

Village of Robbins, Illinois
Annual Financial Report
For the Year Ended April 30, 2019

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Village of Robbins, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2019

| | |
|---|-------|
| Independent Auditor's Report | 1-2 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| Management's Discussion and Analysis | 3 - 7 |
| BASIC FINANCIAL STATEMENTS: | |
| Government - Wide Financial Statements | |
| Statement of Net Assets | 8 |
| Statement of Activities | 9 |
| Fund Financial Statements | |
| Balance Sheet - Governmental Funds | 10 |
| Reconciliation of Governmental Funds Balance Sheet to Statement of Net Assets | 11 |
| Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds | 12 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities | 13 |
| Statement of Net Assets - Proprietary Funds | 14 |
| Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds | 15 |
| Statement of Cash Flows - Proprietary Funds | 16 |
| Statement of Changes in Fiduciary Net Assets-Pension Trust Funds | 17 |
| | 18 |
| Statement of Fiduciary Net Assets- Pension Trust | 20 |
| Notes to Financial Statements | 19-41 |
| Audit Findings | |
| REQUIRED SUPPLEMENTARY INFORMATION: | |
| Note to Budgetary Comparison Information | |
| Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - General Fund | 42-45 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Road and Bridge | 42-45 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Motor Fuel Tax | 46 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Tax Increment Financing | 47 |
| | 48 |

| | |
|--|-----------|
| COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS | 49-50 |
| Non-major Governmental Funds | |
| Combining Balance Sheet | 51 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 52 |
| Combining Balance Sheet – Capital Project | 53 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 54 |
| Schedule of Finding | 55-66 |

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**WILLIAM C. GOODALL
CERTIFIED PUBLIC ACCOUNTANT**

INDEPENDENT AUDITOR'S REPORT

To: The Honorable, Tyrone Ward, Mayor
Village of Robbins
3327, West 137th Street
Robbins, Illinois, 60472

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Robbins, as of and for the year ended April 30, 2019, 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion

While performing the audit of The Village of Robbins, Illinois, Management indicated that the General Fund was out of balance, no fixed assets schedule, no accounts payable schedule and errors in posting adjusting entries. Without this we are unable to verify ownership, value and existence. Consequently, we were unable to determine whether if any or what the adjustments to the fixed assets on the financial statements. Also, we can't determine the reason the General Fund being out of balance or what the accounts payable should be.

Opinion

In our opinion, except for the effects mentioned above, the financial statements referred to above present fairly, in all material respects, the financial position of the Village as of April 30, 2019 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

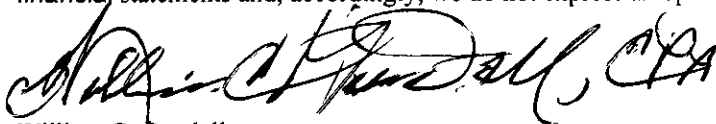
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-7 and 41-53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Robbins's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



William C. Goodall

Chicago, Illinois
April 30, 2020

**VILLAGE OF ROBBINS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2019**

As management of the Village of Robbins, IL, we offer readers of the financial statements of the Village of Robbins, IL this narrative overview and analysis of the financial activities of the Village of Robbins, IL, for the fiscal year ended April 30, 2019. The discussion and analysis of the Village of Robbins, IL (the "Village") financial performance provides an overall review of the Village's financial activities for the year ended April 30, 2019. The management of the Village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the *MD&A*, as is included in this year's narrative. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Summary

- The total assets of the Village as reported in the Statement of Net Position exceeded its liabilities at the close of the most recent fiscal year by (\$5.6) million (net Position). Total net position increased by \$0.1 million during the year.
- As of the close of the most recent fiscal year, the Village's governmental funds reported combined ending fund balance of (7.2) million. Of this sum, \$0.9 million is the fund balance for the General Fund, (\$8.0) million for the Business-Type Activities, and .1 million for the non-major governmental funds.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The basic financial statements are comprised of five components:

- Government-wide financial statements
- Fund financial statements; and
- Notes to the basic financial statements
- Required Supplementary Information
- Combining and Individual Fund Financial Statements

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

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the *Government-Wide and Fund Financial Statements*. The notes to the financial statements can be found on pages 19-41 of this report.

**VILLAGE OF ROBBINS, ILLINOIS
MANAGEMENTS' DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2019**

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure — buildings, other structures, etc.) had not been reported or depreciated in governmental financial statements. The Village implemented GASB 34 in FY04 and since then reports infrastructure assets within the Governmental column of the Government-Wide Statements. Additionally, the government must select either to (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives.

Government — Wide Financial Analysis

Condensed Statement of Net Assets:

| | Governmental Activities | |
|---|----------------------------|-----------------|
| | 2019 million | 2018 million |
| Current and Other Assets | \$ 1.0 | \$ 1.8 |
| Capital Assets | 5.3 | 5.3 |
| Total Assets | 6.3 | 7.1 |
| Long-term Debt | 0.0 | 0.0 |
| Other Liabilities | 0.8 | 12.0 |
| Total Liabilities | 0.8 | 12.0 |
| Inv. in Capital Assets, Net of Debt | 1.6 | 1.4 |
| Restricted | 0.0 | 0.0 |
| Unrestricted | (4.4) | (1.3) |
| Total Net Assets | (2.8) | (0.1) |
| Total Liabilities and Net Assets | (2.0) | \$12.1 |

VILLAGE OF ROBBINS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2019

The following table reflects the Condensed Statement of Activities:

Change in Net Assets

| | Governmental Activities | |
|--|----------------------------|---------------|
| | 2019 | 2018 |
| Revenues: | | |
| Program Revenues: | | |
| Charges for services, fees, fine and forfeitures | \$ 0.1 | \$ 0.1 |
| Operating/Capital grants and contributions | 0.1 | 0.1 |
| Program Revenues: | | |
| Property taxes | 0.7 | 0.7 |
| Replacement taxes | 0.1 | 0.1 |
| Other general revenues | 0.1 | 0.1 |
| Total Revenues | 1.1 | 1.1 |
| Expenses: | | |
| General Fund | 3.1 | 0.5 |
| Public Safety | 0.3 | 0.3 |
| Insurance | 0.2 | 0.2 |
| Recreation Programs | 0.1 | 0.0 |
| Total Expenses | 3.7 | 1.0 |
| Change in Net Assets | \$ 4.8 | \$ 2.0 |

Revenues

The Village's governmental activities had revenues of \$ 3.7 million in fiscal year 2019. Included in this sum are the following:

| Source | Amount | Percent of Total |
|------------------------------|---------------------|------------------|
| Property Taxes | \$ 1,266,827 | 34% |
| State Income Tax | 518,164 | 14% |
| Other Revenues | 539,159 | 15% |
| Other Taxes | 477,894 | 13% |
| Services | 482,104 | 13% |
| Motor Fuel Tax | 170,289 | 5 % |
| Fines, Licenses, and Permits | 225,414 | 5 % |
| Donations | 23,755 | 1% |
| Total Revenues | \$ 3,703,606 | 100.00 % |

**VILLAGE OF ROBBINS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2019**

Expenses

The total cost of all programs and services for Governmental activities was \$ 5.1 million. Village expenses are predominantly related to three functions: General (78%), Public Safety (8%), Public Works (14%),

Governmental Activities Expenses (in millions)

| | |
|-----------------------|---------------------|
| General Government | \$ 4,015,265 |
| Public Safety | 422,097 |
| Public Works | 703,729 |
| Economic Development | - |
| <hr/> | |
| Total Expenses | \$ 5,141,091 |

Financial Analysis of the Village's Funds

The Village uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Government 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.

The Village major funds include; the General Fund, Roads and Bridge Fund, Motor Fuel Tax Fund, TIF Fund, Water Fund and the Sewer Fund.

At the end of the current fiscal year, the Village's governmental funds reported a combined (major and non-major) ending fund balance of (\$1.3) million, a net change of \$(0.1) from fiscal 2018.

Budgetary Highlights

In compliance with reporting standards, both the original and final amended budget (which are equal) is presented in the financial statements. The difference in actual revenues from projected total revenues equaled approximately \$(0.4) million in the General Fund for the year ended April 30, 2018. The actual General Fund expenditures for fiscal 2018 were more than budget by approximately (\$0.1) million. Throughout the Village Funds, the Village collected \$4.0 million more than budgeted and expended (\$1.6) million more than budgeted.

**VILLAGE OF ROBBINS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2019**

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal 2019 the Village had total capital assets (net of accumulated depreciation) of \$14.5 million, invested in a broad range of capital assets including buildings, equipment, and furniture. More detailed information about the Village's capital assets is presented in Note 1 (E) 5 to the financial statements.

