrastructure	General Capital Projects	1,722,593
Infrastructure	General	170,000
Waterworks and Sewerage	General	13,553
General	Nonmajor Governmental	181,593
Refuse	Waterworks and Sewerage	3,933
		<u>2,786,133</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Refuse	\$ 40,000 (1)
Debt Service	General Capital Projects	109,622 (2)
Debt Service	Infrastructure	485,707 (2)
Debt Service	Waterworks and Sewerage	314,590 (2)
General Capital Projects	General	223,819 (3)
Infrastructure	General	290,845 (3)
Nonmajor Governmental	General	18,064 (3)
		<u>1,482,647</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and for pension purposes. General obligation bonds are capital-related debt. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Water and Sewer Alternate Revenue Refunding Bonds of 2006 - Due in annual installments of \$300,000 to \$325,000 plus interest at 4.00% to 4.50% through May 1, 2021.	Waterworks and Sewerage	\$ 1,905,000	-	300,000	1,605,000
General Obligation Water and Sewer Alternate Revenue Bonds of 2008A - Due in annual installments of \$45,000 to \$250,000 plus interest at 4.00% to 4.50% through May 1, 2028.	Waterworks and Sewerage	2,185,000	-	50,000	2,135,000
General Obligation Alternate Revenue Refunding Bonds of 2009 - Due in annual installments of \$50,000 to \$310,000 plus interest at 2.50% to 3.90% through January 1, 2021.	Debt Service	1,705,000	-	255,000	1,450,000
General Obligation Alternate Revenue Refunding Bonds of 2013A - Due in annual installments of \$300,000 to \$625,000 plus interest at 2.50% to 3.00% through December 15, 2025.	Debt Service	5,460,000	-	300,000	5,160,000
General Obligation Alternate Revenue Refunding Bonds of 2013B - Due in annual installments of \$550,000 to \$150,000 plus interest at 0.65% to 1.10% through December 15, 2016.	Debt Service	300,000	-	150,000	150,000
		<u>11,555,000</u>	<u>-</u>	<u>1,055,000</u>	<u>10,500,000</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Illinois Environmental Protection Agency (IEPA) Loans

The Village has entered into three loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans have been issued for business-type activities only. The IEPA loans pledge net water and sewer revenues. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Environmental Protection Agency (IEPA) Loan of 1998, due in semi-annual installments of \$119,812 plus interest at 2.625% through September 28, 2019.	Waterworks and Sewerage	\$ 1,010,823	-	214,489	796,334
Illinois Environmental Protection Agency (IEPA) Loan of 2002, due in semi-annual installments of \$52,237 plus interest at 2.675% through October 8, 2023.	Waterworks and Sewerage	789,620	-	83,910	705,710
Illinois Environmental Protection Agency (IEPA) Loan of 2003, due in semi-annual installments of \$41,755 plus interest at 2.570% through June 18, 2024.	Waterworks and Sewerage	699,963	-	65,942	634,021
		<u>2,500,406</u>	<u>-</u>	<u>364,341</u>	<u>2,136,065</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 102,480	3,367	6,734	99,113	19,823
Net Pension Liability - IMRF	125,459	360,113	-	485,572	-
Net Pension Liability - Police	4,873,380	499,096	-	5,372,476	-
Net Other Post-Employment Benefit Obligation	32,434	15,601	-	48,035	-
General Obligation Bonds	7,465,000	-	705,000	6,760,000	730,000
Plus/(Less) Unamortized Items Bond Premiums	152,205	-	24,853	127,352	-
	<u>12,750,958</u>	<u>878,177</u>	<u>736,587</u>	<u>12,892,548</u>	<u>749,823</u>
Business-Type Activities					
Compensated Absences	39,569	4,285	8,570	35,284	7,057
Net Pension Liability - IMRF	32,769	94,059	-	126,828	-
General Obligation Bonds	4,090,000	-	350,000	3,740,000	365,000
Plus/(Less) Unamortized Items Bond Premiums	28,332	-	6,214	22,118	-
Loans Payable	2,500,406	-	364,341	2,136,065	373,976
	<u>6,691,076</u>	<u>98,344</u>	<u>729,125</u>	<u>6,060,295</u>	<u>746,033</u>

For governmental activities, the compensated absences, the net pension liabilities and the net other post-employment benefit obligation are generally liquidated by the General Fund. The Debt Service Fund makes payments on the general obligation bonds. For business-type activities, the compensated absences and the net pension liability are being liquidated by the Waterworks and Sewerage Fund. The Waterworks and Sewerage Fund also make payments on the general obligation bonds and the loans payable.

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities		Business-Type Activities			
	General		General		IEPA	
	Obligation Bonds		Obligation Bonds		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 730,000	188,602	365,000	156,763	373,976	53,635
2018	755,000	170,562	375,000	140,362	383,860	43,751
2019	775,000	149,168	390,000	123,525	394,010	33,601
2020	800,000	126,602	380,000	106,637	284,614	23,184
2021	830,000	102,852	385,000	89,813	170,756	17,229
2022	535,000	77,761	395,000	72,681	175,275	12,710
2023	555,000	64,388	185,000	59,966	179,912	8,073
2024	570,000	50,513	190,000	51,763	132,435	3,314
2025	585,000	34,838	200,000	43,231	41,227	527
2026	625,000	18,750	205,000	34,372	-	-
2027	-	-	210,000	25,294	-	-
2028	-	-	210,000	15,975	-	-
2029	-	-	250,000	5,625	-	-
Totals	6,760,000	984,036	3,740,000	926,007	2,136,065	196,024

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2015	<u>\$ 264,906,470</u>
Legal Debt Limit - 8.625% of Assessed Value	22,848,183
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>22,848,183</u>

Non-Commitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$982,282. These bonds are not an obligation of the government and are secured by the levy of an annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

NET POSITION/FUND BALANCE CLASSIFICATION

Net Position Restatements

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

Net Position	As Reported	As Restated	Increase (Decrease)
Governmental Activities	\$ 28,306,701	24,216,659	(4,090,042)
Business-Type Activities	17,388,606	17,409,003	20,397
Waterworks and Sewerage	17,289,244	17,309,641	20,397

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATION

Net Investment in Capital Assets

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 33,528,662
Less Capital Related Debt:	
General Obligation Alternate Revenue Refunding Bonds of 2009	(1,450,000)
General Obligation Alternate Revenue Refunding Bonds of 2013A	(5,160,000)
Taxable General Obligation Alternate Revenue Refunding Bonds of 2013B	(150,000)
Plus/(Less) Unamortized Items	
Bond Premiums	(127,352)
Loss on Refunding	295,597
	<u>26,936,907</u>
Net Investment in Capital Assets	<u>26,936,907</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	19,889,544
Less Capital Related Debt:	
General Obligation Water and Sewer Alternate Revenue Refunding Bonds of 2006	(1,605,000)
General Obligation Water and Sewer Alternate Revenue Refunding Bonds of 2008A	(2,135,000)
Plus/(Less) Unamortized Items	
Bond Premiums	(22,118)
Loss on Refunding	44,373
IEPA Loan Payable of 1998	(796,334)
IEPA Loan Payable of 2002	(705,710)
IEPA Loan Payable of 2003	(634,021)
	<u>14,035,734</u>
Net Investment in Capital Assets	<u>14,035,734</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATION – Continued

Fund Balance Classifications

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

Assigned Fund Balance. The Village reports assigned fund balance in the General Capital Projects and Infrastructure Funds, both major funds. The Village’s Village Administrator and department heads, under authorization granted by the Board in the Village’s fund balance policy, has assigned this fund to future improvements and capital asset acquisitions.

Minimum Fund Balance Policy. The Village’s policy states that the General Fund should maintain a minimum unassigned fund balance equal to 25% of current year expenditures.

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

	General	Debt Service	Capital Projects		Nonmajor	Totals
			General Capital Projects	Infrastructure		
Fund Balances						
Nonspendable						
Prepays	\$ 141,979	-	-	-	-	141,979
Restricted						
Debt Service	-	208,530	-	-	-	208,530
Motor Fuel Tax	-	-	-	99,820	-	99,820
	-	208,530	-	99,820	-	308,350
Assigned						
Capital Projects	-	-	1,508,884	4,147,128	-	5,656,012
Unassigned	1,403,363	-	-	-	(175,765)	1,227,598
Total Fund Balances	1,545,342	208,530	1,508,884	4,246,948	(175,765)	7,333,939

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through a limited insurance program and private insurance coverage. The Village currently reports all its risk management activities in its insurance fund.

Intergovernmental Risk Management Agency (IRMA)

The Village also participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

CONTINGENT LIABILITIES

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.

Grants

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. Separate reports are issued for the Police and Pension Plan and may be obtained by writing to the Village at 10 South Municipal Drive, Sugar Grove, IL 60554. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

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

Inactive Plan Members Currently Receiving Benefits	15
Inactive Plan Members Entitled to but not yet Receiving Benefits	25
Active Plan Members	<u>20</u>
Total	<u><u>60</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2015 was 9.40% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.49%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

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

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

A Single Discount Rate of 7.49% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.49%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.49%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.49%)	Current Discount Rate (7.49%)	1% Increase (8.49%)
Net Pension Liability /(Asset)	\$ 1,604,099	612,400	(175,877)

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 5,253,021	5,094,793	158,228
Changes for the Year:			
Service Cost	165,371	-	165,371
Interest on the Total Pension Liability	396,100	-	396,100
Difference Between Expected and Actual Experience of the Total Pension Liability	(68,210)	-	(68,210)
Changes of Assumptions	9,043	-	9,043
Contributions - Employer	-	139,238	(139,238)
Contributions - Employees	-	66,657	(66,657)
Net Investment Income	-	25,717	(25,717)
Benefit Payments, including Refunds of Employee Contributions	(108,742)	(108,742)	-
Other (Net Transfer)	-	(183,480)	183,480
Net Changes	393,562	(60,610)	454,172
Balances at December 31, 2015	5,646,583	5,034,183	612,400

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended December 31, 2015, the Village recognized pension expense of \$309,613. At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(53,585)	(53,585)
Change in Assumptions	7,104	-	7,104
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	282,524	-	282,524
Pension Contributions Made Subsequent to the Measurement Date	47,754	-	47,754
Total Deferred Amounts Related to IMRF	<u>337,382</u>	<u>(53,585)</u>	<u>283,797</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 105,699
2018	57,945
2019	57,945
2020	62,208
2021	-
Thereafter	-
Total	<u>283,797</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

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

Plan Membership. At April 30, 2016, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	6
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>11</u>
Total	<u>17</u>

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

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

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

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2016, the Village's contribution was 30.36% of covered payroll.

Concentrations. At year end, the Pension Plan has no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

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

Actuarial Valuation Date	4/30/16
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.13%
Salary Increases	3.50% to 8.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

The table combines observed experience of Illinois Police Offices with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date.

Discount Rate

A Single Discount Rate of 6.13% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.00%, the municipal bond rate is 3.32%, and the resulting single discount rate is 6.13%.

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (5.13%)	Current Discount Rate (6.13%)	1% Increase (7.13%)
Net Pension Liability	\$ 6,892,430	5,372,476	4,170,813

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	\$ 7,714,653	2,841,273	4,873,380
Changes for the Year:			
Service Cost	275,107	-	275,107
Interest on the Total Pension Liability	465,737	-	465,737
Difference Between Expected and Actual Experience of the Total Pension Liability	(15,487)	-	(15,487)
Changes of Assumptions	124,626	-	124,626
Contributions - Employer	-	269,002	(269,002)
Contributions - Employees	-	92,439	(92,439)
Net Investment Income	-	34,982	(34,982)
Benefit Payments, including Refunds of Employee Contributions	(233,961)	(233,961)	-
Administrative Expenses	-	(45,536)	45,536
Net Changes	616,022	116,926	499,096
Balances at April 30, 2016	8,330,675	2,958,199	5,372,476

VILLAGE OF SUGAR GROVE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2016, the Village recognized pension expense of \$537,559. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(13,781)	(13,781)
Change in Assumptions	110,900	-	110,900
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	133,420	-	133,420
Total Deferred Amounts Related to Police Pension	<u>244,320</u>	<u>(13,781)</u>	<u>230,539</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 45,376
2018	45,376
2019	45,376
2020	45,372
2021	12,020
Thereafter	<u>37,019</u>
Total	<u>230,539</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit 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 General Fund.

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2016, retirees contributed \$19,988. Active employees do not contribute to the post-employment benefit plan until retirement.

At April 30, 2016, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	5
Active Employees	<u>28</u>
Total	<u>33</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

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

Annual Required Contribution	\$ 41,711
Interest on the NOPEBO	1,298
Adjustment to the ARC	<u>(1,081)</u>
Annual OPEB Cost	41,928
Actual Contribution	<u>26,327</u>
Increase in the NOPEBO	15,601
NOPEBO - Beginning	<u>32,434</u>
NOPEBO - Ending	<u><u>48,035</u></u>

Trend Information

The Village's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 26,517	\$ 20,854	78.64%	\$ 26,401
2015	28,138	22,105	78.56%	32,434
2016	41,927	26,327	62.79%	48,035

VILLAGE OF SUGAR GROVE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of April 30, 2016 was as follows:

Actuarial Accrued Liability (AAL)	\$ 1,247,560
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 1,247,560
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 2,856,390
UAAL as a Percentage of Covered Payroll	43.68%

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 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 the financial statements, presents multiyear 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 actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return, including a 2.50% inflation assumption, and an initial annual healthcare cost trend rate of 7.80%, with an ultimate rate of 5.00%. Both rates include a 2.50% 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.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Funding Progress and Employer Contributions
Other Post-Employment Benefit Plan

- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
Police Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
Police Pension Fund

- Schedule of Investment Returns
Police Pension Fund

- Budgetary Comparison Schedule
General Fund

Notes to the Required Supplementary Information

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Other Post-Employment Benefit Plan

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

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
Apr. 30						
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	-	430,477	0.00%	430,477	2,409,431	17.87%
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	-	1,247,560	0.00%	1,247,560	2,856,390	43.68%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2011	\$ 14,714	\$ 17,687	83.19%
2012	12,629	18,748	67.36%
2013	12,437	17,687	70.32%
2014	20,854	26,379	79.06%
2015	22,105	27,962	79.05%
2016	26,327	41,711	63.12%

The Village is required to have an actuarial valuation performed triennially.