**Capital Assets (net of depreciation)
(in millions of dollars)**

| | Governmental Activities | | |
|--------------------------|--------------------------------|---------------|-----------------|
| | 2019 | 2018 | % Change |
| Governmental Activities | 5.2 | 5.2 | 0% |
| Business-Type Activities | 14.5 | 14.5 | 0% |
| Total | \$ 19.7 | \$19.7 | \$ 0% |

Request for Information

This financial report is designed to provide the Village citizens, taxpayers, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Village's Treasurer office at 3327 W.137th Street, Robbins, Illinois 60426.

VILLAGE OF ROBBINS ILLINOIS
STATEMENT OF NET ASSETS
April 30, 2019

| | Governmental Activities | Business - Type Activities | Total |
|---|----------------------------|-------------------------------|--------------------|
| Assets | | | |
| Cash and Cash Equivalents | 906,676 | 304,973 | 1,211,649 |
| Receivables: Net of Allowance | - | 78,592 | 78,592 |
| Property Taxes | - | - | - |
| Other Receivable | 114,539 | - | 114,539 |
| Fire Cadet | - | - | - |
| Prepaid Insurance | - | - | - |
| Internal Balances - Due From | - | 2,325,718 | 2,325,718 |
| Capital Assets: | | | - |
| Land | - | - | - |
| Construction in Progress | - | - | - |
| Building and Improvement and Equipment, net | 5,229,698 | 9,084,934 | 14,314,632 |
| Total Assets | 6,250,913 | 11,794,217 | 18,045,130 |
| Liabilities | | | |
| Accounts Payable | 728,616 | 794,844 | 1,523,460 |
| Accrued Expenses | 114,927 | - | 114,927 |
| Deposit | 2,905 | 8,792 | 11,697 |
| Interest Payable | - | 59,400 | 59,400 |
| Internal Balances - Due To | 4,542,562 | 185,157 | 4,727,719 |
| Due in One Year | - | 45,000 | 45,000 |
| Due in Greater Than One Year | - | 18,744,387 | 18,744,387 |
| | 5,389,010 | 19,837,580 | 25,226,590 |
| | - | - | - |
| | - | - | - |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 5,229,698 | - | 5,229,698 |
| Restricted | - | - | - |
| Unrestricted | (4,367,795) | (8,043,363) | (12,411,158) |
| Total Net Assets | 861,903 | (8,043,363) | (7,181,460) |
| Total Liabilities and Net Assets | 6,250,913 | 11,794,217 | 18,045,130 |

See attached financial statement notes

VILLAGE OF RONBINS, ILLINOIS
 STATEMENT OF ACTIVITIES
 For the Year Ended April 30, 2019

| Functions/Programs Primary Government | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Assets Primary Government | | |
|--|------------------|----------------------|---------------------------------------|-------------------------------------|---|----------------------------|-----------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | | Governmental Activities | Business-Type Activities |
| Governmental Activities: | | | | | | | |
| General Government | 4,015,265 | - | - | - | (4,015,265) | - | (4,015,265) |
| Public Safety | 422,097 | - | - | - | (422,097) | - | (422,097) |
| Public Works | 703,729 | - | - | - | (703,729) | - | (703,729) |
| Economic Development | - | - | - | - | - | - | - |
| Transfer Out | - | - | - | - | - | - | - |
| Grants | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| Total Government Activities | 5,141,091 | - | - | - | (5,141,091) | - | (5,141,091) |
| Water | 1,465,441 | 1,816,346 | - | - | - | 350,905 | 350,905 |
| Sewer | - | 376,014 | - | - | - | 376,014 | 376,014 |
| Total Business-Type Activities | 1,465,441 | 2,192,360 | - | - | - | 726,919 | 726,919 |
| Total Primary Government | 6,606,532 | - | - | - | (5,141,091) | - | (4,414,172) |
| General Revenues | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes | - | - | - | - | 1,266,827 | - | 1,266,827 |
| State Income Tax | - | - | - | - | 518,164 | - | 518,164 |
| Municipal Sale Tax | - | - | - | - | 291,461 | - | 291,461 |
| Motor Fuel Tax Allowance | - | - | - | - | 170,289 | - | 170,289 |
| Utility Tax | - | - | - | - | 186,433 | - | 186,433 |
| Fines | - | - | - | - | 136,125 | - | 136,125 |
| Licenses and Permits | - | - | - | - | 89,289 | - | 89,289 |
| Fees and Services | - | - | - | - | 482,104 | - | 482,104 |
| Interest | - | - | - | - | 613 | - | 613 |
| Donations | - | - | - | - | 23,755 | - | 23,755 |
| Miscellaneous | - | - | - | - | 538,546 | - | 538,546 |
| Total General Revenues | - | - | - | - | 3,703,606 | - | 3,703,606 |
| Change in Net Assets | | | | | (1,437,485) | 726,919 | (710,566) |
| NET ASSETS - May 1, | | | | | 3,840,109 | (3,383,278) | 456,831 |
| Prior Period Adjustmen | | | | | (1,540,721) | (5,387,004) | (6,927,725) |
| Net Assets Restated - N | | | | | 2,299,388 | (8,770,282) | (7,181,460) |
| NET ASSETS - April 30 | | | | | 861,903 | (8,043,363) | (253,735) |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
GOVERNMENTAL FUNDS
BALANCE SHEET
For the Year Ended April 30, 2019

| | General | Roads and Bridge | Motor Fuel Tax | Tax Increment Financing | Nonmajor Governmental Funds | Total |
|--|---------------------|---------------------|-------------------|----------------------------|-----------------------------------|---------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 263,736 | \$ 5,072 | \$ 25,692 | \$ 364,937 | \$ 247,239 | 906,676 |
| Receivables: | - | - | - | - | - | - |
| Property Taxes | - | - | - | - | - | - |
| Other Receivable | - | 114,539 | - | - | - | 114,539 |
| Due From General Fund | - | - | - | - | - | - |
| Capital Assets, (Net) | 5,229,698 | - | - | - | - | 5,229,698 |
| Total Assets | 5,493,434 | 119,611 | 25,692 | 364,937 | 247,239 | 6,250,913 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | 146,746 | 336,458 | 245,412 | - | - | 728,616 |
| Accrued Payroll | 114,927 | - | - | - | - | 114,927 |
| Customer Deposit | 2,905 | - | - | - | - | 2,905 |
| Due in One Year | 26,759 | - | - | - | - | - |
| Due to Other Funds | 3,525,256 | 399,414 | - | 617,892 | - | 4,542,562 |
| Total Liabilities | 3,816,593 | 735,872 | 245,412 | 617,892 | - | 5,389,010 |
| FUND BALANCES | | | | | | |
| Non-Spendable Advances | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | 1,676,841 | (616,261) | (219,720) | (252,955) | 247,239 | 835,144 |
| Total Fund Balances | 1,676,841 | (616,261) | (219,720) | (252,955) | 247,239 | 835,144 |
| Total Liabilities and Fund Balances | \$ 5,493,434 | \$ 119,611 | \$ 25,692 | \$ 364,937 | \$ 247,239 | \$ 6,250,913 |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET ASSETS
April 30, 2019

| | |
|--|-------------------|
| Total Fund Balance - Governmental Funds | \$ 861,903 |
| Reconciling items from the Governmental Statement of Activities to the Governmental Funds Net Assets are: | |
| Capital Assets used in Governmental Activities are not financial resources and therefore are not reported as net assets in Governmental Funds. The cost of these assets is \$0, less Accumulated Depreciation of \$0 is: | - |
| Other Adjustments to Reconcile | - |
| Long Term Liabilities are not included in the Governmental Funds because they are not current economic resources: | - |
| Total Net Assets of Governmental Activities | <u>\$ 861,903</u> |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 2019