VILLAGE OF SUGAR GROVE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2016

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 139,238	\$ 139,238	\$ -	\$ 1,481,262	9.40%

Notes to the Required Supplementary Information:

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

Note:

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2016

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 350,251	\$ 272,891	\$ (77,360)	\$ 951,234	28.69%
2016	368,185	269,002	(99,183)	885,903	30.36%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2016
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	Market
Inflation	3.00%
Salary Increases	4.00% - 8.00%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	2016 Illinois Police Mortality Rates

Note:

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Illinois Municipal Retirement Fund

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

	<u>December 31, 2015</u>
Total Pension Liability	
Service Cost	\$ 165,371
Interest	396,100
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	(68,210)
Change of Assumptions	9,043
Benefit Payments, Including Refunds of Member Contributions	<u>(108,742)</u>
Net Change in Total Pension Liability	393,562
Total Pension Liability - Beginning	<u>5,253,021</u>
Total Pension Liability - Ending	<u><u>5,646,583</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 139,238
Contributions - Members	66,657
Net Investment Income	25,717
Benefit Payments, Including Refunds of Member Contributions	(108,742)
Other (Net Transfer)	<u>(183,480)</u>
Net Change in Plan Fiduciary Net Position	(60,610)
Plan Net Position - Beginning	<u>5,094,793</u>
Plan Net Position - Ending	<u><u>5,034,183</u></u>
Employer's Net Pension Liability	<u><u>\$ 612,400</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.15%
Covered-Employee Payroll	\$ 1,481,262
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	41.34%

Note:

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Police Pension Fund

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

	2015	2016
Total Pension Liability		
Service Cost	\$ 301,895	275,107
Interest	425,725	465,737
Differences Between Expected and Actual Experience	-	(15,487)
Change of Assumptions	-	124,626
Benefit Payments, Including Refunds of Member Contributions	(193,168)	(233,961)
Net Change in Total Pension Liability	534,452	616,022
Total Pension Liability - Beginning	7,180,201	7,714,653
Total Pension Liability - Ending	7,714,653	8,330,675
Plan Fiduciary Net Position		
Contributions - Employer	\$ 272,891	269,002
Contributions - Members	94,267	92,439
Net Investment Income	173,038	34,982
Benefit Payments, Including Refunds of Member Contributions	(193,168)	(233,961)
Administrative Expense	(40,659)	(45,536)
Net Change in Plan Fiduciary Net Position	306,369	116,926
Plan Net Position - Beginning	2,534,904	2,841,273
Plan Net Position - Ending	2,841,273	2,958,199
Employers Net Pension Liability	\$ 4,873,380	5,372,476
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	36.83%	35.51%
Covered-Employee Payroll	\$ 951,234	885,903
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	512.32%	606.44%

Note:

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

VILLAGE OF SUGAR GROVE, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Investment Returns

April 30, 2016

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.70%
2016	1.23%

Note:

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

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 1,570,010	1,570,010	1,578,210	8,200
Other Taxes	849,309	849,309	813,079	(36,230)
Charges for Services	137,270	137,270	118,044	(19,226)
Intergovernmental, Grants and Contributions	1,688,673	1,688,673	1,734,830	46,157
Licenses and Permits	164,202	164,202	187,661	23,459
Fines, Fees and Forfeitures	257,345	257,345	277,864	20,519
Interest	15,400	15,400	12,516	(2,884)
Miscellaneous	72,790	72,790	233,749	160,959
Total Revenues	4,754,999	4,754,999	4,955,953	200,954
Expenditures				
Current				
General Government	1,350,845	1,350,845	1,387,444	36,599
Public Safety	2,188,201	2,188,201	2,283,117	94,916
Highways and Streets	986,609	986,609	787,046	(199,563)
Total Expenditures	4,525,655	4,525,655	4,457,607	(68,048)
Excess (Deficiency) of Revenues Over (Under) Expenditures	229,344	229,344	498,346	269,002
Other Financing Sources (Uses)				
Transfers In	40,000	40,000	40,000	-
Transfers Out	(370,019)	(370,019)	(532,728)	(162,709)
	(330,019)	(330,019)	(492,728)	(162,709)
Net Change in Fund Balance	<u>(100,675)</u>	<u>(100,675)</u>	5,618	<u>106,293</u>
Fund Balance - Beginning			<u>1,539,724</u>	
Fund Balance - Ending			<u><u>1,545,342</u></u>	

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Combining Statement of Changes in Assets and Liabilities – Agency Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

DEBT SERVICE FUND

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Activities are financed from property taxes and transfers from other funds.

CAPITAL PROJECTS FUNDS

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

General Capital Projects Fund

The General Capital Projects Fund is used to account for the acquisition, construction and improvement of governmental capital assets other than infrastructure. Activities are financed from developer contributions and transfers from other funds.

Infrastructure Fund

The Infrastructure Fund is used to account for the acquisition, construction and improvement of governmental infrastructure assets. Activities are financed from developer contributions and motor fuel taxes.

Industrial TIF District #1 Fund

The Industrial TIF District #1 Fund is used to spur industrial development that will generate local jobs and expand the tax base.

Industrial TIF District #2 Fund

The Industrial TIF District #2 Fund is used to spur industrial development that will generate local jobs and expand the tax base.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS

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

Waterworks and Sewerage Fund

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

Refuse Fund

The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their monthly utility bill.

TRUST AND AGENCY FUNDS

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

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

TRUST AND AGENCY FUNDS - Continued

AGENCY FUNDS

Mallard Point Rolling Oaks Special Assessment Fund

Mallard Point Rolling Oaks Special Assessment Fund is used to account for property taxes made on behalf of the Mallard Point Rolling Oaks Special Assessment for operating purposes.

Sugar Grove Center Special Assessment Area #10 Fund

Sugar Grove Center Special Assessment Area #10 Fund is used to account for the maintenance, repair and replacement of storm water detention basins as well as to authorize the implementation and continuation of a Mosquito Abatement Program.

**School District Development Impact Fee Fund, Library District Development Impact Fee Fund,
Fire District Development Impact Fee Fund, Park District Development Land Cash Fund, Park
District Development Impact Fee Fund, and School District Development Land Cash Fund**

School District Development Impact Fee Fund, Library District Development Impact Fee Fund, Fire District Development Impact Fee Fund, Park District Development Land Cash Fund, Park District Development Impact Fee Fund, and School District Development Land Cash Fund are used to account for donations made by developers on behalf of the specific districts for acquisition of property and construction of facilities.

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance
	Original	Final		Over (Under)
Property Taxes				
Corporate	\$ 753,401	753,401	898,751	145,350
Audit	14,459	14,459	11,439	(3,020)
Insurance	63,855	63,855	54,713	(9,142)
IMRF	32,175	32,175	44,765	12,590
Social Security	202,950	202,950	189,005	(13,945)
Street Lighting	58,410	58,410	58,690	280
Police Protection	139,095	139,095	198,954	59,859
Police Pension	269,002	269,002	86,545	(182,457)
Road and Bridge	36,663	36,663	35,348	(1,315)
Total Property Taxes	1,570,010	1,570,010	1,578,210	8,200
Other Taxes				
Electric Tax	296,849	296,849	271,345	(25,504)
Natural Gas Tax	117,463	117,463	93,448	(24,015)
Telecommunication Tax	258,475	258,475	235,838	(22,637)
Personal Property Replacement Tax	1,980	1,980	1,945	(35)
State Use Tax	174,542	174,542	210,503	35,961
Total Other Taxes	849,309	849,309	813,079	(36,230)
Charges for Services				
Zoning and Filing Fees	16,000	16,000	3,050	(12,950)
Review and Development Fees	109,420	109,420	98,648	(10,772)
Charges for Police Services	10,000	10,000	10,000	-
Other Charges for Services	1,850	1,850	6,346	4,496
Total Charges for Services	137,270	137,270	118,044	(19,226)
Intergovernmental, Grants and Contributions				
State Income Tax	890,703	890,703	920,275	29,572
State Sales Tax Rebate	(17,000)	(17,000)	(21,658)	(4,658)
State Sales Tax	813,870	813,870	836,213	22,343
Grants - Operating, General Government	1,100	1,100	-	(1,100)
Total Intergovernmental, Grants and Contributions	1,688,673	1,688,673	1,734,830	46,157

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Licenses and Permits				
Liquor Licenses	\$ 18,800	18,800	18,170	(630)
Games Licenses	16,800	16,800	16,955	155
Contractors Licenses	37,500	37,500	33,750	(3,750)
Building Permits	75,525	75,525	82,151	6,626
Certificate of Occupancy Fees	5,300	5,300	4,900	(400)
Plan Review Fees	5,645	5,645	6,183	538
Reinspection Fees	3,472	3,472	9,467	5,995
Other Licenses and Permits	1,160	1,160	16,085	14,925
Total Licenses and Permits	164,202	164,202	187,661	23,459
Fines, Fees and Forfeitures				
County Court and Drug Fines	50,000	50,000	112,141	62,141
Towing Fees	40,000	40,000	31,983	(8,017)
Forfeitures	7,500	7,500	-	(7,500)
Other Fines	95,000	95,000	64,282	(30,718)
Cable Franchise Fees	64,745	64,745	68,688	3,943
Map, Plan and Code Charges	100	100	770	670
Total Fines, Fees and Forfeitures	257,345	257,345	277,864	20,519
Interest	15,400	15,400	12,516	(2,884)
Miscellaneous				
Reimbursement	44,350	44,350	189,025	144,675
Rental	27,940	27,940	26,320	(1,620)
Other	500	500	18,404	17,904
Total Miscellaneous	72,790	72,790	233,749	160,959
Total Revenues	4,754,999	4,754,999	4,955,953	200,954

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
General Government				
Administration				
Personnel				
Regular Salaries	\$ 193,443	193,443	198,593	5,150
Health Insurance	28,353	28,353	29,566	1,213
Life Insurance	168	168	158	(10)
Unemployment Compensation	193	193	-	(193)
Social Security Contribution	12,391	12,391	12,138	(253)
IMRF Contribution	18,184	18,184	18,733	549
Training and Memberships	4,594	4,594	4,082	(512)
Uniform Allowance	100	100	98	(2)
Mileage Reimbursement	2,175	2,175	2,153	(22)
	<u>259,601</u>	<u>259,601</u>	<u>265,521</u>	<u>5,920</u>
Contractual Services				
Legal Services	12,870	12,870	14,509	1,639
Medical Services	115	115	186	71
Other Professional Services	525	525	175	(350)
Rental	1,535	1,535	1,535	-
Repair and Maintenance Services	120	120	163	43
Telecommunications	1,912	1,912	2,124	212
General Insurance	58,800	58,800	71,516	12,716
	<u>75,877</u>	<u>75,877</u>	<u>90,208</u>	<u>14,331</u>
Commodities				
Postage and Delivery	20	20	67	47
Books and Publications	1,027	1,027	1,112	85
Office Supplies	250	250	959	709
	<u>1,297</u>	<u>1,297</u>	<u>2,138</u>	<u>841</u>
Total Administration	<u>336,775</u>	<u>336,775</u>	<u>357,867</u>	<u>21,092</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
General Government - Continued				
Board and Commissions				
Personnel				
Part-Time Salaries	\$ 45,586	45,586	44,277	(1,309)
Social Security Contribution	3,487	3,487	3,353	(134)
IMRF Contribution	470	470	473	3
Training and Memberships	7,849	7,849	7,944	95
Uniform Allowance	800	800	692	(108)
	<u>58,192</u>	<u>58,192</u>	<u>56,739</u>	<u>(1,453)</u>
Contractual Services				
Information System Services	1,597	1,597	1,566	(31)
Other Professional Services	8,012	8,012	8,326	314
Repair and Maintenance Services	2,200	2,200	483	(1,717)
Telecommunications	720	720	749	29
Publishing	150	150	33	(117)
Printing	200	200	77	(123)
Receptions and Entertainment	1,300	1,300	503	(797)
Public Relations	5,555	5,555	4,064	(1,491)
Employee Activities	350	350	325	(25)
Plan Commission	2,250	2,250	1,175	(1,075)
Police Commission	2,800	2,800	925	(1,875)
	<u>25,134</u>	<u>25,134</u>	<u>18,226</u>	<u>(6,908)</u>
Commodities				
Postage and Delivery	100	100	74	(26)
Office Supplies	450	450	183	(267)
	<u>550</u>	<u>550</u>	<u>257</u>	<u>(293)</u>
Total Board and Commissions	<u>83,876</u>	<u>83,876</u>	<u>75,222</u>	<u>(8,654)</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance
	Original	Final		Over (Under)
General Government - Continued				
Building Maintenance				
Personnel				
Regular Salaries	\$ 73,524	73,524	63,430	(10,094)
Overtime Salaries	4,540	4,540	4,542	2
Health Insurance	15,152	15,152	10,388	(4,764)
Life Insurance	133	133	106	(27)
Unemployment Compensation	78	78	4,524	4,446
Social Security Contribution	5,946	5,946	5,074	(872)
IMRF Contribution	7,338	7,338	6,410	(928)
Training and Memberships	500	500	-	(500)
Uniform Allowance	300	300	-	(300)
	<u>107,511</u>	<u>107,511</u>	<u>94,474</u>	<u>(13,037)</u>
Contractual Services				
Medical Services	63	63	43	(20)
Rental	579	579	73	(506)
Repair and Maintenance Services	31,464	31,464	54,179	22,715
Telecommunications	1,584	1,584	1,753	169
Utilities	4,265	4,265	2,499	(1,766)
	<u>37,955</u>	<u>37,955</u>	<u>58,547</u>	<u>20,592</u>
Commodities				
General Equipment	500	500	481	(19)
Fuels and Lubricants	3,928	3,928	-	(3,928)
Custodial Supplies	4,500	4,500	1,966	(2,534)
Specialized Supplies	1,300	1,300	1,085	(215)
Safety Supplies	450	450	496	46
Landscaping Supplies	1,500	1,500	303	(1,197)

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance
	Original	Final		Over (Under)
General Government - Continued				
Building Maintenance - Continued				
Books and Publications	\$ -	-	130	130
Building Maintenance Supplies	1,975	1,975	1,766	(209)
Office Supplies	150	150	13	(137)
Vehicle Maintenance Supplies	1,000	1,000	919	(81)
	<u>15,303</u>	<u>15,303</u>	<u>7,159</u>	<u>(8,144)</u>
Total Building Maintenance	<u>160,769</u>	<u>160,769</u>	<u>160,180</u>	<u>(589)</u>
Community Development				
Personnel				
Regular Salaries	274,610	274,610	266,765	(7,845)
Overtime Salaries	249	249	-	(249)
Part-Time Salaries	5,175	5,175	11,284	6,109
Health Insurance	52,372	52,372	48,251	(4,121)
Life Insurance	408	408	360	(48)
Unemployment Compensation	280	280	3,059	2,779
Social Security Contribution	21,423	21,423	20,392	(1,031)
IMRF Contribution	25,837	25,837	25,156	(681)
Training and Memberships	3,630	3,630	1,526	(2,104)
Uniform Allowance	300	300	174	(126)
Mileage Reimbursement	25	25	19	(6)
	<u>384,309</u>	<u>384,309</u>	<u>376,986</u>	<u>(7,323)</u>
Contractual Services				
Legal Services	56,400	56,400	99,802	43,402
Engineering Services	76,800	76,800	84,367	7,567
Medical Services	231	231	553	322
Information System Services	350	350	350	-
Other Professional Services	56,395	56,395	46,649	(9,746)
Rental	2,259	2,259	2,259	-
Repair and Maintenance Services	2,250	2,250	657	(1,593)
Telecommunications	2,820	2,820	3,533	713

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
General Government - Continued				
Community Development - Continued				
Contractual Services - Continued				
Publishing	\$ 1,300	1,300	830	(470)
Printing	750	750	165	(585)
Receptions and Entertainment	300	300	299	(1)
Recruitment	-	-	295	295
	<u>199,855</u>	<u>199,855</u>	<u>239,759</u>	<u>39,904</u>
Commodities				
General Equipment	200	200	95	(105)
Postage and Delivery	400	400	564	164
Fuels and Lubricants	973	973	941	(32)
Specialized Supplies	100	100	-	(100)
Safety Supplies	100	100	-	(100)
Books and Publications	400	400	94	(306)
Office Supplies	1,000	1,000	792	(208)
	<u>3,173</u>	<u>3,173</u>	<u>2,486</u>	<u>(687)</u>
Total Community Development	<u>587,337</u>	<u>587,337</u>	<u>619,231</u>	<u>31,894</u>
Finance				
Personnel				
Regular Salaries	84,406	84,406	85,654	1,248
Part-Time Salaries	7,573	7,573	7,550	(23)
Health Insurance	16,907	16,907	16,324	(583)
Life Insurance	102	102	96	(6)
Unemployment Compensation	84	84	-	(84)
Social Security Contribution	7,036	7,036	6,767	(269)
IMRF Contribution	7,934	7,934	8,080	146
Training and Memberships	2,044	2,044	2,512	468
Uniform Allowance	100	100	78	(22)
Mileage Reimbursement	50	50	20	(30)
	<u>126,236</u>	<u>126,236</u>	<u>127,081</u>	<u>845</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
General Government - Continued				
Finance - Continued				
Contractual Services				
Legal Services	\$ -	-	105	105
Audit Services	12,150	12,150	10,899	(1,251)
Medical Services	175	175	189	14
Information System Services	7,171	7,171	5,577	(1,594)
Other Professional Services	954	954	1,257	303
Rental	19	19	19	-
Repair and Maintenance Services	700	700	343	(357)
Telecommunications	1,452	1,452	1,828	376
Publishing	710	710	457	(253)
Printing	863	863	308	(555)
Recruitment	-	-	275	275
	<u>24,194</u>	<u>24,194</u>	<u>21,257</u>	<u>(2,937)</u>
Commodities				
Postage and Delivery	700	700	1,171	471
Fuels and Lubricants	66	66	70	4
Specialized Supplies	50	50	-	(50)
Books and Publications	50	50	20	(30)
Office Supplies	1,100	1,100	1,178	78
Miscellaneous	-	-	879	879
	<u>1,966</u>	<u>1,966</u>	<u>3,318</u>	<u>1,352</u>
Total Finance	<u>152,396</u>	<u>152,396</u>	<u>151,656</u>	<u>(740)</u>
Information Technology				
Contractual Services				
Information System Services	29,112	29,112	22,423	(6,689)
Telecommunications	540	540	865	325
	<u>29,652</u>	<u>29,652</u>	<u>23,288</u>	<u>(6,364)</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
General Government - Continued				
Information Technology - Continued				
Commodities				
Office Supplies	\$ 40	40	-	(40)
Total Information Technology	29,692	29,692	23,288	(6,404)
Total General Government	1,350,845	1,350,845	1,387,444	36,599
Public Safety				
Police				
Personnel				
Regular Salaries	921,233	921,233	922,368	1,135
Overtime Salaries	135,356	135,356	148,049	12,693
Part-Time Salaries	145,677	145,677	232,351	86,674
Police Pension Contribution	269,002	269,002	269,002	-
Health Insurance	222,191	222,191	183,098	(39,093)
Life Insurance	1,148	1,148	1,152	4
Unemployment Compensation	1,057	1,057	-	(1,057)
Social Security Contribution	91,974	91,974	90,194	(1,780)
Training and Memberships	8,795	8,795	9,232	437
Uniform Allowance	11,130	11,130	11,745	615
Total Personnel	1,807,563	1,807,563	1,867,191	59,628
Contractual Services				
Legal Services	78,400	78,400	105,057	26,657
Medical Services	812	812	4,155	3,343
Information System Services	12,158	12,158	10,824	(1,334)
Other Professional Services	12,053	12,053	13,157	1,104
Rental	1,168	1,168	1,168	-

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Public Safety - Continued				
Police - Continued				
Contractual Services - Continued				
Repair and Maintenance Services	\$ 46,310	46,310	53,648	7,338
Telecommunications	171,122	171,122	167,893	(3,229)
Printing	1,275	1,275	2,326	1,051
Receptions and Entertainment	150	150	446	296
Recruitment	-	-	145	145
	<u>323,448</u>	<u>323,448</u>	<u>358,819</u>	<u>35,371</u>
Commodities				
General Equipment	4,000	4,000	118	(3,882)
Postage and Delivery	1,445	1,445	1,723	278
Fuels and Lubricants	34,020	34,020	38,968	4,948
Specialized Supplies	14,325	14,325	12,183	(2,142)
Safety Supplies	200	200	380	180
Books and Publications	400	400	123	(277)
Office Supplies	2,800	2,800	3,612	812
	<u>57,190</u>	<u>57,190</u>	<u>57,107</u>	<u>(83)</u>
Total Public Safety	<u>2,188,201</u>	<u>2,188,201</u>	<u>2,283,117</u>	<u>94,916</u>
Highways and Streets				
Public Works				
Personnel				
Regular Salaries	272,390	272,390	255,823	(16,567)
Overtime Salaries	18,026	18,026	13,998	(4,028)
Seasonal Salaries	9,880	9,880	10,148	268
Health Insurance	50,833	50,833	39,586	(11,247)
Life Insurance	439	439	422	(17)
Unemployment Compensation	290	290	10,556	10,266
Social Security Contribution	22,734	22,734	20,960	(1,774)

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Highways and Streets - Continued				
Public Works - Continued				
Personnel - Continued				
IMRF Contribution	\$ 27,299	27,299	25,438	(1,861)
Training and Memberships	3,650	3,650	2,754	(896)
Uniform Allowance	1,250	1,250	1,247	(3)
Mileage Reimbursement	25	25	106	81
	<u>406,816</u>	<u>406,816</u>	<u>381,038</u>	<u>(25,778)</u>
Contractual Services				
Legal Services	1,000	1,000	9,959	8,959
Engineering Services	6,900	6,900	26,737	19,837
Medical Services	481	481	788	307
Other Professional Services	13,475	13,475	24,594	11,119
Rental	3,499	3,499	6,029	2,530
Repair and Maintenance Services	66,321	66,321	69,281	2,960
Telecommunications	3,163	3,163	3,373	210
Publishing	150	150	78	(72)
Printing	200	200	-	(200)
Receptions and Entertainment	200	200	229	29
Recruitment	150	150	-	(150)
Utilities	37,500	37,500	39,816	2,316
Employee Activities	250	250	229	(21)
	<u>133,289</u>	<u>133,289</u>	<u>181,113</u>	<u>47,824</u>
Commodities				
Postage and Delivery	175	175	410	235
Fuels and Lubricants	17,396	17,396	18,037	641
Specialized Supplies	5,500	5,500	5,075	(425)
Safety Supplies	900	900	1,837	937
Landscaping Supplies	45,700	45,700	14,261	(31,439)
Books and Publications	250	250	130	(120)
Roadway Maintenance Supplies	14,500	14,500	14,982	482

VILLAGE OF SUGAR GROVE, ILLINOIS

General Fund

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

	Budget			Variance
	Original	Final	Actual	Over (Under)
Highways and Streets - Continued				
Public Works - Continued				
Commodities - Continued				
Traffic Control Supplies	\$ 15,000	15,000	14,329	(671)
Equipment Parts	4,000	4,000	5,064	1,064
Office Supplies	600	600	516	(84)
Snow and ice Control Supplies	324,983	324,983	134,376	(190,607)
Vehicle Maintenance Supplies	17,500	17,500	15,878	(1,622)
	<u>446,504</u>	<u>446,504</u>	<u>224,895</u>	<u>(221,609)</u>
Total Highways and Streets	<u>986,609</u>	<u>986,609</u>	<u>787,046</u>	<u>(199,563)</u>
Total Expenditures	<u>4,525,655</u>	<u>4,525,655</u>	<u>4,457,607</u>	<u>(68,048)</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Interest	\$ 1,063	1,063	527	(536)
Expenditures				
Debt Service				
Principal	705,000	705,000	705,000	-
Interest and Fiscal Charges	206,328	206,328	206,527	199
Total Expenditures	911,328	911,328	911,527	199
Excess (Deficiency) of Revenues Over (Under) Expenditures	(910,265)	(910,265)	(911,000)	(735)
Other Financing Sources				
Transfers In	909,920	909,920	909,919	(1)
Net Change in Fund Balance	<u>(345)</u>	<u>(345)</u>	(1,081)	<u>(736)</u>
Fund Balance - Beginning			<u>209,611</u>	
Fund Balance - Ending			<u>208,530</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

General Capital Projects - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual	Variance
	Original	Final		Over (Under)
Revenues				
Intergovernmental, Grants and Contributions \$	6,916	6,916	5,340	(1,576)
Fines, Fees and Forfeitures	750	750	9,436	8,686
Interest	8,102	8,102	17,678	9,576
Miscellaneous	192,855	192,855	319,723	126,868
Total Revenues	208,623	208,623	352,177	143,554
Expenditures				
Current				
Highways and Streets	69,200	69,200	45,727	(23,473)
Capital Outlay	673,400	673,400	623,307	(50,093)
Total Expenditures	742,600	742,600	669,034	(73,566)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(533,977)	(533,977)	(316,857)	217,120
Other Financing Sources (Uses)				
Disposal of Capital Assets	-	-	60,690	60,690
Transfers In	223,819	223,819	223,819	-
Transfers Out	(109,622)	(109,622)	(109,622)	-
	114,197	114,197	174,887	60,690
Net Change in Fund Balance	(419,780)	(419,780)	(141,970)	277,810
Fund Balance - Beginning			1,650,854	
Fund Balance - Ending			1,508,884	

VILLAGE OF SUGAR GROVE, ILLINOIS

General Capital Projects - Capital Projects Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Intergovernmental, Grants and Contributions				
Contributions - Capital, Public Safety	\$ 3,458	3,458	2,590	(868)
Contributions - Capital, Highways and Streets	3,458	3,458	2,750	(708)
Total Intergovernmental, Grants and Contributions	6,916	6,916	5,340	(1,576)
Fines, Fees and Forfeitures				
County Court and Drug Fines	750	750	9,436	8,686
Interest	8,102	8,102	17,678	9,576
Miscellaneous				
Rental	72,099	72,099	69,278	(2,821)
Emergency Warning Device	300	300	-	(300)
Miscellaneous	120,456	120,456	250,445	129,989
Total Miscellaneous	192,855	192,855	319,723	126,868
Total Revenues	208,623	208,623	352,177	143,554

VILLAGE OF SUGAR GROVE, ILLINOIS

General Capital Projects - Capital Projects Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Expenditures				
Highways and Streets				
Public Works				
Contractual Services				
Legal Services	\$ -	-	383	383
Other Professional Services	69,200	69,200	45,344	(23,856)
Total Highways and Streets	69,200	69,200	45,727	(23,473)
Capital Outlay				
Police				
Automotive Equipment	99,400	99,400	146,465	47,065
Other Equipment and Machinery	4,000	4,000	8,734	4,734
Public Works				
Automotive Equipment	70,000	70,000	-	(70,000)
Capital Improvements	500,000	500,000	468,108	(31,892)
Total Capital Outlay	673,400	673,400	623,307	(50,093)
Total Expenditures	742,600	742,600	669,034	(73,566)

VILLAGE OF SUGAR GROVE, ILLINOIS

Infrastructure - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Other Taxes				
Motor Fuel Tax Allotments	\$ 234,529	234,529	250,580	16,051
Intergovernmental, Grants and Contributions				
Local Sales Tax	532,975	532,975	537,868	4,893
Grants - Capital, Highways and Streets	5,235,274	5,235,274	3,024,833	(2,210,441)
Contributions - Capital, Highways and Streets	272,220	272,220	334,782	62,562
Interest	1,500	1,500	2,353	853
Miscellaneous	-	-	2,057,549	2,057,549
Total Revenues	<u>6,276,498</u>	<u>6,276,498</u>	<u>6,207,965</u>	<u>(68,533)</u>
Expenditures				
Current				
Highways and Streets				
Public Works				
Legal Services	-	-	13,069	13,069
Engineering Services	1,329,528	1,329,528	806,857	(522,671)
Capital Outlay				
Public Works				
Streets and Right of Way Improvements	4,006,822	4,006,822	3,133,595	(873,227)
Total Expenditures	<u>5,336,350</u>	<u>5,336,350</u>	<u>3,953,521</u>	<u>(1,382,829)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>940,148</u>	<u>940,148</u>	<u>2,254,444</u>	<u>1,314,296</u>
Other Financing Sources (Uses)				
Transfers In	146,200	146,200	290,845	144,645
Transfers Out	(485,707)	(485,707)	(485,707)	-
	<u>(339,507)</u>	<u>(339,507)</u>	<u>(194,862)</u>	<u>144,645</u>
Net Change in Fund Balance	<u>600,641</u>	<u>600,641</u>	<u>2,059,582</u>	<u>1,458,941</u>
Fund Balance - Beginning			<u>2,187,366</u>	
Fund Balance - Ending			<u>4,246,948</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