| | General | Roads and Bridge | Motor Fuel Tax | TIF | Other Nonmajor Governmental Funds | Total |
|--|------------------------|---------------------|-------------------|---------------------|---|-----------------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| Property Taxes | \$ 887,561 | \$ 5,278 | \$ - | \$ 373,988 | \$ - | 1,266,827 |
| Utility Revenue | 186,433 | - | - | - | - | 186,433 |
| State Income Tax | 518,162 | - | - | - | - | 518,162 |
| Municipal Tax | 291,460 | - | - | - | - | 291,460 |
| Charge for Service | 167,815 | - | - | - | - | 167,815 |
| Fines & Permits | 179,416 | - | - | - | - | 179,416 |
| License Revenue | 16,306 | 29,692 | - | - | - | 45,998 |
| Motor Fuel Tax | - | - | 170,289 | - | - | 170,289 |
| Refuse | - | 313,927 | - | - | - | 313,927 |
| Water & Sewer | - | - | - | - | 2,192,285 | 2,192,285 |
| Grants | 440 | - | - | - | - | 440 |
| Donations | 23,755 | - | - | - | - | 23,755 |
| Interest | 201 | 6 | - | 148 | 258 | 613 |
| Miscellaneous | 538,276 | 270 | - | - | - | 538,546 |
| Total Revenues | 2,809,825 | 349,173 | 170,289 | 374,136 | 2,192,543 | 5,895,966 |
| EXPENDITURES | | | | | | |
| General Government | 3,397,373 | - | - | 617,892 | - | 4,015,265 |
| Public Safety | 418,268 | - | 3,829 | - | - | 422,097 |
| Maint. Service Street lights | - | - | - | - | - | - |
| Engineering Service | - | - | 36,683 | - | - | 36,683 |
| Utilities | - | - | - | - | - | - |
| Street and Sanitation | 322,787 | 92,549 | 251,710 | - | - | 667,046 |
| Motor Fuel Expenses | - | - | - | - | - | - |
| Water & Sewer | - | - | - | - | 1,465,541 | 1,465,541 |
| Miscellaneous | - | 214 | - | - | - | 214 |
| Total Expenditures | 4,138,428 | 92,763 | 292,222 | 617,892 | 1,465,541 | 6,606,846 |
| Excess (deficiency) of Revenues over Expenditures | (1,328,603) | 256,410 | (121,933) | (243,756) | 727,002 | (710,880) |
| Other Financing Sources (Uses) | | | | | | |
| Insurance Proceeds | - | - | - | - | - | - |
| Transfer in | - | - | - | - | - | - |
| Transfer out | - | 2,824 | - | - | - | 2,824 |
| Other Financing Sources (uses) | - | 2,824 | - | - | - | 2,824 |
| Net Change in Fund Balance | (1,328,603) | 259,234 | (121,933) | (243,756) | 727,002 | (708,056) |
| Fund Balance (Deficit) – May 1, 2018 | (11,442,203) | 776,493 | 905,787 | 3,208,755 | 2,582,124 | (3,969,044) |
| Fund Balance (Deficit) – April 30, 2019 | \$ (12,770,806) | \$ 1,035,727 | \$ 783,854 | \$ 2,964,999 | \$ 3,309,126 | \$ (4,677,100) |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2019

| | |
|--|-----------------------|
| Net Change in Total Governmental Fund Balances | \$ (708,056) |
| Repayment of debt principal is an expenditure in the government funds, however, repayment reduces long-term liabilities in the Statement of Net Assets. | <u>\$ -</u> |
| Change in Net Assets of Governmental Activities | <u>\$ (1,437,485)</u> |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
For the Year Ended April 30, 2019

| | Water | Sewer | Total |
|----------------------------------|-------------|--------------|-------------|
| Assets | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 239,039 | 65,934 | 304,973 |
| Accounts Receivable | - | 78,592 | 78,592 |
| Customers | - | - | - |
| Due From Other Funds | 2,325,618 | | 2,325,618 |
| Total Current Assets | 2,564,657 | 144,526 | 2,709,183 |
| Non-current Assets | | | |
| Capital Assets: | | | |
| Land | \$ 3,688 | - | \$ 3,688 |
| Construction in progress | - | \$ 3,945,371 | 3,945,371 |
| Buildings | 7,333,889 | - | 7,333,889 |
| Vehicles | 41,371 | - | 41,371 |
| Furniture and Equipment | 164,540 | 141,300 | 305,840 |
| Less: Accumulated Depreciation | (2,545,225) | | (2,545,225) |
| Total Capital Assets | 4,998,263 | 4,086,671 | 9,084,934 |
| Total Assets | 7,562,920 | 4,231,197 | 11,794,117 |
| Liabilities | | | |
| Current Liabilities | | | |
| Account Payable | 749,365 | 45,479 | 794,844 |
| Note Payable - Current | - | 45,000 | 45,000 |
| Interest Payable | - | 59,400 | 59,400 |
| Due to General Fund | 182,332 | | 182,332 |
| Due to Road & Bridge | 2,825 | | 2,825 |
| Deposit | 8,792 | - | 8,792 |
| Total Current Liabilities | 943,314 | 149,879 | 1,093,193 |
| Non - Current Liabilities | | | |
| Notes Payable | - | 3,922,369 | 3,922,369 |
| Water Settlement Note | 14,822,018 | - | 14,822,018 |
| Total Non-current liabilities | 14,822,018 | 3,922,369 | 18,744,387 |
| Total Liabilities | 15,765,332 | 4,072,248 | 19,837,580 |
| Total Nets | (8,202,412) | 158,949 | (8,043,463) |
| Total Liabilities and Net Assets | 7,562,920 | 4,231,197 | 11,794,117 |

See attached financial statement notes

VILLAGE OF ROBBINS ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
For the Year Ended April 30, 2019

| | Enterprise | | |
|---------------------------------------|-------------------|------------|--------------|
| | Water | Sewer | Total |
| Revenues | | | |
| Charges for Served | 1,533,435 | 376,014 | 1,909,449 |
| Penalties | 41,039 | | 41,039 |
| Other Revenue | 241,872 | | 241,872 |
| Total Revenues | \$ 1,816,346 | \$ 376,014 | \$ 2,192,360 |
| Expenditures | | | |
| Salaries | 155,972 | - | 155,972 |
| Engineering Service | - | - | - |
| Bank Charges | 12,882 | - | 12,882 |
| Other Professional Fees | 278,207 | - | 278,207 |
| Postage | 1,070 | - | 1,070 |
| Telephone | - | - | - |
| Training | - | - | - |
| Utilities | 1,015,439 | - | 1,015,439 |
| NSF Exchange | 1,931 | - | 1,931 |
| Maintenance Supplies | 40 | - | 40 |
| Operating Supplies | - | - | - |
| Diesel Fuel | - | - | - |
| Capital Outlay Equipment | - | - | - |
| Total Expenditures | \$ 1,465,541 | \$ - | \$ 1,465,541 |
| Operating Income | 350,805 | 376,014 | 726,819 |
| Transfers in | - | - | - |
| Transfers out | (185,000) | (217,631) | (402,631) |
| Total Non-operating Income (Expenses) | - | - | - |
| Net Income | 165,805 | 158,383 | 324,188 |
| Fund Balance - May 1, 2018 | (5,006,596) | 1,630,943 | (3,375,653) |
| Fund Balance - April 30, 2019 | (4,840,791) | 1,789,326 | (3,051,465) |

See attached financial statement notes

**VILLAGE OF ROBBINS, ILLINOIS
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For the Year Ended April 30, 2019**

| | Water | Sewer | Total |
|--|-------------|-----------|-------------|
| Cash Flow From Operating Activities | | | |
| Receipt From Customers | 1,816,346 | 376,014 | 2,192,360 |
| Interest | | | - |
| Internal Activity-Payment from/to other | | | - |
| Payments to Suppliers | (1,465,541) | - | (1,465,541) |
| Transfer In | | | - |
| Transfer Out | (185,000) | | (185,000) |
| Settlement Payments | - | - | - |
| Principal Paid on Bond | | (217,631) | (217,631) |
| Interest Paid on Bond | | | - |
| Net Cash Flows From Operating Activities | 165,805 | 158,383 | 324,188 |
| Net Change in Fund Balance | 165,805 | 158,383 | 324,188 |
| Cash Flow from Investing Activity | | | - |
| Purchase of Equipment | | - | - |
| Net Cash Flows From Investing Activities | | | - |
| Net Increase in Cash and Cash Equivalents | 165,805 | 158,383 | 324,188 |
| Balance - Beginning of Year 2018 | 193,974 | 80,963 | 274,937 |
| Prior period adjustment | (286,545) | (170,412) | (456,957) |
| Balances - End of Year 2019 | 239,039 | 68,934 | 307,973 |