April 30, 2016

	Industrial TIF #1	Industrial TIF #2	Totals
ASSETS			
Receivables - Net of Allowances			
Property Taxes	\$ 81,545	19,748	101,293
Intergovernmental	5,828	-	5,828
	<hr/>		
Total Assets	87,373	19,748	107,121
	<hr/>		
LIABILITIES			
Due to Other Funds	108,215	73,378	181,593
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	81,545	19,748	101,293
Total Liabilities and Deferred Inflows of Resources	189,760	93,126	282,886
FUND BALANCES			
Unassigned	(102,387)	(73,378)	(175,765)
	<hr/>		
Total Liabilities, Deferred Inflows of Resources and Fund Balances	87,373	19,748	107,121
	<hr/>		

VILLAGE OF SUGAR GROVE, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2016**

	Industrial TIF #1	Industrial TIF #2	Totals
Revenues			
Taxes	\$ 67,479	-	67,479
Intergovernmental	8,678	-	8,678
Total Revenues	<u>76,157</u>	<u>-</u>	<u>76,157</u>
Expenditures			
General Government	11,950	44,977	56,927
Capital Outlay	-	28,400	28,400
Total Expenditures	<u>11,950</u>	<u>73,377</u>	<u>85,327</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	64,207	(73,377)	(9,170)
Other Financing Sources			
Transfers In	-	18,064	18,064
Net Change in Fund Balances	64,207	(55,313)	8,894
Fund Balances - Beginning	<u>(166,594)</u>	<u>(18,065)</u>	<u>(184,659)</u>
Fund Balances - Ending	<u>(102,387)</u>	<u>(73,378)</u>	<u>(175,765)</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Industrial Tax Increment Financing District #1 - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 68,835	68,835	67,479	(1,356)
Intergovernmental Grants	-	-	8,678	8,678
Total Revenues	<u>68,835</u>	<u>68,835</u>	<u>76,157</u>	<u>7,322</u>
Expenditures				
Community Development Contractual Services				
Legal Services	-	-	75	75
Audit Services	275	275	263	(12)
Engineering Services	-	-	11,602	11,602
Commodities Postage and Delivery	-	-	10	10
Total Expenditures	<u>275</u>	<u>275</u>	<u>11,950</u>	<u>11,675</u>
Net Change in Fund Balance	<u>68,560</u>	<u>68,560</u>	64,207	<u>(4,353)</u>
Fund Balance - Beginning			<u>(166,594)</u>	
Fund Balance - Ending			<u>(102,387)</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

Industrial Tax Increment Financing District #2 - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual	Variance
	Original	Final		Over (Under)
Revenues				
Property Taxes	\$ -	-	-	-
Expenditures				
Community Development				
Contractual Services				
Legal Services	2,000	2,000	4,935	2,935
Audit Services	275	275	512	237
Engineering	2,000	2,000	190	(1,810)
Other Professional Services	4,000	4,000	38,546	34,546
Publishing	-	-	794	794
Capital Outlay	40,000	40,000	28,400	(11,600)
Total Expenditures	48,275	48,275	73,377	25,102
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,275)	(48,275)	(73,377)	(25,102)
Other Financing Sources				
Transfers In	-	-	18,064	18,064
Net Change in Fund Balance	<u>(48,275)</u>	<u>(48,275)</u>	(55,313)	<u>(7,038)</u>
Fund Balance - Beginning			<u>(18,065)</u>	
Fund Balance - Ending			<u>(73,378)</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Revenues				
Charges for Services				
Water Revenue	\$ 1,715,609	1,715,609	1,737,070	21,461
Sewer Revenue	1,548,840	1,548,840	1,582,107	33,267
Other Revenue	48,633	48,633	116,974	68,341
Total Operating Revenues	<u>3,313,082</u>	<u>3,313,082</u>	<u>3,436,151</u>	<u>123,069</u>
Operating Expenses				
Information Technology	29,693	29,693	19,925	(9,768)
General Administration	346,908	346,908	343,628	(3,280)
Public Works Administration	915,486	915,486	782,377	(133,109)
Water Operations	611,552	611,552	551,138	(60,414)
Sewer Operations	144,041	144,041	92,483	(51,558)
Water Capital	-	-	43,517	43,517
Sewer Capital	-	-	106,474	106,474
Depreciation	-	-	701,095	701,095
Total Operating Expenses	<u>2,047,680</u>	<u>2,047,680</u>	<u>2,640,637</u>	<u>592,957</u>
Operating Income (Loss)	<u>1,265,402</u>	<u>1,265,402</u>	<u>795,514</u>	<u>(469,888)</u>
Nonoperating Revenues (Expenses)				
Connection Fees	208,695	208,695	158,829	(49,866)
Interest Income	18,788	18,788	24,790	6,002
Interest Expense	(236,720)	(236,720)	(238,833)	(2,113)
	<u>(9,237)</u>	<u>(9,237)</u>	<u>(55,214)</u>	<u>(45,977)</u>
Income (Loss) Before Transfers	<u>1,256,165</u>	<u>1,256,165</u>	<u>740,300</u>	<u>(515,865)</u>
Transfers Out	<u>(314,590)</u>	<u>(314,590)</u>	<u>(314,590)</u>	<u>-</u>
Change in Net Position	<u>941,575</u>	<u>941,575</u>	<u>425,710</u>	<u>(515,865)</u>
Net Position - Beginning as Restated			<u>17,309,641</u>	
Net Position - Ending			<u>17,735,351</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Revenues				
Charges for Services				
Water Revenue				
Water Sales	\$ 1,686,102	1,686,102	1,702,817	16,715
Water Penalties	29,507	29,507	34,253	4,746
Total Water Revenue	1,715,609	1,715,609	1,737,070	21,461
Sewer Revenue				
Sewer Sales	1,510,788	1,510,788	1,540,982	30,194
Sewer Penalties	26,439	26,439	31,637	5,198
Sewer Other	11,613	11,613	9,488	(2,125)
Total Sewer Revenue	1,548,840	1,548,840	1,582,107	33,267
Other Revenue				
Meter Reinspections	728	728	255	(473)
Meter Sales	28,925	28,925	17,526	(11,399)
Reimbursement	390	390	74,799	74,409
Rental	6,098	6,098	5,495	(603)
Miscellaneous	12,492	12,492	18,899	6,407
Total Other Revenue	48,633	48,633	116,974	68,341
Total Operating Revenues	3,313,082	3,313,082	3,436,151	123,069
Nonoperating Revenues				
Connection Fees				
Water Tap-On Fees	178,310	178,310	128,798	(49,512)
Sewer Tap-On Fees	21,683	21,683	18,429	(3,254)
Fire Suppression Tap-On Fees	8,702	8,702	11,602	2,900
	208,695	208,695	158,829	(49,866)
Interest Income	18,788	18,788	24,790	6,002
Total Nonoperating Revenues	227,483	227,483	183,619	(43,864)

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Expenses				
Information Technology				
Contractual Services				
Information System Services	\$ 29,113	29,113	19,335	(9,778)
Telecommunications	540	540	590	50
	<u>29,653</u>	<u>29,653</u>	<u>19,925</u>	<u>(9,728)</u>
Commodities				
Office Supplies	40	40	-	(40)
	<u>40</u>	<u>40</u>	<u>-</u>	<u>(40)</u>
Total Information Technology	<u>29,693</u>	<u>29,693</u>	<u>19,925</u>	<u>(9,768)</u>
General Administration				
Personnel				
Regular Salaries	116,872	116,872	119,878	3,006
Part-time Salaries	22,161	22,161	23,709	1,548
Health Insurance	22,368	22,368	22,322	(46)
Life Insurance	138	138	130	(8)
Unemployment Compensation	117	117	-	(117)
Social Security Contribution	10,369	10,369	10,185	(184)
IMRF Contribution	10,986	10,986	26,748	15,762
Training and Memberships	2,044	2,044	2,364	320
Mileage Reimbursement	325	325	248	(77)
	<u>185,380</u>	<u>185,380</u>	<u>205,584</u>	<u>20,204</u>
Contractual Services				
Legal Services	2,000	2,000	1,605	(395)
Audit Services	12,150	12,150	10,899	(1,251)
Medical Services	120	120	128	8
Information System Services	10,311	10,311	7,883	(2,428)
Other Professional Services	19,998	19,998	20,398	400
Rental	558	558	557	(1)

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Expenses - Continued				
General Administration - Continued				
Contractual Services - Continued				
Repair and Maintenance Services	\$ 1,260	1,260	990	(270)
Telecommunications	2,160	2,160	2,115	(45)
Publishing	355	355	249	(106)
Printing	863	863	308	(555)
Recruitment	-	-	25	25
General Insurance	91,070	91,070	71,516	(19,554)
	<u>140,845</u>	<u>140,845</u>	<u>116,673</u>	<u>(24,172)</u>
Commodities				
Postage and Delivery	19,265	19,265	19,568	303
Fuel and Lubricants	68	68	45	(23)
Books and Publications	50	50	20	(30)
Office Supplies	1,300	1,300	1,738	438
	<u>20,683</u>	<u>20,683</u>	<u>21,371</u>	<u>688</u>
Total General Administration	<u>346,908</u>	<u>346,908</u>	<u>343,628</u>	<u>(3,280)</u>
Public Works Administration				
Personnel				
Regular Salaries	442,785	442,785	407,526	(35,259)
Overtime Salaries	47,254	47,254	30,621	(16,633)
Seasonal Salaries	9,880	9,880	9,825	(55)
Health Insurance	94,041	94,041	82,080	(11,961)
Life Insurance	714	714	584	(130)
Unemployment Compensation	490	490	2,130	1,640
Social Security Contribution	37,223	37,223	33,262	(3,961)
IMRF Contribution	46,064	46,064	90,354	44,290
Training and Memberships	7,600	7,600	5,733	(1,867)
Uniform Allowance	2,000	2,000	1,461	(539)
Mileage Reimbursement	50	50	54	4
	<u>688,101</u>	<u>688,101</u>	<u>663,630</u>	<u>(24,471)</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance
	Original	Final		Over (Under)
Operating Expenses - Continued				
Public Works Administration - Continued				
Contractual Services				
Legal Services	\$ 300	300	2,828	2,528
Engineering Services	3,000	3,000	135	(2,865)
Medical Services	846	846	758	(88)
Information System Services	350	350	-	(350)
Other Professional Services	29,225	29,225	1,756	(27,469)
Julie Services	3,000	3,000	3,299	299
Scada Services	67,000	67,000	4,158	(62,842)
Rental	787	787	446	(341)
Repair and Maintenance Services	36,032	36,032	40,638	4,606
Telecommunications	7,581	7,581	7,799	218
Printing	3,000	3,000	4,029	1,029
Receptions and Entertainment	125	125	229	104
Recruitment	150	150	-	(150)
Utilities	575	575	831	256
Public Relations	250	250	-	(250)
Employee Activities	250	250	-	(250)
	152,471	152,471	66,906	(85,565)
Commodities				
General Equipment	6,000	6,000	5,999	(1)
Postage and Delivery	5,111	5,111	292	(4,819)
Fuels and Lubricants	32,403	32,403	16,723	(15,680)
Custodial Supplies	3,000	3,000	2,233	(767)
Specialized Supplies	5,000	5,000	5,126	126
Safety Supplies	2,500	2,500	2,528	28
Books and Publications	1,000	1,000	260	(740)
Equipment Parts	3,000	3,000	1,175	(1,825)
Office Supplies	900	900	835	(65)
Vehicle Maintenance Supplies	16,000	16,000	16,670	670
	74,914	74,914	51,841	(23,073)
Total Public Works Administration	915,486	915,486	782,377	(133,109)

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Expenses - Continued				
Water Operations				
Contractual Services				
Engineering Services	\$ 25,000	25,000	46	(24,954)
Other Professional Services	143,000	143,000	78,542	(64,458)
IEPA Water Sampling	10,000	10,000	5,279	(4,721)
Rental	2,382	2,382	805	(1,577)
Repair and Maintenance Services	19,600	19,600	23,813	4,213
Utilities	205,100	205,100	207,617	2,517
Bad Debt	380	380	961	581
	<u>405,462</u>	<u>405,462</u>	<u>317,063</u>	<u>(88,399)</u>
Commodities				
Specialized Supplies	94,000	94,000	120,443	26,443
Landscaping Supplies	3,000	3,000	525	(2,475)
Chemicals and Lab Supplies	104,540	104,540	105,600	1,060
Traffic control Supplies	1,000	1,000	1,030	30
Building Maintenance Supplies	2,750	2,750	1,872	(878)
Equipment Parts	800	800	4,605	3,805
	<u>206,090</u>	<u>206,090</u>	<u>234,075</u>	<u>27,985</u>
Total Water Operations	<u>611,552</u>	<u>611,552</u>	<u>551,138</u>	<u>(60,414)</u>
Sewer Operations				
Contractual Services				
Other Professional Services	82,000	82,000	32,889	(49,111)
Rental	1,114	1,114	614	(500)
Repair and Maintenance Services	26,500	26,500	19,241	(7,259)
Utilities	17,625	17,625	16,125	(1,500)
Bad Debt	302	302	953	651
	<u>127,541</u>	<u>127,541</u>	<u>69,822</u>	<u>(57,719)</u>
Commodities				
Specialized Supplies	10,000	10,000	6,476	(3,524)
Chemicals and Lab Supplies	3,000	3,000	248	(2,752)

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Expenses - Continued				
Sewer Operations - Continued				
Commodities - Continued				
Building Maintenance Supplies	\$ 500	500	241	(259)
Equipment Parts	3,000	3,000	15,696	12,696
	16,500	16,500	22,661	6,161
Total Sewer Operations	144,041	144,041	92,483	(51,558)
Water Capital				
Contractual Services				
Engineering Services	416,500	416,500	2,072	(414,428)
Less: Capital Assets Capitalized	(416,500)	(416,500)	-	416,500
	-	-	2,072	2,072
Commodities				
Water System Improvements	3,363,500	3,363,500	1,230,985	(2,132,515)
Less: Capital Assets Capitalized	(3,363,500)	(3,363,500)	(1,189,540)	2,173,960
	-	-	41,445	41,445
Total Water Capital	-	-	43,517	43,517
Sewer Capital				
Contractual Services				
Engineering Services	20,000	20,000	16,844	(3,156)
Less: Capital Assets Capitalized	(20,000)	(20,000)	-	20,000
	-	-	16,844	16,844
Commodities				
Sewer System Improvements	80,000	80,000	89,630	9,630
Less: Capital Assets Capitalized	(80,000)	(80,000)	-	80,000
	-	-	89,630	89,630
Total Sewer Capital	-	-	106,474	106,474

VILLAGE OF SUGAR GROVE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Expenses - Continued				
Depreciation	\$ -	-	701,095	701,095
Total Operating Expenses	<u>2,047,680</u>	<u>2,047,680</u>	<u>2,640,637</u>	<u>592,957</u>
Nonoperating Expenses				
Principal Retirements				
Bonds Payable	350,000	350,000	350,000	-
Loans Payable	364,341	364,341	364,341	-
Less: Decrease in Liability	<u>(714,341)</u>	<u>(714,341)</u>	<u>(714,341)</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interest Expense				
Bonds Payable	142,245	142,245	145,758	3,513
Loans Payable	93,625	93,625	92,625	(1,000)
Fiscal Agent Fees	<u>850</u>	<u>850</u>	<u>450</u>	<u>(400)</u>
	<u>236,720</u>	<u>236,720</u>	<u>238,833</u>	<u>2,113</u>
Total Nonoperating Expenses	<u>236,720</u>	<u>236,720</u>	<u>238,833</u>	<u>2,113</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Refuse - Enterprise Fund

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

	Budget		Actual	Variance Over (Under)
	Original	Final		
Operating Revenues				
Charges for Services				
Refuse Revenue	\$ 870,858	870,858	881,869	11,011
Operating Expenses				
Contractual Services				
Refuse Services	851,426	851,426	808,500	(42,926)
Operating Income	19,432	19,432	73,369	53,937
Nonoperating Revenues				
Interest Income	80	80	41	(39)
Income Before Transfers	19,512	19,512	73,410	53,898
Transfers Out	(40,000)	(40,000)	(40,000)	-
Change in Net Position	<u>(20,488)</u>	<u>(20,488)</u>	33,410	<u>53,898</u>
Net Position - Beginning			<u>99,362</u>	
Net Position - Ending			<u>132,772</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual	Variance Over (Under)
	Original	Final		
Additions				
Contributions - Employer	\$ 269,002	269,002	269,002	-
Contributions - Participants	91,294	91,294	92,439	1,145
Total Contributions	360,296	360,296	361,441	1,145
Investment Income				
Interest Earned	133,839	133,839	97,945	(35,894)
Net Change in Fair Value	-	-	(51,516)	(51,516)
	133,839	133,839	46,429	(87,410)
Less Investment Expenses	(10,484)	(10,484)	(11,447)	(963)
Net Investment Income	123,355	123,355	34,982	(88,373)
Total Additions	483,651	483,651	396,423	(87,228)
Deductions				
Administration	31,077	31,077	45,536	(14,459)
Benefits and Refunds	267,656	267,656	233,961	33,695
Total Deductions	298,733	298,733	279,497	19,236
Change in Fiduciary Net Position	184,918	184,918	116,926	(67,992)
Net Position Restricted for Pensions				
Beginning			<u>2,841,273</u>	
Ending			<u>2,958,199</u>	

VILLAGE OF SUGAR GROVE, ILLINOIS

**Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended April 30, 2016**

See Following Page

VILLAGE OF SUGAR GROVE, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended April 30, 2016**

	Beginning Balances	Additions	Deductions	Ending Balances
All Agency Funds				
ASSETS				
Cash and Cash Equivalents	\$ 60,905	42,362	3,607	99,660
Receivables - Special Assessment	98,965	100,772	98,965	100,772
	<u>159,870</u>	<u>143,134</u>	<u>102,572</u>	<u>200,432</u>
LIABILITIES				
Due to Other Governments	60,905	42,362	3,607	99,660
Other Payables - Special Assessment	98,965	100,772	98,965	100,772
	<u>159,870</u>	<u>143,134</u>	<u>102,572</u>	<u>200,432</u>
Mallard Point Rolling Oaks Special Assessment Fund				
ASSETS				
Cash and Cash Equivalents	60,900	-	3,607	57,293
Receivables - Special Assessment	75,612	75,613	75,612	75,613
	<u>136,512</u>	<u>75,613</u>	<u>79,219</u>	<u>132,906</u>
LIABILITIES				
Due to Other Governments	60,900	-	3,607	57,293
Other Payables - Special Assessment	75,612	75,613	75,612	75,613
	<u>136,512</u>	<u>75,613</u>	<u>79,219</u>	<u>132,906</u>

	Beginning Balance	Additions	Deductions	Ending Balance
Sugar Grove Center Special Service Area #10				
ASSETS				
Cash and Cash Equivalents	\$ -	22,321	-	22,321
Receivables - Special Assessment	23,353	25,159	23,353	25,159
	<u>23,353</u>	<u>47,480</u>	<u>23,353</u>	<u>47,480</u>

LIABILITIES				
Due to Other Governments	-	22,321	-	22,321
Other Payables - Special Assessment	23,353	25,159	23,353	25,159
	<u>23,353</u>	<u>47,480</u>	<u>23,353</u>	<u>47,480</u>

**School District Development
Impact Fee Fund**

ASSETS				
Cash and Cash Equivalents	\$ 1	3,419	-	3,420
LIABILITIES				
Due to Other Governments	1	3,419	-	3,420

Village of Sugar Grove, Illinois

Agency Funds

Combining Statement of Changes in Assets and Liabilities - Continued
For the Fiscal Year Ended April 30, 2016

	Beginning Balance	Additions	Deductions	Ending Balance
Library District Development Impact Fee Fund				
ASSETS				
Cash and Cash Equivalents	\$ -	543	-	543
LIABILITIES				
Due to Other Governments	-	543	-	543
Fire District Development Impact Fee Fund				
ASSETS				
Cash and Cash Equivalents	-	1,459	-	1,459
LIABILITIES				
Due to Other Governments	-	1,459	-	1,459
Park District Development Land Cash Fund				
ASSETS				
Cash and Cash Equivalents	2	6,478	-	6,480
LIABILITIES				
Due to Other Governments	2	6,478	-	6,480

	Beginning Balance	Additions	Deductions	Ending Balance
Park District Development Impact Fee Fund				
ASSETS				
Cash and Cash Equivalents	\$ -	1,200	-	1,200
LIABILITIES				
Due to Other Governments	-	1,200	-	1,200
School District Development Land Cash Fund				
ASSETS				
Cash and Cash Equivalents	2	6,942	-	6,944
LIABILITIES				
Due to Other Governments	2	6,942	-	6,944

SUPPLEMENTAL SCHEDULES

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

General Obligation Water and Sewer Alternate Revenue Refunding Bonds of 2006

April 30, 2016

Date of Issue	May 17, 2006
Date of Maturity	May 1, 2021
Authorized Issue	\$2,640,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% - 4.50%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2017	\$ 315,000	65,138	380,138	2016	36,113	2016	29,025
2018	325,000	50,737	375,737	2017	29,025	2017	21,712
2019	290,000	36,900	326,900	2018	21,713	2018	15,187
2020	230,000	25,200	255,200	2019	15,188	2019	10,012
2021	225,000	14,963	239,963	2020	10,013	2020	4,950
2022	220,000	4,950	224,950	2021	4,950	2021	-
	<u>1,605,000</u>	<u>197,888</u>	<u>1,802,888</u>		<u>117,002</u>		<u>80,886</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Waterworks and Sewerage Alternate Revenue Bonds of 2008A
April 30, 2016**

Date of Issue	July 15, 2008
Date of Maturity	May 1, 2028
Authorized Issue	\$2,585,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% - 4.50%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2017	\$ 50,000	91,625	141,625	2016	46,312	2016	45,313
2018	50,000	89,625	139,625	2017	45,312	2017	44,313
2019	100,000	86,625	186,625	2018	44,312	2018	42,313
2020	150,000	81,437	231,437	2019	42,312	2019	39,125
2021	160,000	74,850	234,850	2020	39,125	2020	35,725
2022	175,000	67,731	242,731	2021	35,725	2021	32,006
2023	185,000	59,966	244,966	2022	32,006	2022	27,960
2024	190,000	51,763	241,763	2023	27,960	2023	23,803
2025	200,000	43,231	243,231	2024	23,803	2024	19,428
2026	205,000	34,372	239,372	2025	19,428	2025	14,944
2027	210,000	25,294	235,294	2026	14,944	2026	10,350
2028	210,000	15,975	225,975	2027	10,350	2027	5,625
2029	250,000	5,625	255,625	2028	5,625	2028	-
	<u>2,135,000</u>	<u>728,119</u>	<u>2,863,119</u>		<u>387,214</u>		<u>340,905</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Revenue Refunding Bonds of 2009
April 30, 2016**

Date of Issue	April 1, 2009
Date of Maturity	January 1, 2021
Authorized Issue	\$2,930,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% - 3.90%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2017	\$ 270,000	51,940	321,940	2016	25,970	2017	25,970
2018	280,000	43,300	323,300	2017	21,650	2018	21,650
2019	290,000	33,780	323,780	2018	16,890	2019	16,890
2020	300,000	23,340	323,340	2019	11,670	2020	11,670
2021	310,000	12,090	322,090	2020	6,045	2021	6,045
	<u>1,450,000</u>	<u>164,450</u>	<u>1,614,450</u>		<u>82,225</u>		<u>82,225</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Refunding Bonds of 2013A

April 30, 2016

Date of Issue	March 26, 2013
Date of Maturity	December 15, 2025
Authorized Issue	\$5,460,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% - 3.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2017	\$ 310,000	135,012	445,012	2016	67,506	2016	67,506
2018	475,000	127,262	602,262	2017	63,631	2017	63,631
2019	485,000	115,388	600,388	2018	57,694	2018	57,694
2020	500,000	103,262	603,262	2019	51,631	2019	51,631
2021	520,000	90,762	610,762	2020	45,381	2020	45,381
2022	535,000	77,761	612,761	2021	38,881	2021	38,880
2023	555,000	64,388	619,388	2022	32,194	2022	32,194
2024	570,000	50,513	620,513	2023	25,257	2023	25,256
2025	585,000	34,838	619,838	2024	17,419	2024	17,419
2026	625,000	18,750	643,750	2025	9,375	2025	9,375
	<u>5,160,000</u>	<u>817,936</u>	<u>5,977,936</u>		<u>408,969</u>		<u>408,967</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

**Taxable General Obligation Alternate Revenue Refunding Bonds of 2013B
April 30, 2016**

Date of Issue	March 26, 2013
Date of Maturity	December 15, 2016
Authorized Issue	\$470,000
Denomination of Bonds	\$5,000
Interest Rates	0.65% - 1.10%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Village of Sugar Grove

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2017	\$ 150,000	1,650	151,650	2016	825	2016	825

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

**Illinois Environmental Protection Agency Loan Payable of 1998
April 30, 2016**

Date of Issue	September 29, 1998
Date of Maturity	September 28, 2019
Original Contract	\$3,697,283
Interest Rate	2.625%
Interest Dates	September 28 and March 28
Principal Maturity Date	September 28
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2017	\$ 220,157	19,468	239,625
2018	225,973	13,652	239,625
2019	231,944	7,681	239,625
2020	118,260	1,553	119,813
	796,334	42,354	838,688

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

**Illinois Environmental Protection Agency Loan Payable of 2002
April 30, 2016**

Date of Issue	May 21, 2002
Date of Maturity	October 8, 2023
Original Contract	\$1,565,676
Interest Rate	2.675%
Interest Dates	October 8 and April 8
Principal Maturity Date	October 8
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2017	\$ 86,170	18,305	104,475
2018	88,490	15,985	104,475
2019	90,873	13,602	104,475
2020	93,320	11,155	104,475
2021	95,833	8,642	104,475
2022	98,414	6,061	104,475
2023	101,063	3,412	104,475
2024	51,547	691	52,238
	<u>705,710</u>	<u>77,853</u>	<u>783,563</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

Long-Term Debt Requirements

**Illinois Environmental Protection Agency Loan Payable of 2003
April 30, 2016**

Date of Issue	March 28, 2003
Date of Maturity	June 18, 2024
Original Contract	\$1,272,108
Interest Rate	2.570%
Interest Dates	June 18 and December 18
Principal Maturity Date	June 18
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2017	\$ 67,649	15,862	83,511
2018	69,397	14,114	83,511
2019	71,193	12,318	83,511
2020	73,034	10,476	83,510
2021	74,923	8,587	83,510
2022	76,861	6,649	83,510
2023	78,849	4,661	83,510
2024	80,888	2,623	83,511
2025	41,227	527	41,754
	634,021	75,817	709,838

STATISTICAL SECTION

(Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF SUGAR GROVE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

See Following Page

VILLAGE OF SUGAR GROVE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

	2007	2008	2009
Governmental Activities			
Net Investment in Capital Assets	\$ 13,189,271	12,593,065	17,946,194
Restricted	8,179,293	6,575,804	4,176,012
Unrestricted	(1,772,554)	275,035	2,516,253
Total Governmental Activities Net Position	<u>19,596,010</u>	<u>19,443,904</u>	<u>24,638,459</u>
Business-Type Activities			
Net Investment in Capital Assets	11,975,053	12,743,365	13,090,292
Unrestricted	5,856,899	5,244,845	5,376,225
Total Business-Type Activities Net Position	<u>17,831,952</u>	<u>17,988,210</u>	<u>18,466,517</u>
Net Position			
Net Investment in Capital Assets	25,164,324	25,336,430	31,036,486
Restricted	8,179,293	6,575,804	4,176,012
Unrestricted	4,084,345	5,519,880	7,892,478
Total Net Position	<u>37,427,962</u>	<u>37,432,114</u>	<u>43,104,976</u>

*Accrual Basis of Accounting

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
21,461,720	21,708,796	21,320,541	22,288,045	20,732,355	23,144,555	26,936,907
2,681,288	2,453,465	2,016,058	2,211,960	2,047,466	328,995	239,788
1,963,050	2,519,123	2,920,279	2,254,031	3,805,833	4,833,151	1,475,954
26,106,058	26,681,384	26,256,878	26,754,036	26,585,654	28,306,701	28,652,649
13,257,722	13,111,168	12,944,997	12,860,347	12,790,714	12,820,109	14,035,734
4,767,152	4,670,659	3,647,505	3,858,633	4,155,576	4,568,497	3,832,389
18,024,874	17,781,827	16,592,502	16,718,980	16,946,290	17,388,606	17,868,123
34,719,442	34,819,964	34,265,538	35,148,392	33,523,069	35,964,664	40,972,641
2,681,288	2,453,465	2,016,058	2,211,960	2,047,466	328,995	239,788
6,730,202	7,189,782	6,567,784	6,112,664	7,961,409	9,401,648	5,308,343
44,130,932	44,463,211	42,849,380	43,473,016	43,531,944	45,695,307	46,520,772