Reconciliation of Operating
 loss to net cash provided
 (used) by Operating Activities

| | | | |
|---|---------|---------|---------|
| Operating Income | 165,805 | 158,383 | 324,188 |
| Adjustments to reconcile Income net cash from operating activities (increase) decrease in Assets and Liabilities: | | | |
| Account Receivable | | | |
| Due From other funds | | | |
| Increase (Decrease) In: | | | |
| Accounts Payable | | | |
| Bonds Payable | | | |
| Settlement Payable | | | |
| Refundable Deposit | | | |
| Due to other funds | | | |
| Net Increase (Decrease) in Cash and Cash Equivalents | 165,805 | 158,383 | 324,188 |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
FUDICIARY FUNDS
STATEMENT OF NET ASSETS - PENSION TRUST FUND
For the Year Ended April 30, 2019

| | Police Pension Fund | Firefighters Pension Fund | Total Pension Trust Fund |
|------------------------------------|---------------------|------------------------------|-----------------------------|
| Assets | | | |
| Cash | 140,892 | 64,423 | 205,315 |
| Investments | - | - | - |
| Taxes Receivable (Net) | 65,740 | 1,091 | 66,831 |
| Total Assets | 206,632 | 65,514 | 272,146 |
| Liabilities | | | |
| Accounts Payable | - | - | - |
| Deferred Tax Revenue | - | 6,301 | 6,301 |
| Total Liabilities | - | 6,301 | 6,301 |
| | | | |
| Fund Balance | 248,803 | 215,637 | 464,440 |
| Total Liabilities and Fund Balance | 248,803 | 221,938 | 470,741 |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
FUDICIARY FUNDS
STATEMENT OF CHANGES IN PLANED NET ASSETS - PENSION TRUST FUND
For the Year Ended April 30, 2019

| | Police Pension Fund | Firefighters Pension Fund | Total Pension Trust Fund |
|---|---------------------|------------------------------|-----------------------------|
| Contribution | | | |
| Property Taxes | \$ 42,867 | \$ 15,840 | \$ 58,707 |
| Miscellaneous Income | - | 6,900 | 6,900 |
| Total Contribution | <u>42,867</u> | <u>22,740</u> | <u>65,607</u> |
| Investment Earning | | | |
| Interest Income | 157 | 15 | 172 |
| Total Addition | <u>43,024</u> | <u>22,755</u> | <u>65,779</u> |
| Deduction | | | |
| Benefit Payments | 85,128 | 41,285 | 126,413 |
| Accounting service | - | - | - |
| Miscellaneous | 68 | 131,583 | 131,651 |
| Total Deductions | <u>85,196</u> | <u>172,868</u> | <u>258,064</u> |
| Net Increase (Decrease) | (42,172) | (150,113) | (192,285) |
| Net Assets Held in trust for Pension | | | |
| Benefits | | | |
| May 1, 2018 | 247,256 | 209,326 | 456,582 |
| April 30, 2019 | <u>205,084</u> | <u>59,213</u> | <u>264,297</u> |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies

The Village Of Robbins, Illinois (The Village) operates under the management of a Board of Trustees – Executive form of government, elected officials are the President, Clerk and six Trustees. The Board of Trustees is the Village legislative body, enacting the laws and establishing the policies which govern the main activities of the Village. The following is a summary of the more significant accounting policies of the Village.

A. Financial Reporting Entity

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles [GAAP]). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental account and financial reporting principles. The Village has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 61, "The Financial Reporting Entity: Omnibus" under which the financial statements include all the organizations activities, functions and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village. The Village has determined that no outside agency meets the above criteria; therefore, no other agency has been included as a component unit in the Village's financial statements. The more significant of the Village's accounting policies are described below.

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the Village applies all GASB pronouncements and all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

B. Basis of Presentation — Fund Accounting

The Village's basic financial statements consist of government-wide statements, including a statement of net assets, a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

C. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The statement of net assets and the statement of activities display information about the Park Village as a whole. In the government-wide statement of net assets, the governmental activities column is presented on a consolidated basis by column. These statements include the financial activities of the primary government. The effect of inter-fund activities has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies

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

Statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

Fund Financial Statements — the financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that is comprised of its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as non-major funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

In accordance with Governmental Accounting Standards Board Statement No. 54 — Fund Balance Reporting and Governmental Fund Type Definitions, the Village classifies governmental fund balance as follows:

- a. Non-spendable — includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted — Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or by 2) law through constitutional provisions or enabling legislation.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies

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

c. Committed — includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through formal action (ordinance, resolution, motion) of the Village board of trustees. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village board of trustees that originally created the commitment.

d. Assigned — includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; (1) the Village Board of Trustees and financial management may assign amounts for a specific purpose, or (2) all remaining positive spendable amounts in governmental funds, other than the general fund, that is neither restricted nor committed. Assignments may take place after the end of the reporting period.

e. Unassigned — includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Reserved Fund Balances and Restricted Net Assets

Reserves and restrictions represent those portions of individual fund balances/net assets not appropriate for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

D. Measurement Focus and Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements — the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies

**D. Measurement Focus and Basis of Accounting and Financial Statement Presentation
(Continued)**

The Village has reported three categories of program revenues in the statement of activities:

(1) Charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net assets to remove the "grossing up" effect on assets and liabilities within the governmental and business-type activities columns for amounts reported in the individual funds as inter-fund receivables and payables. Similarly, transfers between funds have been netted in the statement of activities. Amounts reported in the governmental or proprietary funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net assets as accounts receivable or payable to external parties.

Fund Financial Statements — Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes, and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Non-exchange transactions, in which the Village receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Deferred revenue is reported on the governmental fund balance sheet. Deferred revenue arises when potential revenue does not meet both the measurable and available criteria. Deferred revenue also arises when resources are received prior to the government having a legal claim to them. When both recognition criteria are met in a subsequent period, or when the government has a legal claim to the resources, the liability is removed and the revenue is recognized.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies — (Continued)

**D. Measurement Focus and Basis of Accounting and Financial Statement Presentation
(Continued)**

Proprietary funds separate all activity into two categories: operating revenues and expenses and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared that are due to the inclusion of capital assets and long-term debt activity. Governmental fund financial statements, therefore, include reconciliations with brief explanations to help better understand the relationship between the government-wide statements and the statements of governmental funds.

The Village administers the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Village and accounts for all revenues and expenditures of the Village not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid from the General Fund.

Road and Bridge Fund - All activities necessary for the maintenance of the roads and bridges, among other services to the residents of the Village (garbage pick-up), are accounted for in this fund.

Motor Fuel Tax Fund - This fund is used to account for financial resources used for economic development projects throughout the Village.

TIF Fund-This fund is used to account for financial resources to be used as permitted by State statute including the acquisition of and/or construction of major capital facilities costs of studies, surveys, development of plans, interest costs, etc., incurred in relation to the Tax Increment Financing (TIF) District located in the Village.

The Village administers the following major proprietary /enterprise funds:

Water Fund- All activities necessary for the provision of water to the residents of the Village are accounted for in this fund. These services include, but are not limited to: administration, operations, maintenance, financing and related debt service and billing and collection.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

Sewer Fund - Accounting for the provision of sanitary sewer service to the residents of the Village is accounted for in the is fund.

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, other governments, or other funds. The Village's fiduciary funds are the Police and Firefighter Pension Trust Funds.

Summary of Significant (Continued) Accounting Policies

D. Measurement Focus and Basis of Accounting and Financial Statement Presentation (Continued) In addition to the major funds mentioned above, the Village uses the following fund types:

Governmental Fund Types

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds or specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Fund - The Capital Projects Fund is used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds.

E. Assets, Liabilities, and Net Assets

1. Cash and Cash Equivalents

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

2. Investments

The Village values its investments at fair value or amortized cost. Short-term investments are reported at cost, which approximates fair value. Investments generally may not have a maturity of one year from date of purchase.

The Village's retirement plans are established by State law and administered by independent pension boards. Each independent pension board has authority to invest the assets of its respective plan subject to State law.

3. Inter-fund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end or the fiscal year are referred to as either "due to/from other funds" for the current portion or inter-fund loans or "advances to/from other funds" for the noncurrent portion of inter-fund loans. All other outstanding balances between funds are reported as "due to/from other funds."

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies - (Continued)

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

In addition to the major funds mentioned above, the Village uses the following fund types:

Governmental Fund Types

Special Revenue Funds — Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

E. Assets, Liabilities, and Net Assets

1. Cash and Cash Equivalents

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

2. Deposits and Investments

Cash — the carrying amount of cash was \$1,211,649 at April 30, 2019. All of the account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities held in the Park District's name by financial institutions acting as the Village's agent.

Investments — The investments which the Village may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. governments as to principal and interest, (2) certain U.S. government agency securities, (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation, (4) short-term discount obligations of the Federal National Mortgage Association, (5) certain, short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services, (6) fully collateralized repurchase agreements, (7) the State Treasurer's Illinois and Prime Funds, and (8) money market mutual funds and certain other instruments.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

E. Assets, Liabilities, and Net Assets

2. Deposits and Investments (Continued)

The Village had no investments as of April 30, 2019.

Interest Rate Risk — The Village has not formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk — The Village's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The Village's general investment policy limits investments in short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations, and (iii) no more than one-third of the public agency's funds may be invested in short-term obligations of corporations.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Park District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for the Village's investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

Concentration of Credit Risk: The Village places no limit on the amount the Village may invest in any one issuer.

1. Summary of Significant Accounting Policies - (Continued)

E. Assets, Liabilities, Net Assets or Equity (Continued)

3. Inter-fund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of inter-fund loans or "advances to/from other funds" for the noncurrent portion of inter-fund loans. All other outstanding balances between funds are reported as "due to/from other funds."