VILLAGE OF SUGAR GROVE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
 April 30, 2016 (Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities										
General Government	\$ 2,232,790	2,047,435	1,587,633	1,335,485	1,160,466	1,285,564	1,248,442	1,417,626	1,574,747	1,756,476
Public Safety	2,481,551	2,386,461	2,020,272	1,953,356	1,959,194	2,086,000	2,286,075	2,108,343	2,274,465	2,849,187
Highways and Streets	1,227,688	1,625,191	1,899,870	2,275,366	1,873,814	2,175,944	2,367,242	2,959,546	1,805,305	2,668,481
Interest	469,079	521,405	478,975	465,269	437,467	405,001	410,599	267,206	258,995	237,235
Total Governmental Activities Expenses	6,411,108	6,580,492	5,986,750	6,029,476	5,430,941	5,952,509	6,312,358	6,752,721	5,913,512	7,511,379
Business-Type Activities										
Water and Sewer	2,409,780	2,546,844	2,605,451	2,584,032	2,488,457	3,490,549	2,655,978	2,626,555	2,581,537	2,879,470
Refuse	494,692	587,620	654,632	680,915	699,274	713,351	719,170	743,270	774,453	808,500
Total Business-Type Activities Expenses	2,904,472	3,134,464	3,260,083	3,264,947	3,187,731	4,203,900	3,375,148	3,369,825	3,355,990	3,687,970
Total Expenses	9,315,580	9,714,956	9,246,833	9,294,423	8,618,672	10,156,409	9,687,506	10,122,546	9,269,502	11,199,349
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	1,145,993	450,973	346,763	175,419	163,454	193,025	206,596	277,817	548,192	365,163
Public Safety	157,205	171,383	147,082	226,845	271,035	224,308	317,036	178,106	152,358	227,842
Highways and Streets	7,930	5,021	6,420	2,795	-	16,700	3,350	-	-	-
Operating Grants/Contributions	68,711	29,500	22,843	1,100	33,784	23,425	15,000	2,873	9,965	-
Capital Grants/Contributions	7,319,731	478,483	5,373,109	2,324,851	774,232	189,025	1,534,539	755,602	1,351,432	3,373,633
Total Governmental Activities Program Revenues	8,699,570	1,135,360	5,896,217	2,731,010	1,242,505	646,483	2,076,521	1,214,398	2,061,947	3,966,638
Business-Type Activities										
Charges for Services										
Water and Sewer	2,207,202	2,236,788	2,191,339	2,341,731	2,433,467	2,545,084	3,074,820	3,123,489	3,292,904	3,594,980
Refuse	516,245	595,135	664,847	702,417	730,420	757,905	760,321	796,566	833,795	881,869
Capital Grants/Contributions	3,262,306	342,117	1,011,202	10,805	30,192	5,748	40,056	-	-	-
Total Business-Type Activities Program Revenues	5,985,753	3,174,040	3,867,388	3,054,953	3,194,079	3,308,737	3,875,197	3,920,055	4,126,699	4,476,849
Total Program Revenues	14,685,323	4,309,400	9,763,605	5,785,963	4,436,584	3,955,220	5,951,718	5,134,453	6,188,646	8,443,487
Net (Expenses) Revenues										
Governmental Activities	2,288,462	(5,445,132)	(90,533)	(3,298,466)	(4,188,436)	(5,306,026)	(4,235,837)	(5,538,323)	(3,851,565)	(3,544,741)
Business-Type Activities	3,081,281	39,576	607,305	(209,994)	6,348	(895,163)	500,049	550,230	770,709	788,879
Total Net Expenses	5,369,743	(5,405,556)	516,772	(3,508,460)	(4,182,088)	(6,201,189)	(3,735,788)	(4,988,093)	(3,080,856)	(2,755,862)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	\$ 1,124,578	1,269,953	1,351,622	1,444,458	1,467,686	1,410,730	1,434,269	1,478,075	1,580,118	1,645,689
Electric	247,629	272,552	257,290	256,051	282,517	275,528	290,712	287,889	274,824	271,345
Natural Gas	158,172	191,539	183,590	141,782	131,137	106,785	113,709	154,076	143,016	93,448
Telecommunications	356,449	368,441	369,623	337,743	329,765	343,178	312,704	283,762	283,758	235,838
Motor Fuel	240,989	237,498	241,903	233,657	272,617	278,901	271,594	280,940	317,775	250,580
Other	104,594	120,094	127,935	106,802	129,683	133,978	145,511	153,421	54,358	212,448
Sales	444,728	873,003	834,223	796,488	873,110	954,698	1,097,232	1,296,578	1,367,612	1,352,423
Income	686,381	786,035	779,204	682,418	684,720	762,281	851,273	859,199	906,409	920,275
Investment Income	625,593	656,552	465,283	178,697	80,969	45,770	30,354	46,029	35,534	33,074
Miscellaneous	289,338	338,718	298,496	254,775	212,544	232,179	173,063	177,137	255,243	2,611,021
Transfers - Interfund Activity	175,205	178,642	375,919	333,194	299,013	337,492	346,210	352,835	353,965	354,590
Total Governmental Activities	4,453,656	5,293,027	5,285,088	4,766,065	4,763,761	4,881,520	5,066,631	5,369,941	5,572,612	7,980,731
Business-Type Activities										
Investment Income	304,374	284,283	228,798	91,631	37,715	30,559	30,032	29,916	25,572	24,831
Miscellaneous	5,173	11,041	18,123	9,914	11,903	12,771	19,005	-	-	-
Transfers - Interfund Activity	(175,205)	(178,642)	(375,919)	(333,194)	(299,013)	(337,492)	(346,210)	(352,835)	(353,965)	(354,590)
Total Business-Type Activities	134,342	116,682	(128,998)	(231,649)	(249,395)	(294,162)	(297,173)	(322,919)	(328,393)	(329,759)
Total	4,587,998	5,409,709	5,156,090	4,534,416	4,514,366	4,587,358	4,769,458	5,047,022	5,244,219	7,650,972
Changes in Net Position										
Governmental Activities	6,742,118	(152,105)	5,194,555	1,467,599	575,325	(424,506)	830,794	(168,382)	1,721,047	4,435,990
Business-Type Activities	3,215,623	156,258	478,307	(441,643)	(243,047)	(1,189,325)	202,876	227,311	442,316	459,120
Total	9,957,741	4,153	5,672,862	1,025,956	332,278	(1,613,831)	1,033,670	58,929	2,163,363	4,895,110

*Accrual Basis of Accounting

Data Source: Village Records

VILLAGE OF SUGAR GROVE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009
General Fund			
Nonspendable	\$ 84,482	67,813	80,091
Unassigned	1,776,039	1,563,204	1,463,286
Total General Fund	1,860,521	1,631,017	1,543,377
All Other Governmental Funds			
Restricted	8,525,981	6,755,404	4,330,123
Assigned	4,400,140	4,884,369	4,648,111
Unassigned	-	-	-
Total All Other Governmental Funds	12,926,121	11,639,773	8,978,234
Total Governmental Funds	14,786,642	13,270,790	10,521,611

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
81,442	98,364	105,370	119,140	130,142	140,882	141,979
1,436,838	1,425,389	1,412,007	1,403,575	1,400,581	1,398,842	1,403,363
1,518,280	1,523,753	1,517,377	1,522,715	1,530,723	1,539,724	1,545,342
2,832,577	2,592,823	2,146,768	2,273,135	2,130,116	403,481	308,350
2,858,068	2,931,553	3,032,041	2,576,236	2,425,969	3,644,350	5,656,012
-	-	(29,476)	(161,621)	(230,607)	(184,659)	(175,765)
5,690,645	5,524,376	5,149,333	4,687,750	4,325,478	3,863,172	5,788,597
7,208,925	7,048,129	6,666,710	6,210,465	5,856,201	5,402,896	7,333,939

VILLAGE OF SUGAR GROVE, ILLINOIS

**General Governmental Revenues by Source - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Source	2007	2008	2009
Taxes			
Property taxes	\$ 1,124,578	1,269,954	1,351,622
Other Taxes	2,213,953	2,805,916	2,808,563
Charges for Services	742,396	196,341	221,342
Intergovernmental, Grants and Contributions	973,499	488,498	2,509,458
Licenses and Permits	422,503	270,854	142,828
Fines, Fees and Forfeitures	191,144	207,909	189,638
Interest	626,646	660,527	469,258
Miscellaneous	245,023	306,201	244,953
Totals	<u>6,539,742</u>	<u>6,206,200</u>	<u>7,937,662</u>

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

* In 2016, sales and income taxes were reclassified from the "other taxes" category to the "intergovernmental, grants and contributions" category.

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016*
1,444,458	1,467,686	1,410,730	1,434,269	1,478,075	1,580,118	1,645,689
2,560,100	2,693,353	2,849,406	3,074,138	3,322,008	3,491,722	1,063,659
91,147	93,854	103,984	127,169	79,984	150,472	118,044
2,322,315	808,016	212,450	1,533,616	758,475	1,361,397	5,646,331
103,608	85,186	101,864	93,951	144,514	358,106	187,661
281,553	315,100	275,634	305,862	231,425	191,972	287,300
182,673	84,945	45,770	30,354	46,029	35,534	33,074
200,585	152,893	239,403	173,063	177,137	255,243	2,611,021
7,186,439	5,701,033	5,239,241	6,772,422	6,237,647	7,424,564	11,592,779

VILLAGE OF SUGAR GROVE, ILLINOIS

**General Governmental Expenditures by Function - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function	2007	2008	2009
General Government	\$ 2,328,969	2,013,873	1,544,521
Public Safety	2,204,060	2,255,323	1,920,986
Highways and Streets	747,182	1,610,341	1,645,008
Debt Service			
Principal	220,000	450,000	655,000
Interest and Fiscal Charges	183,350	677,818	497,524
Bond Issuance Costs	-	-	80,463
Capital Outlay	863,879	893,339	5,377,826
Total	6,547,440	7,900,694	11,721,328

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
1,287,544	1,124,780	1,211,815	1,213,755	1,392,075	1,502,360	1,444,371
1,897,049	1,912,121	2,038,487	2,195,441	2,086,093	2,139,389	2,283,117
1,165,193	966,419	959,483	1,066,835	1,579,724	1,480,207	1,652,699
840,000	860,000	705,000	705,000	850,000	680,000	705,000
437,591	416,870	383,703	359,555	214,718	229,458	206,527
-	-	-	108,343	-	-	-
5,204,942	880,652	642,707	2,038,115	822,136	2,200,420	3,785,302
10,832,319	6,160,842	5,941,195	7,687,044	6,944,746	8,231,834	10,077,016

VILLAGE OF SUGAR GROVE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009
Revenues			
Property taxes	\$ 1,124,578	1,269,954	1,351,622
Other taxes	2,213,953	2,805,916	2,808,563
Intergovernmental, Grants and Contributions	973,499	488,498	2,509,458
Charges for Services	742,396	196,341	221,342
Licenses and Permits	422,503	270,854	142,828
Fines, Fees and Forfeitures	191,144	207,909	189,638
Interest	626,646	660,527	469,258
Miscellaneous	245,023	306,201	244,953
Total Revenues	6,539,742	6,206,200	7,937,662
Expenditures			
General Government	2,328,969	2,013,873	1,544,521
Public Safety	2,204,060	2,255,323	1,920,986
Highways and Streets	747,182	1,610,341	1,645,008
Debt Service			
Principal	220,000	450,000	655,000
Interest and Fiscal Charges	183,350	677,818	497,524
Bond Issuance Costs	-	-	80,463
Capital Outlay	863,879	893,339	5,377,826
Total Expenditures	6,547,440	7,900,694	11,721,328
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,698)	(1,694,494)	(3,783,666)
Other Financing Sources (Uses)			
Transfers In	1,588,542	2,001,085	4,461,793
Transfers Out	(1,413,337)	(1,822,443)	(4,085,874)
Disposal of Capital Assets	-	-	-
Debt Issuance	8,500,000	-	3,520,000
Premium on Debt Issuance	45,916	-	10,342
Payment to Escrow Agent	-	-	(2,871,774)
	8,721,121	178,642	1,034,487
Net Change in Fund Balances	8,713,423	(1,515,852)	(2,749,179)
Capital Asset Additions (Excluding Capital Asset Contributions and Exchanges)	536,114	1,276,416	5,642,090
Debt Service as a Percentage of Noncapital Expenditures	6.71%	17.03%	20.28%

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

* In 2016, sales and income taxes were reclassified from the "other taxes" category to the "intergovernmental, grants and contributions" category.

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016*
1,444,458	1,467,686	1,410,730	1,434,269	1,478,075	1,580,118	1,645,689
2,560,100	2,693,353	2,849,406	3,074,138	3,322,008	3,491,722	1,063,659
2,322,315	808,016	212,450	1,533,616	758,475	1,361,397	5,646,331
91,147	93,854	103,984	127,169	79,984	150,472	118,044
103,608	85,186	101,864	93,951	144,514	358,106	187,661
281,553	315,100	275,634	305,862	231,425	191,972	287,300
182,673	84,945	45,770	30,354	46,029	35,534	33,074
200,585	152,893	239,403	173,063	177,137	255,243	2,611,021
7,186,439	5,701,033	5,239,241	6,772,422	6,237,647	7,424,564	11,592,779
1,287,544	1,124,780	1,211,815	1,213,755	1,392,075	1,502,360	1,444,371
1,897,049	1,912,121	2,038,487	2,195,441	2,086,093	2,139,389	2,283,117
1,165,193	966,419	959,483	1,066,835	1,579,724	1,480,207	1,652,699
840,000	860,000	705,000	705,000	850,000	680,000	705,000
437,591	416,870	383,703	359,555	214,718	229,458	206,527
-	-	-	108,343	-	-	-
5,204,942	880,652	642,707	2,038,115	822,136	2,200,420	3,785,302
10,832,319	6,160,842	5,941,195	7,687,044	6,944,746	8,231,834	10,077,016
(3,645,880)	(459,809)	(701,954)	(914,622)	(707,099)	(807,270)	1,515,763
3,973,835	1,832,641	1,514,768	1,430,145	1,312,267	3,310,950	1,482,647
(3,640,641)	(1,533,628)	(1,177,276)	(1,083,935)	(959,432)	(2,956,985)	(1,128,057)
-	-	-	-	-	-	60,690
-	-	-	5,930,000	-	-	-
-	-	-	190,006	-	-	-
-	-	-	(6,007,839)	-	-	-
333,194	299,013	337,492	458,377	352,835	353,965	415,280
(3,312,686)	(160,796)	(364,462)	(456,245)	(354,264)	(453,305)	1,931,043
5,087,439	1,079,400	563,672	1,808,062	610,773	3,036,823	3,882,810
22.24%	25.13%	20.25%	19.95%	16.81%	17.51%	14.72%

VILLAGE OF SUGAR GROVE, ILLINOIS

Tax Revenues by Source for Governmental Funds - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Fiscal Year	Property (a)	Income (b)	State Sales (c)	Local Sales (d)
2007	\$ 1,124,578	686,381	422,508	-
2008	1,269,954	786,035	522,869	306,643
2009	1,351,622	779,204	472,933	376,892
2010	1,444,458	682,418	451,437	347,152
2011	1,467,686	684,720	472,808	390,368
2012	1,410,730	762,281	518,905	430,917
2013	1,434,269	851,273	596,116	492,984
2014	1,476,613	859,199	774,523	522,055
2015	1,546,499	906,409	839,226	531,434
2016	1,578,210	920,275	836,213	537,868
Change 2007 - 2016	40.3%	34.1%	97.9%	100.0%

- (a) The property tax rate decreased between 2003 and 2008 because of a combination of the tax cap and Village growth, however, the equalized assessed valuation of new and existing homes continued to see substantial growth during the same time. The property tax rate increased in 2009 as the equalized assessed valuation leveled off and increased further between 2010 and 2012 when the equalized assessed valuation dropped. The Village paid off its Series 1991 bonds during 2011 and is no longer collecting property tax to pay for debt service.
- (b) Income, motor fuel, and use taxes are received from the State of Illinois on a per capita basis. The population of the Village increased from 3,909 in 2000, based on the decennial census, to 8,997 in 2010, based on the decennial census.
- (c) Sales tax revenue increased 17.9% in the past ten years due to growth in the number of retail outlets in the Village. The Village had a Jewel-Osco grocery store open in April 2006, for which the Village has a Sales Tax Agreement with Jewel-Osco.
- (d) The Village enacted a 1% non-home rule sales tax on July 1, 2007. This sales tax revenue is restricted for use in the Infrastructure Capital Projects Fund.
- (e) Telecommunications, electric, and natural gas utility taxes are charged to residents based on the cost of goods/services received. The population of the Village increased from 3,909 in 2000, based on the decennial census, to 8,997 in 2010, based on the decennial census.

Data Source: Village Records

Telecom- munications (e)	Electric (e)	Motor Fuel (b)	Natural Gas (e)	Use (b)	Personal Property Replacement	Totals
354,040	247,629	240,989	158,172	102,149	2,085	3,338,531
369,409	272,552	237,498	191,539	117,073	2,298	4,075,870
369,149	257,290	241,903	183,590	125,588	2,014	4,160,185
339,953	256,051	233,657	141,782	105,978	1,672	4,004,558
330,848	282,517	272,617	131,137	126,275	2,063	4,161,039
342,957	275,528	278,901	106,785	131,312	1,820	4,260,136
313,176	290,712	271,594	113,709	142,649	1,925	4,508,407
283,762	287,889	280,940	154,706	157,543	2,021	4,799,251
283,758	274,824	317,775	143,016	196,218	2,110	5,041,269
235,838	271,345	250,580	93,448	210,503	1,945	4,936,225
-33.4%	9.6%	4.0%	-40.9%	106.1%	-6.7%	47.9%

VILLAGE OF SUGAR GROVE, ILLINOIS

**Equalized Assessed Valuation of Taxable Property - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)**

Tax Levy Year	Property Type		
	Residential	Commercial	Industrial
2006	\$ 260,596,815	18,207,794	9,748,563
2007	284,696,914	21,612,111	11,774,208
2008	294,513,285	22,847,936	14,686,666
2009	295,238,446	25,282,093	10,482,826
2010	279,291,169	22,146,488	9,931,070
2011	255,730,554	22,581,873	9,622,964
2012	230,514,004	28,059,852	9,055,308
2013	216,809,125	19,808,833	9,038,066
2014	215,824,098	17,857,632	12,533,550
2015	229,377,146	18,931,147	12,135,751

Note: The county assesses property at approximately 33% of actual value. Estimated actual value is calculated by dividing equalized assessed value by that percentage.

(a) Property tax rates are per \$100 of assessed valuation.

Data Source: Kane County Clerk

Farm	Railroad	Totals		Ratio of Total Assessed Value to Total Estimated Actual Value	Equalization Factor	Direct Tax Rate (a)
		Equalized Assessed Value	Estimated Actual Value			
3,756,701	60,748	292,370,621	877,111,863	33.33	1.0000	0.4210
3,893,326	68,399	322,044,958	966,134,874	33.33	1.0000	0.4118
3,497,423	78,806	335,624,116	1,006,872,348	33.33	1.0000	0.4221
3,475,474	95,292	334,574,131	1,003,722,393	33.33	1.0000	0.4284
3,219,364	104,452	314,692,543	944,077,629	33.33	1.0000	0.4375
4,052,461	124,705	292,112,557	876,337,671	33.33	1.0000	0.4800
3,724,617	133,362	271,487,143	814,461,429	33.33	1.0000	0.5462
3,510,179	145,037	249,311,240	747,933,720	33.33	1.0000	0.6079
4,005,431	146,959	250,367,670	751,103,010	33.33	1.0000	0.6210
4,309,016	153,410	264,906,470	794,719,410	33.33	1.0000	0.6006

VILLAGE OF SUGAR GROVE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)**

	2006	2007	2008
Tax Rates (a)			
Village Direct Rates			
Corporate (b)	\$ 0.1619	0.1593	0.2034
Debt Service	0.0324	0.0293	0.0295
IMRF	0.0454	0.0447	0.0230
Police Protection (b)	0.0324	0.0319	0.0327
Police Pension	0.0477	0.0469	0.0482
Audit	0.0050	0.0049	0.0033
Liability Insurance	0.0433	0.0427	0.0219
Street Lighting (b)	0.0066	0.0065	0.0133
Social Security	0.0463	0.0456	0.0468
Total Direct Tax Rate	0.4210	0.4118	0.4221
Overlapping Rates			
Kane County	0.3452	0.3322	0.3336
Kane County Forest Preserve	0.1747	0.1974	0.1932
Sugar Grove Township	0.0792	0.0780	0.0805
Sugar Grove Township Road District	0.1864	0.1836	0.1578
Kaneland Community Unit School District 302	4.6796	4.8411	4.8854
Waubensee Community College District 516	0.3983	0.3951	0.3995
Sugar Grove Park District	0.1424	0.1398	0.1408
Sugar Grove Library District	0.1984	0.1926	0.1960
Sugar Grove Fire District	0.5066	0.4970	0.5070
Sugar Grove Water Authority	0.0019	0.0019	0.0020
Sugar Grove Community Building	0.0213	0.0209	0.0216
Total Overlapping Tax Rates	6.7340	6.8796	6.9174
Total Direct and Overlapping Tax Rates	7.1550	7.2914	7.3395

Note: Representative tax rates for other governmental units are from Sugar Grove Township tax code 22, which represents a majority of the Village's 2014 EAV.

- (a) Property tax rates are per \$100 of assessed valuation.
- (b) Statutory tax rate limits for the Village are: Corporate (\$0.4375); Police Protection (\$0.6000); and Street Lighting (\$0.0500).

Data Source: Kane County Clerk

2009	2010	2011	2012	2013	2014	2015
0.2068	0.2295	0.2538	0.2806	0.2891	0.3617	0.2813
0.0292	-	-	-	-	-	-
0.0233	0.0228	0.0230	0.0144	0.0157	0.0180	0.0169
0.0333	0.0364	0.0400	0.0470	0.0570	0.0801	0.0720
0.0490	0.0537	0.0589	0.0868	0.1095	0.0348	0.1182
0.0034	0.0038	0.0041	0.0048	0.0040	0.0046	0.0044
0.0223	0.0243	0.0268	0.0262	0.0279	0.0220	0.0208
0.0135	0.0148	0.0162	0.0191	0.0232	0.0236	0.0227
0.0476	0.0522	0.0572	0.0673	0.0816	0.0761	0.0644
0.4284	0.4375	0.4800	0.5462	0.6079	0.6210	0.6006
0.3398	0.3730	0.3990	0.4336	0.4623	0.4684	0.4479
0.1997	0.2201	0.2609	0.2710	0.3039	0.3126	0.2944
0.0821	0.0906	0.0992	0.1115	0.1200	0.1227	0.1107
0.1582	0.1604	0.1624	0.1623	0.1636	0.1635	0.1668
5.0024	5.3897	5.9619	6.7183	7.3723	7.5877	7.4668
0.4043	0.4069	0.4710	0.5311	0.5807	0.5954	0.5875
0.1463	0.1603	0.1756	0.1999	0.2196	0.2223	0.2139
0.2028	0.2234	0.2471	0.2769	0.3049	0.3097	0.3017
0.5136	0.5682	0.6246	0.7083	0.7826	0.8003	0.7734
0.0020	0.0023	0.0025	0.0028	0.0030	0.0029	0.0028
0.0220	0.0243	0.0266	0.0299	0.0321	0.0319	0.0302
7.0732	7.6192	8.4308	9.4456	10.3449	10.6174	10.3960
7.5016	8.0567	8.9108	9.9918	10.9528	11.2384	10.9966

VILLAGE OF SUGAR GROVE, ILLINOIS

**Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago
April 30, 2016 (Unaudited)**

Taxpayer	Business/Service
Scot Industries, Inc.	Industrial Property
New Albertsons Inc (Jewel)	Grocery Store
Individual	Commercial Property
Berkowitz Enterprises, Inc.	Industrial Property
Gas Mart (Conoco Phillips)	Gas Station
Walgreens	Commercial Property
Chesterbrook Academy	Preschool
Campbell & Pierce Inc (Bliss Creek Golf Course)	Golf Course
Pinnacle Capital Sugar Grove LLC	Residential Property
Dribar Illinois LLC	Retail Store
Sugar Grove Holding	Commercial Property
Kimball Hill Homes Illinois LLC	Commercial Property
KH SRAV I, LLC	Commercial Property
Waterford Real Estate Development Corp.	Commercial Property
Winding Road LLC	Commercial Property
Individual	Commercial Property
Hertland LLC	Industrial Property

Data Source: Kane County Clerk

2016			2007		
Equalized Assessed Value	Rank	Percentage of Total Equalized Assessed Value	Equalized Assessed Value	Rank	Percentage of Total Equalized Assessed Value
\$ 2,132,548	1	0.81%	\$ 1,847,284	1	0.63%
1,824,227	2	0.69%	3,397,478	2	1.16%
1,040,936	3	0.39%			
988,405	4	0.37%			
788,922	5	0.30%			
779,228	6	0.29%			
722,682	7	0.27%			
659,234	8	0.25%	839,830	8	0.29%
661,242	9	0.25%			
637,920	10	0.24%			
			1,425,129	3	0.49%
			1,285,482	4	0.44%
			1,158,159	5	0.40%
			1,125,602	6	0.38%
			896,278	7	0.31%
			685,003	9	0.23%
			683,894	10	0.23%
<u>10,235,344</u>		<u>3.86%</u>	<u>13,344,139</u>		<u>4.56%</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year	Amount Collected	Percentage of Levy	Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy
2006	\$ 1,230,749	\$ 1,230,591	99.99%	\$ -	\$ 1,230,591	99.99%
2007	1,326,039	1,319,150	99.48%	995	1,320,145	99.56%
2008	1,416,545	1,408,640	99.44%	1,335	1,409,975	99.54%
2009	1,433,403	1,431,732	99.88%	1,711	1,433,443	100.00%
2010	1,376,937	1,373,696	99.76%	1,648	1,375,344	99.88%
2011	1,402,199	1,399,433	99.80%	-	1,399,433	99.80%
2012	1,482,701	1,476,613	99.59%	-	1,476,613	99.59%
2013	1,515,261	1,511,369	99.74%	-	1,511,369	99.74%
2014	1,550,986	1,542,860	99.48%	-	1,542,860	99.48%
2015	1,585,443	*	*	*	*	*

Note: Levies for all Special Service Areas have been excluded from this table.

*Taxes are collected in two installments due in June and September of the following year.

Data Source: Village Records

VILLAGE OF SUGAR GROVE, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Fiscal Year	Governmental Activities	Business-Type Activities		Totals	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Water General Obligation Bonds	IEPA Revolving Loans			
2007	\$ 12,090,000	\$ 3,286,304	\$ 5,096,844	\$ 20,473,148	8.49%	\$ 2,573
2008	11,679,985	3,147,572	4,801,146	19,628,703	7.32%	2,218
2009	11,679,698	5,605,308	4,497,631	21,782,637	8.13%	2,462
2010	10,846,651	5,453,226	4,186,092	20,485,969	7.64%	2,315
2011	9,997,144	5,208,074	3,866,316	19,071,534	5.56%	2,120
2012	9,302,006	4,949,263	3,538,086	17,789,355	5.19%	1,977
2013	9,190,495	4,672,133	3,201,178	17,063,806	4.98%	1,897
2014	8,322,162	4,455,399	2,855,364	15,632,925	4.56%	1,738
2015	7,617,205	4,118,332	2,500,406	14,235,943	4.15%	1,582
2016	6,887,352	3,762,118	2,136,065	12,785,535	3.73%	1,421

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

(a) See Schedule of Demographic and Economic Statistics for personal income and population data.
These ratios are calculated using personal income and population for the prior calendar year.

Data Source: Village Records

VILLAGE OF SUGAR GROVE, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Fiscal Year	General Obligation Bonds	Debt Service Monies Available	Net General Obligation Bonds	Percentage of Equalized Assessed Valuation (a)	Per Capita (b)
2007	\$ 15,376,304	\$ 465,831	\$ 14,910,473	5.10%	\$ 1,932
2008	14,827,557	399,780	14,427,777	4.48%	1,676
2009	17,285,006	410,874	16,874,132	5.03%	1,954
2010	16,299,877	411,592	15,888,285	4.75%	1,842
2011	15,205,218	370,195	14,835,023	4.71%	1,690
2012	14,251,269	358,918	13,892,351	4.76%	1,584
2013	13,862,628	361,677	13,500,951	4.97%	1,541
2014	12,777,561	127,423	12,650,138	5.07%	1,420
2015	11,735,537	135,125	11,600,412	4.63%	1,304
2016	10,649,470	139,968	10,509,502	3.97%	1,184

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

(a) See Equalized Assessed Valuation of Taxable Property for property value data. This ratio is calculated using equalized assessed valuation for the prior tax levy year.

(b) See Schedule of Demographic and Economic Statistics for population data. This ratio is calculated using population for the prior calendar year.