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All receivables are shown net of an allowance for uncollectible to indicate that they do not constitute "available spendable resources" even though they are a component of net current assets.

Certain payments reflect costs to future periods and are recorded as prepaid items in both the government-wide and governmental fund financial statements.

4. Deferred Revenues

The Village defers revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

5. Capital Assets

Capital assets, which include buildings, equipment and furniture, are reported in the applicable governmental activities' column in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$250 according to the Village's policies and procedures and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds. These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation. Interest incurred during the

1. Summary of Significant Accounting Policies - (Continued)

E. Assets, Liabilities, Net Assets or Equity (Continued)

5. Capital Assets (Continued)

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

| | |
|----------------|-------------|
| Infrastructure | 30-50 years |
| Buildings | 30-40 years |
| Improvements | 10-30 years |
| Equipment | 5-15 years |

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

Governmental Activities

A summary of changes in capital assets for governmental activities of the Village is as follows:

| | Balance at 4/30/18 | Additions | Deletions | Balance at 4/30/19 |
|------------------------------------|-----------------------|-----------|-----------|-----------------------|
| Capital Assets, depreciable: | | | | |
| Buildings | \$ 4,493,729 | - | | \$ 4,493,729 |
| Vehicle | 1,978,344 | - | | 1,978,344 |
| Equipment | 432,034 | | | 432,034 |
| Total Capital Assets, depreciable | \$ 6,904,097 | - | | \$ 6,904,097 |
| Less Accumulated Depreciation for: | | | | |
| Buildings | (76,772) | | | (76,772) |
| Equipment | (131,476) | | | (131,476) |
| Vehicles | (1,466,151) | - | | (1,466,151) |
| Total Accumulated Depreciation | (1,674,399) | | | (1,674,399) |
| Capital Assets, Net | \$ 5,229,698 | \$ | \$ | \$ 5,229,698 |

A Governmental Activities

A summary of Changes in capital assets of Business – Type activities of the Village is as follows:

| | Balance at 4/30/18 | Additions | Deletions | Balance at 4/30/19 |
|------------------------------------|-----------------------|-----------|-----------|-----------------------|
| Capital Assets, depreciable: | | | | |
| Land | \$ 3,688 | | | 3,688 |
| Construction in Progress | 3,945,371 | | | 3,945,371 |
| Buildings | 7,333,889 | - | \$ | \$ 7,333,889 |
| Vehicle | 41,371 | | | 41,371 |
| Equipment | 305,841 | - | | 305,841 |
| Total Capital Assets, depreciable | \$ 11,630,160 | - | | \$ 11,630,160 |
| Less Accumulated Depreciation for: | | | | |
| Buildings | (2,543,999) | | | (2,543,999) |
| Equipment | (1,226) | | | (1,226) |
| Vehicles | | | | 0 |
| Total Accumulated Depreciation | (2,545,225) | | | (2,545,225) |
| Capital Assets, Net | \$ 9,084,935 | \$ | \$ | \$ 9,084,935 |

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies - (Continued)

E. Assets, Liabilities, Net Assets or Equity (Continued)

6. Compensated Absences

The Village has a formal written policy on the accumulation of vacation and personal time. The policy covers all employees who are not covered under other formal plans of the Village. Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacation accrued throughout the year can be taken until December 31 of the subsequent year.

The policy for sick leave does not provide for payment upon termination of an employee, therefore, no liability is required for unpaid sick leave as of the year ended. The remaining liability for the accumulated vacation pay is accounted for in the government-wide balance sheet. Data was not accessible to calculate the accrued obligation as of the fiscal year ended April 30, 2019.

.Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported liabilities in the applicable governmental or business-type activities and in the proprietary fund Statement of Net Assets. In the fund financial statements, governmental funds recognize bond issuance costs during the year the bonds are sold. 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.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

7. Lease Agreements

The Village leases office equipment and maintenance equipment under a lease agreement with a non-related third party. These obligations are accounted for as an operating lease.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

1. Summary of Significant Accounting Policies - (Continued)

E. Assets, Liabilities, Net Assets or Equity (Continued)

9. Net Assets/Fund Balance

Fund balance reserves represent amounts that are not appropriable or that are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

10. Accounting Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The Village follows these procedures in establishing the budgeting data reflected in the financial statements.

- a) The Treasurer submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures/expenses and the means of financing them
- b) Public hearings are conducted to obtain taxpayer comments
- c) The budget is legally enacted through passage of an appropriation ordinance

The Treasurer is authorized to transfer budgeted amounts between departments within any fund; however, revisions that alter the total expenditures of any fund must be approved by the Village Board.

- d) Formal budgetary integration is employed as a management control device during the year

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

A. Budgetary Information (Continued)

- f) Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles
- g) Appropriations lapse at the end of the fiscal year
- h) The budget amounts are as originally adopted by the Village Board

B. Excess Expenditures — Budget vs. Actual and Deficit Fund Equity

The Village budgets revenue, expenditures/expenses and transfers based on anticipated funds to be received. Budgets reflect gains or losses, by fund, for each fiscal year.

Deficit fund balances existed in the following funds:

| Fund | Fund Balance |
|-----------------|----------------|
| General Fund | \$(13,215,459) |
| Capital Project | \$ (553,519) |

The deficits will be funded by future bond issues to be used for working capital and taxes collected.

3. Property Taxes

The Village's property tax becomes a lien on real property on January 1, of the year it is levied. The Cook County Assessor (Assessor) is responsible for the assessment of all taxable real property within Cook County (County), except for certain railroad property assessed directly by the State. The County Board has established

a triennial cycle of reassessment in which one-third of the County will be reassessed each year on a repeating schedule established by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the State. Each year, the Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment among counties. This factor (Equalization Factor) is then applied to the Assessed Valuation to compute the valuation of property to which a tax rate will be applied (Equalized Assessed Valuation). The County Clerk adds the Equalized Assessed Valuation of all real property in the County to the valuation of property assessed directly by the State (to which the Equalization Factor is not applied) to arrive at the base amount (Assessment Base) used in calculating the annual tax rates.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

The County Clerk computes the annual tax rate by dividing the levy by the Assessment Base and then computes the rate for each parcel of real property by aggregating the tax rates of all governmental. Units having jurisdiction over that particular parcel. The County Treasurer then issues the tax bills. Property taxes are deposited with the County Treasurer, who remits to the Village its respective share of collections. Taxes levied in one year become due and payable in two installments during the following year on March 1 and August 1 or 30 days from mailing of tax bills if later than July 1. The first installment is estimated and is one-half of the prior year's tax bills. The second installment is based on the current levy, assessment and equalization and also reflects any changes from the prior year.

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by its Village Board. However, proceeds from a specific levy are generally not available for use until the subsequent fiscal year. It is the Village's budgetary practice to consider the proceeds from a given tax levy as being available to finance operations of the fiscal year in which the majority of the levy is collected. Accordingly, taxes receivables are included in the balance sheet upon enactment of the annual tax levy, but the recognition of revenue is deferred until the following fiscal year.

Long-Term Debt Obligations

A. Governmental Activities:

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2019.

6 Other fund Disclosure (Fund Financial Statements)

Interfund receivables and Payables: The following balances at April 30, 2019, represents due from/to balances among all funds

| Fund Type | Due From | Due to |
|--------------------------|---------------------|---------------------|
| Governmental Funds | | |
| Major funds | \$ 2,325,718 | \$ 0 |
| Total Governmental funds | <u>2,325,718</u> | <u>0</u> |
| Business-Type Activities | | |
| Water | 0 | 2,325,718 |
| Total Business-Type Fund | <u>0</u> | <u>2,325,718</u> |
| Total | <u>\$ 2,325,718</u> | <u>\$ 2,325,718</u> |

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

The balances resulted from the time lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) Payments are made.

7 Long- Term Obligations

A Governmental Activities

The following is a summary of long-term obligation activity or the Village associated with governmental activities for the year ended April 30, 2019

| | Balance May 1, 2018 | Additions | Retirements | Balance April 30, 2019 | Due Within One Year |
|---------------|------------------------|-----------|------------------|---------------------------|------------------------|
| Bonds Payable | 78,750 | | 11,250 | 67,500 | 67,500 |
| Loan Payable | 132,939 | | - | 132,939 | 132,939 |
| Judgements | 60,000 | | - | 60,000 | 60,000 |
| Total | \$ 271,689 | | \$ 11,250 | \$ 260,439 | \$ 260,439 |

13 Business- Type Activities

The following is a summary of long-term obligation activity or the Village associated with business-type activities for the year ended April 30, 2019

| | Balance May 1, 2018 | Additions | Retirements | Balance April 30, 2019 | Due Within One Year |
|-----------------|------------------------|-----------|-------------------|---------------------------|------------------------|
| Bond Payable | \$ 4,185,000 | | \$ 217,631 | 3,967,369 | \$ 45,000 |
| City of Chicago | 14,081,077 | | | 14,081,077 | 151,521 |
| Total | \$ 18,645,955 | | \$ 784,878 | 18,266,077 | \$ 196,521 |

D. Governmental Activities - Loan Payable

On December 8, 2004, the Village entered into a loan agreement with Illinois Finance Authority in the amount of \$225,000 where the funds were used to purchase a 2004 rescue pumper. There are no interest payments required under this loan agreement and the loan matures in November of 2027, As of April 30, 2019, the outstanding balance of this note is \$ 67,500.