Data Source: Village Records

VILLAGE OF SUGAR GROVE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2016 (Unaudited)**

	Gross Bonded Debt	Percentage of Debt Applicable to Village	Village's Share of Debt
Total Village	\$ 6,887,352	100.00%	\$ 6,887,352
Overlapping Districts (a)			
Schools			
Aurora West USD #129	127,273,000	0.55%	700,002
Kaneland CUSD #302	94,312,029	33.60%	31,688,842
Hinckley - Big Rock CUSD #429	12,545,000	3.07%	385,132
Waubonsee CCD #516	<u>67,145,000</u>	3.23%	<u>2,168,784</u>
Total Schools	<u>301,275,029</u>		<u>34,942,760</u>
Other			
Kane County	44,335,000	2.19%	970,937
Kane County Forest Preserve District	150,780,000	2.19%	3,302,082
Sugar Grove Public Library District	<u>5,285,000</u>	61.35%	<u>3,242,348</u>
Total Other	<u>200,400,000</u>		<u>7,515,367</u>
Total Overlapping Debt	<u>501,675,029</u>		<u>42,458,127</u>
Total Direct and Overlapping Bonded Debt	<u><u>508,562,381</u></u>		<u><u>42,458,127</u></u>

Note: Percentages are based on 2012 equalized assessed valuation.

(a) Determined by the ratio of assessed value of property in the Village subject to taxation by the governmental unit to the total assessed value of property of the Governmental Unit.

Data Source: Kane County Clerk

VILLAGE OF SUGAR GROVE, ILLINOIS

**Schedule of Legal Debt Margin - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009
Legal Debt Limit	\$ 25,216,966	27,776,378	28,947,580
Total Applicable Debt	320,000	250,000	175,000
Legal Debt Margin	25,536,966	28,026,378	29,122,580
Total Applicable Debt as a Percentage of Debt Limit	1.27%	0.90%	0.60%

Note: Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
28,857,019	27,142,232	25,194,708	23,414,498	21,524,223	21,594,212	22,848,183
90,000	-	-	-	-	-	-
28,947,019	27,142,232	25,194,708	23,414,498	21,524,223	21,594,212	22,848,183
0.31%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equalized Assessed Valuation - 2015 Levy						<u>264,906,470</u>
Legal Debt Limit - 8.625% of Equalized Assessed Valuation						22,848,183
Amount of Debt Applicable to Limit:						
Series 2006					1,605,000	
Series 2008A					2,135,000	
Series 2009					14,500,000	
Series 2013					5,160,000	
Series 2013					150,000	
Total General Obligation Debt					<u>23,550,000</u>	
Less: Self-Supported Debt					<u>(23,550,000)</u>	-
Legal Debt Margin						<u>22,848,183</u>

VILLAGE OF SUGAR GROVE, ILLINOIS

**Pledged-Revenue Coverage - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

General Obligation Bonds, Illinois Environmental Protection Agency Loans, Installment Contracts, and Revenue Bonds Serviced by Waterworks and Sewerage Revenues						
Fiscal Year	Operating Revenues	Less:	Net	Debt Service		Coverage
		Operating Expenses	Available Revenue	Principal	Interest	
2007	\$ 2,197,581	\$ 1,516,763	\$ 680,818	\$ 448,082	\$ 315,669	0.89
2008	2,193,008	1,570,241	622,767	470,698	314,031	0.79
2009	2,185,308	1,500,183	685,125	483,515	381,996	0.79
2010	2,335,182	1,432,166	903,016	491,539	386,385	1.03
2011	2,445,370	1,350,881	1,094,489	589,776	364,701	1.15
2012	2,557,855	1,553,429	1,004,426	608,230	341,360	1.06
2013	3,093,824	1,597,122	1,496,702 (a)	631,908	305,453	1.60
2014	3,050,844	1,613,437	1,437,407	660,814	291,980	1.51
2015	3,191,503	1,608,084	1,583,419	684,958	266,248	1.66
2016	3,436,151	1,939,542	1,496,609	714,341	226,889	1.59

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest, depreciation, or amortization expenses.

(a) The Village entered into an intergovernmental agreement with Fox Metro Water Reclamation District (Fox Metro) on June 16, 1998. The agreement included the purchase of land by the Village for a new Fox Metro wastewater treatment facility. Fox Metro expanded their current facility rather than build a new plant. The Village and Fox Metro negotiated a payment of cash in lieu of land of \$832,250 which has been excluded from operating expenses above.

Data Source: Village Records

VILLAGE OF SUGAR GROVE, ILLINOIS

**Demographic and Economic Statistics - Last Ten Calendar Years
April 30, 2016 (Unaudited)**

Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment (d)	Unemployment Rate (e)
2006	7,958 (a)	\$ 241,119,442	\$ 30,299	34.6	3,994	4.30%
2007	8,848 (b)	268,085,552	30,299	34.6	4,146	4.90%
2008	8,848 (b)	268,085,552	30,299	34.6	4,409	N/A
2009	8,848 (b)	268,085,552	30,299	34.6	4,581	N/A
2010	8,997 (c)	342,893,664	38,112	37.2	4,757	N/A
2011	8,997 (c)	342,893,664	38,112	37.2	4,788	N/A
2012	8,997 (c)	342,893,664	38,112	37.2	4,613	9.00%
2013	8,997 (c)	342,893,664	38,112	37.2	4,799	7.40%
2014	8,997 (c)	342,893,664	38,112	37.2	4,645	4.80%
2015	8,997 (c)	342,893,664	38,112	37.2	4,657	5.80%

N/A - Information not readily available.

Data Sources:

- (a) U.S. Census Bureau 2005 Special Census
- (b) U.S. Census Bureau 2007 Special Census
- (c) U.S. Census Bureau 2010 Decennial Census
- (d) Kaneland Community School District 302 District Report Card
- (e) Illinois Department of Employment Security - Kane County*

VILLAGE OF SUGAR GROVE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)**

Employer	2016			2007		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Waubonsee Community						
College District No. 516	1,460	1	N/A	750	1	N/A
Harter Middle School	119	2	N/A			
HFR Precision Machining, Inc.	80	3	N/A	80	3	N/A
CMC Electronics, Inc. (Formerly Flight Visions, Inc.)	75	4	N/A	50	5	N/A
John Shields Elementary School	75	5	N/A			
J A Air Center	70	6	N/A			
GPS World Supply Co.	60	7	N/A			
Scot Industries, Inc.	55	8	N/A	75	4	N/A
Quantam Sign Corp.	50	9	N/A			
Sunbelt Rentals	50	10	N/A			
OakGrigsby, Inc. (Division of Oak Industries, Inc.)				200	2	N/A
Hy-Tek Mfg. Co., Inc.				45	6	N/A
Deep-Coat Metallizing, Inc. (Division of Wave Zero, Inc.)				35	7	N/A
Lumanair Aviation Services				35	8	N/A
Finishes Unlimited				32	9	N/A
	<u>2,094</u>		<u>N/A</u>	<u>1,302</u>		<u>N/A</u>

N/A - Information not readily available.

Data Source: 2016 Illinois Manufacturers Directory, 2016 Illinois Services Directory and a Selective Telephone Survey

VILLAGE OF SUGAR GROVE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

See Following Page

VILLAGE OF SUGAR GROVE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009
General Government			
Administration	2.000	2.000	2.000
Finance	4.500	4.500	4.500
Community Development			
Planning	2.000	2.000	2.000
Building	5.000	4.375	4.375
Police			
Officers	17.000	18.250	18.250
Civilians	1.000	1.000	1.000
Public Works			
Administration	2.000	2.000	2.000
Parks	-	-	-
Properties	2.000	1.500	1.500
Streets	4.346	4.346	4.346
Water and Sewer	6.346	6.346	6.346
Totals	46.192	46.317	46.317

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
2.000	2.000	2.000	2.000	2.000	2.000	2.000
3.000	3.000	3.000	3.000	3.000	3.000	3.000
2.000	2.000	2.000	2.000	2.000	2.000	2.000
2.375	2.375	2.375	2.050	2.375	2.375	2.375
15.250	15.250	14.250	13.000	14.250	14.850	17.975
1.000	1.000	1.000	1.000	2.000	1.500	1.500
2.000	2.000	2.000	2.000	2.000	2.000	2.000
-	-	-	-	-	-	-
1.500	1.500	1.500	1.500	1.000	1.000	1.000
4.000	3.000	3.692	2.587	4.692	4.692	4.475
6.000	6.000	6.000	6.000	6.000	6.000	6.475
39.125	38.125	37.817	35.137	39.317	39.417	42.800

VILLAGE OF SUGAR GROVE, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Function/Program	2007	2008	2009
Police			
Part I Crimes	N/A	83	99
Part II Crimes	N/A	329	390
Traffic Violations	N/A	3,268	2,867
Parking Violations	N/A	570	361
Finance			
Vendor Checks Processed	1,744	1,835	1,646
Vendor Invoices Processed	3,039	3,269	2,957
Employee Paychecks Processed	1,300	1,518	1,403
Employee Direct Deposits Processed	983	1,153	1,099
Utility Billing Customers	4,009	4,120	4,120
Utility Bills Processed	47,587	48,993	49,535
Forestry			
Parkway Trees Planted	279	274	128
Parkway Trees Trimmed	469	288	153
Streets			
Streetlight Repaired	N/A	89	96
Street Signs Replaced	N/A	53	89
Sidewalk Replaced (Sq. Ft) (1)	772	2,880	1,675
Street Resurfacing (Miles)	0.50	1.30	2.24
Street Micro-Surfacing (Miles) (2)	3	-	5.3
Pavement Marking (Linear Feet) (3)	N/A	84,417	95,063
Crack Sealing (Linear Feet) (4)	N/A	N/A	N/A
Pothole Repairs (Tons of Material)	18	50	27
Mosquito Abatement (Catch Basins Treated)	539	990	990
Water			
Water Main Breaks	1	4	5
Total Distribution Pumpage (1,000 Gallons)	378,108	348,723	333,222
Average Daily Pumpage (1,000 Gallons)	1,034	955	913
Sanitary Sewer			
Sanitary Sewer Televising (Feet)	800	1,000	-
Sanitary Sewer Jetting (Feet)	N/A	21,308	37,246

(1) Sidewalk replacements completed as component of annual MFT programs.

(2) Pilot Program - 2006 MFT

(3) Initial Program Year Fiscal Year Ending April 30, 2008

(4) Initial Program Year Fiscal Year Ending April 30, 2012

N/A - Information not readily available.

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
57	57	74	58	79	72	59
507	355	342	343	408	431	462
3,368	4,199	2,183	1,317	N/A	1,609	2,107
347	626	1,077	867	N/A	848	1,229
1,455	1,260	1,273	1,350	1,542	1,631	1,634
2,543	2,257	2,223	2,232	2,503	2,741	2,900
1,191	1,210	322	323	302	298	137
1,354	1,301	1,269	1,263	1,317	1,576	1,893
4,122	4,128	4,127	4,134	4,163	4,158	4,198
49,535	49,540	49,498	49,549	49,793	49,916	50,699
302	14	27	51	130	81	70
221	120	350	210	75	225	300
72	80	65	68	77	140	115
57	35	46	42	32	52	40
750	145	100	1,170	2,500	500	1,000
2.30	3.90	0.75	0.75	1	3	3
-	-	-	-	3.02	-	-
43,893	57,399	20,800	52,055	46,515	54,483	58,000
N/A	N/A	50,000	N/A	42,598	-	-
22	17	45	65	59	47	50
1,155	1,155	1,155	1,155	1,155	1,155	2,310
9	5	1	8	9	5	3
329,389	305,992	305,858	358,879	360,127	300,259	276,452
902	838	838	1,196	1,162	834	728
2,000	2,200	3,500	1,500	3,600	5,200	5,000
38,122	7,875	22,244	12,000	14,700	30,564	30,000

VILLAGE OF SUGAR GROVE, ILLINOIS

**Property Value and New Construction Permits - Last Ten Calendar Years
April 30, 2016 (Unaudited)**

Calendar Year	Commercial Construction	
	Number Of Units	Property Value
2006	25	\$ 8,693,057
2007	16	3,695,500
2008	10	3,174,000
2009	3	610,000
2010	6	1,337,000
2011	7	4,373,000
2012	5	2,572,000
2013	4	1,015,000
2014	2	1,824,495
2015	1	1,000,000

Data Source: Village Records

Residential Construction Single-Family		Residential Construction Multi-Family		Totals	
Number of Units	Property Value	Number of Units	Property Value	Number of Units	Property Value
106	\$ 40,109,524	57	\$ 14,841,250	188	\$ 63,643,831
48	21,174,923	13	3,069,851	77	27,940,274
14	5,950,692	2	475,890	26	9,600,582
1	769,289	-	-	4	1,379,289
5	2,725,143	-	-	11	4,062,143
1	425,000	-	-	8	4,798,000
4	790,000	-	-	9	3,362,000
27	5,491,269	-	-	31	6,506,269
37	1,821,929	1	1,800,000	40	5,446,424
35	6,474,365	-	-	36	7,474,365

VILLAGE OF SUGAR GROVE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009
Buildings			
Village Hall/Police Station	1	1	1
140 and 160 S. Municipal Drive Buildings	-	-	-
Public Works Facility	1	1	1
Fleet Services			
Equipment - Public Works	20	21	21
Vehicles - Community Development	4	4	4
Vehicles - Police	10	10	11
Vehicles - Public Works	23	26	26
Public Works			
Streets - Center Lane (Miles)	54.5	58.0	58.0
Sidewalks (Miles)	88	96	96
Storm sewers (Miles)	58	61	61
Streetlights	965	1,100	1,100
Water			
Wells	9	9	9
Water Mains (Miles)	61	62	62
Fire Hydrants	900	1,000	1,000
Sanitary Sewer			
Lift Stations	6	7	6
Sanitary Sewer Mains (Miles)	105	107	107

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
1	1	1	1	1	1	1
-	-	-	-	-	2	2
1	1	1	1	1	1	1
21	21	21	21	21	21	21
4	4	4	4	4	4	4
11	11	11	14	14	14	14
26	26	26	26	26	26	26
59.5	59.5	59.5	59.5	59.5	59.5	59.5
96	96	96	96	96	96	96
63	63	63	65	65	65	65
1,120	1,120	1,120	1,120	1,120	1,120	1,120
9	9	9	9	9	9	9
84	84	84	84	84	84	84
1,100	1,109	1,109	1,109	1,109	1,109	1,109
6	6	6	6	6	6	6
110	110	110	110	110	110	1,109