On April 1,2013 the Village issued \$ 175,000 General Obligation Bonds, Series 2013 for the creation of a tax escrow account, the bonds bear an interest rate of 3.0 percent and are subject to mandatory redemption at a price of par and accrued interest, without premium. As of April 30, 2019, the outstanding balance of the bonds is \$132,939.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

The judgments payable liability will be paid from the general fund. The \$60,000 in new additions to judgments are the Village's portion of the settlement agreement. The Village's insurance provider covered an additional \$90,000 in the settlement.

H Business- Type Activities- Bond Payable

On March 31, 2009, the village executed an agreement with the U.S Department of Agriculture to receive up to \$4,500,000 in funds. The Village would use the funds to make sewer improvements. Principal payments would be made in Installments of \$45,000. As of April 30, 2019, the village has outstanding balance of \$3,967,369

I Business - Type Activities- Bond Payable and Interest payments

The following is schedule of the future principal and interest payments to retire the Long-term obligations outstanding at April 30, 2019 associated with business-type activities:

| Fiscal Year | Principal | Interests | Total |
|--------------|---------------------|---------------------|---------------------|
| 2019 | 45,000 | 173,559 | 218,559 |
| 2020 | 90,000 | 171,703 | 261,703 |
| 2021-2025 | 450,000 | 807,469 | 1,257,469 |
| 2026-2030 | 450,000 | 714,656 | 1,164,656 |
| 2031-2035 | 630,000 | 613,491 | 1,243,491 |
| 2036-2040 | 720,000 | 477,984 | 1,197,984 |
| 2041-2045 | 900,000 | 315,563 | 1,215,563 |
| 2046-2049 | 900,000 | 115,088 | 1,015,088 |
| Total | \$ 4,185,000 | \$ 3,339,513 | \$ 7,574,513 |

Business-Type Activities- City of Chicago Settlement

On September 10, 2013, the Village entered into an agreement with the City of Chicago to repay the city water charges incurred that had not been paid. The Village is to make 360 monthly payments to the City of Chicago totaling \$7,188,563. The monthly payments are \$8,913 for the first 60 months, \$18,628 for the next 180 months covering two delinquent accounts, \$31,963 for the months 241-300 covering three delinquent accounts and \$23,050 for the final 60 months for two delinquent accounts. The monthly payments are to be made by the 15th of each month starting September 15 with the last payment scheduled for August 15, 2043. the following

| Months | Account1 | Account 2 | Account 3 | Monthly Payment | Total Payments |
|--------------|----------|-----------|-----------|-----------------|---------------------|
| 20-60 | \$8,913 | | | \$ 8,913 | \$ 401,085 |
| 61-120 | 8,913 | 9,715 | | 18,628 | 1,117,668 |
| 121-180 | 8,913 | 9,715 | | 18,628 | 1,117,668 |
| 181-240 | 8,913 | 9,715 | | 18,628 | 1,117,668 |
| 241-300 | 8,913 | 9,715 | 13,335 | 31,963 | 1,917,779 |
| 301-360 | | | 13,335 | 23,050 | 1,383,000 |
| Total | | | | | \$ 7,054,868 |

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

6. Pension and Retirement Fund Commitments

A. Plan Descriptions:

Illinois Municipal Retirement Fund

Plan Description — The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org. *Funding Policy* — As set by statute, employees are required to contribute 4.50 percent of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member

6. Pension and Retirement Fund Commitments — (Continued)

contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2018 was 6.13 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute. *Annual Pension Cost* — The required contribution for calendar year 2018 was \$16,073. For calendar year ending December 31, 2018, the employer's actual contributions for pension cost for the Regular Plan were:

The required contribution for 2018 was determined as part of the December 31, 2016 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2016 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.50% a year, attributable to inflation, (c) additional projected salary increased ranging from .4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular Plan's unfunded actuarial accrued liability at December 31, 2016 is being amortized as a level percentage of projected payrolls on an open 26-year basis.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

Three — Year Trend Information for the Regular Plan

| Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-------------|------------------------------|----------------------------------|---------------------------|
| 12/31/2018 | \$ 16,073 | 100% | \$ |
| 12/31/2017 | 33,687 | 100% | |
| 12/31/2016 | 35,116 | 100% | |

Z. Pension and Retirement Fund Commitments — (Continued)

A. Plan Descriptions (Continued)

Funded Status and Funding Process — As of December 31, 2018, the most recent actuarial valuation date, the Regular Plan was 124.82 percent funded. The actuarial accrued liability for benefits was \$975,999 and the actuarial value of assets was \$1,218,281 resulting in an overfunded actuarial accrued liability (UAAL) of 242,282. The covered payroll for the calendar year 2018 (annual payroll of active employees covered by the plan) was \$262,210. Because the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

The schedule of funding progress, presented as required supplemental information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

B. Prior Period Adjustments

The fund balance of the governmental activities has been restated at May 1, 2018 due to the adjustment to accrued expenses, capital assets, deferred property taxes and property tax receivable.

| | <u>Governmental Activities</u> |
|--------------------------------------|--------------------------------|
| Fund Balance April 30, 2018 | \$ 3,840,109 |
| Adjustments | (1,540,721) |
| Fund Balance Restated April 30, 2019 | 861,903 |

S. Pension and Retirement Fund Commitments- (continued)

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

A. Plan Descriptions (Continued)

Value of the plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments *over* a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular Plan's unfunded actuarial accrued liability at December 31, 2018 is being amortized as a level percentage of projected payrolls on an open 30-year basis.

| | Illinois Municipal Retirement Fund |
|--|------------------------------------|
| Annual Required Contributions | \$ 16,073 |
| Interest on Net Pension Obligations | -0- |
| Adjustment to Annual Required | (-0-) |
| Contribution Annual Pension Cost | 16,073 |
| Contributions Made | 16,073 |
| Increase in Net Pension Obligation (liability) | -0- |
| Net Pension Obligation (liability), Beginning of | -0- |
| Year Net Pension Obligation (asset), End of Year | \$ -0- |

Funded Status and Funding Process -As of December 31, 2018, the most recent actuarial valuation date, the Regular Plan was 147.68 percent funded. The actuarial accrued liability for benefits was \$975,999 and the actuarial value of assets was \$1,218,281 resulting in an underfunded actuarial accrued liability (UAAL) of (\$242,282). The covered payroll for the calendar year 2018 (annual payroll of active employees covered by the plan) was \$262,210. Because the plan is overfunded, there is no ratio of the BAAL to the covered payroll.

The schedule of funding progress, presented as required supplemental information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Firefighters' Pension Fund

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The Firefighters' Pension plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement.

8. Pension and Retirement Fund Commitments-(Continued)

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

Plan Descriptions (Continued)

The monthly pension shall be increased by one-twelfth of 1% of such monthly service for each additional month over 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age of 55, by 3% of the original pension and 3% annually thereafter.

Covered employees are required to contribute 8.25% of their salary to the Firefighters' Pension Plan, If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts (not less than 9.25%) necessary to finance the plan as actuarially determined by an enrolled actuary.

At April 30, 2018, the date of the latest actuarial valuation, the Firefighters' Pension Plan membership consisted of the following:

| | |
|---|---|
| Retirees and Beneficiaries Currently Receiving Benefits | 0 |
| Active Plan Members | 1 |
| Total | |

Police Pension Fund

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and

employer contribution levels are governed by the Illinois State Statutes and may have amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The Police Pension plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

8. Pension and Retirement Fund Commitments-(Continued)

A. Plan Descriptions (Continued)

The monthly pension 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% of the original pension and 25 simple interest annually thereafter.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

Covered employees are required to contribute 9.91% as mandated by Illinois statutes 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.

At April 30, 2018, the date of the latest actuarial valuation, the Police Pension Plan membership consisted of the following:

| | |
|---|----------|
| Retirees and Beneficiaries Currently Receiving Benefits | 2 |
| Active Plan Members | 0 |
| Total | <u>2</u> |

9. Contingent Liabilities

According to the Village's attorney for the daily affairs of the Village, the Village is a defendant in various lawsuits. Several of the lawsuits have been settled in the fiscal year subsequent to the one presented in this report. The outcome of the various other lawsuits is presently not determinable, and management is unable to assess how these matters will affect the financial condition of the Village.

10. Prior Period Adjustments

The fund balance of the following categories of funds has been restated at May 1, 2017 due to the adjustment of accounts payable and bonds payable.

Pronouncements Issued But Not Yet Adopted

GASB Statement No. 72, *Fair Value Measurement and Application*, will be effective for the Village beginning with its year ended April 30, 2018. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*, will be effective for the Village beginning with its year ended April 30, 2018, except those provisions that address employers and governmental non-employer contributing entities for pension that are not within the scope of GASB Statement No. 68, which are effective for the Village beginning with its year ended April 30, 2018. This statement will establish requirements for those pension and pension plans that are not administered through a trust meeting specified criteria. GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, will be effective for the Village beginning with its year ended April 30, 2018. This statement will establish rules on reporting by OPEB plans that administer benefits on behalf of governments.

VILLAGE OF ROBBINS, ILLINOIS

Notes to Financial Statements

April 30, 2019

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (Employer), will be effective for the Village beginning with its year ended April 30, 2019. This statement outlines reporting by governments that provide OPEB to their employees and other governments.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective for the Village with its year ended April 30, 2018. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. GASB Statement No. 77, *Tax Abatement Disclosures*, will be effective for the Village beginning with its year ended April 30, 2018. This Statement requires disclosures of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. Management has not determined the impact, if any; the above Statements will have on the financial position and results of operations of the Village.

ILLINOIS MUNICIPAL RETIREMENT FUND

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Liability (AAL) Entry Age (b) | Unfunded (Overfunded) AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|--------------------------|-------------------------------|---|--|--------------------|---------------------|---|
| 12/31/2018 | \$ 1,218,281 | \$ 975,999 | \$ (242,282) | 124.82% | \$ 262,210 | 0.00% |
| 12/31/2017 | 1,171,954 | 904,012 | (267,942) | 129.64% | 445,594 | 0.00% |
| 12/31/2016 | 1,051,359 | 981,042 | (70,317) | 107.17% | 546,976 | 2.46% |

Three — Year Trend Information for the Regular Plan

| Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-------------|---------------------------|-------------------------------|------------------------|
| 12/31/2018 | \$ 5,845 | 100% | \$ 0 |
| 12/31/2017 | 7,197 | 100% | 0 |
| 12/31/2016 | \$ 6,237 | 0% | 0 |

On a market value basis, the actuarial value of assets as of December 31, 2018 is \$1,069,908. On a market basis, the funded ratio would be 109.62%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the Village. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

VILLAGE OF ROBBINS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS & EMPLOYER CONTRIBUTIONS
April 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 1. Budgetary Data

A budget to actual comparison is presented for the General Fund, Road and Bridge Fund, Motor Fuel Tax Fund, and TIF Fund. These budgets are prepared on the modified accrual basis method of accounting. This is the same basis used in financial reporting for the various Village's Funds. This allows for comparability between the budget and actual amounts.

TIF Fund

The Village has an outstanding bond payable to cover legal fees for a former attorney. Those fees range from general operation activities to providing legal opinions for the TIF Fund as supporting documentation. A portion of the bonds payable should be allocated to the TIF Fund. At the time of this report, the amount *was* not readily determinable.

12. Subsequent Events

Pronouncements Issued But Not Yet Adopted

GASB Statement No. 72, *Fair Value Measurement and Application*, will be effective for the Village beginning with its year ended April 30, 2019. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

VILLAGE OF ROBBINS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2019

| | Original and Final Budget | Actual Amounts (Budgetary Basis) | Variance Over/(Under) |
|-------------------------------------|------------------------------|-------------------------------------|--------------------------|
| Revenues | | | |
| Property Taxes | \$ 700,000 | \$ 795,750 | \$ 95,750 |
| Utility and Other Local Taxes | 675,000 | 186,433 | (488,567) |
| State Income and Local use Tax | 450,000 | 809,624 | 359,624 |
| State Replacement Tax | 6,000 | - | (6,000) |
| Licenses | 107,300 | 16,306 | (90,994) |
| Permits | 373,800 | 43,291 | (330,509) |
| Fines and Forfeitures | 157,300 | 136,125 | (21,175) |
| Flea Market | 135,000 | - | (135,000) |
| Host Benefits | 900,000 | - | (900,000) |
| Fees and Service Charges | 467,000 | 167,815 | (299,185) |
| Interest | 5,000 | 201 | (4,799) |
| Other | 50,000 | 23,755 | (26,245) |
| Grants Program & Municipal Bond | 8,042,193 | - | (8,042,193) |
| Miscellaneous | - | 538,716 | 538,716 |
| Amount Available for Appropriation | <u>\$ 12,068,593</u> | <u>\$ 2,718,016</u> | <u>\$ (9,350,577)</u> |
| Expenditures | | | |
| Salaries | 452,200 | 1,655,326 | (1,203,126) |
| Benefits | 87,000 | - | 87,000 |
| Maintenance | 125,000 | 77,572 | 47,428 |
| Auditing | 60,000 | 38,950 | 21,050 |
| Professional/Legal Services | 350,000 | 228,928 | 121,072 |
| Unemployment & Workers Compensation | 50,000 | 65,614 | (15,614) |
| Telephone | 30,000 | 39,746 | (9,746) |
| Publishing, printing & Postage | 50,500 | 22,485 | 28,015 |
| Bank Charges | - | 254,388 | (254,388) |
| Other Professional Services | - | 357,379 | (357,379) |
| Training, Travel and Meetings | 20,000 | 856 | 19,144 |
| Retirement Contribution | - | 45,114 | (45,114) |
| Utility | 63,500 | - | 63,500 |
| Contracted Services | 20,000 | 63,975 | (43,975) |
| Insurance Premiums | 141,500 | 271,913 | (130,413) |
| Equipment Rental | 28,600 | 4,020 | 24,580 |
| Gasoline | 96,000 | 98,220 | (2,220) |
| Automobile Allowance | - | 6,973 | (6,973) |
| Supplies | 60,500 | 126,302 | (65,802) |
| Capital Outlay-Building | 100,000 | - | 100,000 |
| Capital Outlay-Equipment | 50,000 | - | 50,000 |
| Miscellaneous | - | 39,612 | (39,612) |
| Dues & Public Relation | 24,000 | - | 24,000 |
| Total General Government | <u>\$ 1,808,800</u> | <u>\$ 3,397,373</u> | <u>\$ (1,588,573)</u> |

See attached financial statement notes

**VILLAGE OF ROBBINS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2019**

| | Budget | Actual | Variance Over/(Under) |
|-----------------------------------|------------------|------------------|--------------------------|
| Expenditures | | | |
| Salary | 201,400 | - | (201,400) |
| Worker's Compensation | 2,000 | - | (2,000) |
| Social Security & Medicare | 9,000 | - | (9,000) |
| Dues | 1,000 | - | (1,000) |
| Maintenance Service | 6,500 | - | (6,500) |
| Unemployment Insurance | 6,000 | - | (6,000) |
| Engineering Service & Supervision | 25,000 | - | (25,000) |
| Life Insurance | 1,000 | - | (1,000) |
| Gasoline | - | - | - |
| Total Building/Code Enforcement | 251,900 | - | (251,900) |
| Total General Government | 2,060,700 | 3,397,373 | (302,400) |

Expenditures

Public Safety:

Police Department

| | | | |
|----------------------------------|------------------|----------------|----------------|
| Salaries | 715,000 | - | 715,000 |
| Benefits | 79,000 | 170 | 78,830 |
| IMRF Contribution | 18,000 | - | 18,000 |
| Worker's Compensation | 50,000 | 18,546 | 31,454 |
| Legal Service | | 80,519 | |
| Liability Insurance | | 20,681 | |
| Other Professional Services | | 41,466 | |
| Unemployment Insurance Insurance | 10,000 | - | 10,000 |
| Uniform Allowance | 15,000 | - | 15,000 |
| Maintenance | 85,000 | 19,650 | 65,350 |
| Life Insurance | 5,000 | - | 5,000 |
| Telephone | - | 121 | (121) |
| Training | 5,000 | 2,250 | 2,750 |
| Liability Insurance | - | 20,681 | (20,681) |
| Supplies | - | 5,119 | (5,119) |
| Capital Outlay-Building | 20,000 | - | 20,000 |
| Capital Outlay-Equipment | 50,000 | - | 50,000 |
| Capital Outlay-Vehicle | 70,000 | - | 70,000 |
| Miscellaneous | - | 2,007 | (2,007) |
| Maintenance/Repairs/Leases | - | 6,962 | (6,962) |
| Total General Government | 1,122,000 | 218,172 | 903,828 |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2019

| | Original and Final Budget | Actual Amounts (Budgetary Basis) | Variance Over/(Under) |
|---------------------------------------|------------------------------|-------------------------------------|--------------------------|
| Chargres to Appropriation (Outflows): | | | |
| Fire Department | | | |
| Salary | 515,000 | \$ - | \$ 515,000 |
| Benefits | 59,500 | 59 | \$ 59,441 |
| Other Professional Services | 75,000 | 4,392 | (70,608) |
| Uniform Allowance | 20,000 | 6,490 | (13,510) |
| Maintenance | 130,000 | 31,011 | (98,989) |
| Legal Services | - | 12,000 | 12,000 |
| Equipment | - | 141,967 | 141,967 |
| Worker's Compensation | 50,000 | - | (50,000) |
| Training | 8,000 | 1,000 | (7,000) |
| Supplies | 20,000 | 568 | (19,432) |
| Unemployment Insurance | 15,000 | - | (15,000) |
| Life Insurance | 1,000 | - | (1,000) |
| Gasoline and Diesel Fuel | - | 2,060 | 2,060 |
| Miscellaneous | - | 649 | 649 |
| Total Fire Department | \$ 893,500 | \$ 200,196 | \$ 455,578 |
| Total Public Safety | | | |
| | | | |
| Public Works | | | |
| Salaries | 328,000 | - | 328,000 |
| Benefits | 21,000 | - | 21,000 |
| Unemployment Insurance | 7,500 | - | 7,500 |
| Maintenance | 110,000 | 7,357 | 102,643 |
| Professional Services | 85,000 | 1,253 | 83,747 |
| Training | 5,000 | - | 5,000 |
| Garbage Disposal | - | 237,318 | (237,318) |
| Training | 5,000 | - | 5,000 |
| Uniforms | 7,000 | - | 7,000 |
| Signs | 15,000 | - | 15,000 |
| Equipment Rental | 45,000 | - | 45,000 |
| Publishing & Printing | - | 1,817 | (1,817) |
| Materials-Street & Alley Maintenance | 50,000 | - | 50,000 |
| Utilities | - | 28,733 | (28,733) |
| Supplies | - | 36,418 | (36,418) |
| Capital Outlay-Building | 300,000 | - | 300,000 |
| Capital Outlay-Equipment | 200,000 | - | 200,000 |
| Capital Outlay-Vehicle | 135,000 | - | 135,000 |
| Gasoline and Diesel Fuel | - | 690 | (690) |
| Miscellaneous | - | 404 | (404) |
| Total Pubic Works | \$ 1,313,500 | \$ 313,990 | \$ 999,510 |
| Total General Fund Expenditures | | | |
| Excess (Deficiency) | \$ (420,000) | \$ (113,794) | \$ 1,455,088 |

See attached financial statement notes

**VILLAGE OF ROBBINS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND**

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

For the Year Ended April 30, 2019

| | Original and Final Budget | Actual Amounts (Budgetary Basis) | Variance Over/(Under) |
|--------------------------------------|------------------------------|-------------------------------------|-----------------------|
| Other Financing Uses | | | |
| Accrued Expenses | - | - | - |
| Debt Services Interest | - | - | - |
| Debt Services Principal | - | - | - |
| Total other Financing Uses | - | - | - |
| | | | |
| Net Change in Fund Balance | <u>6,678,893</u> | <u>(1,411,715)</u> | <u>(6,958,844)</u> |
| | | | |
| Fund Balance - May 1, 2018 | - | <u>(11,794,947)</u> | |
| | | | |
| Fund Balance - April 30, 2019 | | <u><u>(13,206,662)</u></u> | |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2019

| | Budget | Actual | Variance Over/(Under) |
|---|---------------------|---------------------|--------------------------|
| Revenues | | | |
| Property Taxes | - | 5,278 | 5,278 |
| Vehicle License | 50,000 | 29,692 | (20,308) |
| Refuse | 415,000 | 313,927 | (101,073) |
| Flea Market | 135,000 | - | (135,000) |
| Other | 2,000 | 276 | (1,724) |
| | | | - |
| Total Revenues | \$ 602,000 | \$ 349,173 | \$ (252,827) |
| Expenditures | | | |
| Printing | 5,000 | - | 5,000 |
| Garbage Disposal | 600,000 | 92,549 | 507,451 |
| Landfill Charges | 50,000 | | 50,000 |
| Debt Service | 600,000 | | 600,000 |
| Miscellaneous | - | 214 | (214) |
| Total Expenditures | \$ 1,255,000 | \$ 92,763 | \$ 1,162,237 |
| Excess of Expenditures over Revenues | (653,000) | 256,410 | (396,590) |
| Other Financing Sources: | | | |
| Transfer Out | - | 2,824 | - |
| Net Change in Fund Balance | (653,000) | 259,234 | (396,590) |
| Fund Balance - May 1, 2018 | | 865,096 | |
| Fund Balance - April 30, 2019 | | \$ 1,124,330 | |

See attached financial statement notes

VILLAGE OF ROBBINS ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
TAX INCREMENT FINANCING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
For the Year Ended April 30, 2019

| | Budget | Actual | Variance Over/(Under) |
|---|-------------------|---------------------|--------------------------|
| Revenues | | | |
| TIF | 200,000 | 373,988 | 173,988 |
| Interest Income | 2,000 | 148 | (1,852) |
| Total Revenues | <u>\$ 202,000</u> | <u>\$ 374,136</u> | <u>\$ 172,136</u> |
| Expenditures | | | |
| Salary - TIF Coordinator | 55,000 | | 55,000 |
| Auditor Service | 7,500 | | 7,500 |
| Legal Service | 50,000 | | 50,000 |
| Other Professional Service | - | - | - |
| Marketing and ommuniation | 40,000 | | |
| Business Incentives/Economic | 106,200 | | |
| Technology Improvement | 100,000 | - | |
| Capital Improvements | 400,000 | 617,892 | |
| Premiums | - | - | - |
| Total Expenditures | <u>\$ 758,700</u> | <u>\$ 617,892</u> | <u>\$ 112,500</u> |
| Excess of Expenditures over Revenues | <u>(556,700)</u> | <u>(243,756)</u> | <u>284,636</u> |
| Other Financing Sources: | | | |
| Transfer Out | - | - | - |
| Net Change in Fund Balance | <u>(556,700)</u> | <u>(243,756)</u> | <u>284,636</u> |
| Fund Balance - May 1, 2018 | | <u>3,208,755</u> | |
| Fund Balance - April 30, 2019 | | <u>\$ 2,964,999</u> | |

See attached financial statement notes

**VILLAGE OF ROBBINS ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
MOTOR FUEL TAX**

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

For the Year Ended April 30, 2019

| | Budget | Actual | Variance Over/(Under) |
|---|-------------------|-------------------|--------------------------|
| Revenues | | | |
| Motor Fuel Tax | 258,000 | 170,289 | (87,711) |
| Total Revenues | <u>\$ 258,000</u> | <u>\$ 170,289</u> | <u>\$ (87,711)</u> |
| Expenditures | | | |
| Drain Correction | 20,000 | | 20,000 |
| Tree Trimming & Removal | 10,000 | | 10,000 |
| Sidewalk Removal & Replacement | 41,000 | | 41,000 |
| Engineering Services | 20,000 | 36,683 | (16,683) |
| Snow Removal | 20,000 | - | 20,000 |
| Street & Alley | 30,000 | 251,710 | (221,710) |
| Street Signs | 40,000 | 3,829 | 36,171 |
| Utility-Electric | 47,000 | - | 47,000 |
| | | - | |
| Premiums | - | - | - |
| Total Expenditures | <u>\$ 228,000</u> | <u>\$ 292,222</u> | <u>\$ (64,222)</u> |
| Excess of Expenditures over Revenues | <u>30,000</u> | <u>(121,933)</u> | <u>(151,933)</u> |
| Other Financing Sources: | | | |
| Transfer Out | - | - | - |
| Net Change in Fund Balance | <u>30,000</u> | <u>(121,933)</u> | <u>(151,933)</u> |
| Fund Balance - May 1, 2018 | | <u>905,787</u> | |
| Fund Balance - April 30, 2019 | | <u>\$ 783,854</u> | |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
For the Year Ended April 30, 2019

| | Municipal Economic Development | | CDBG | Community Projects | | Dept. of Justice | Scholarship | Special Projects Fund | | Fire Cadets | Total 2018 |
|--|--------------------------------|-------------------|---------------|--------------------|------------------|------------------|-------------|-----------------------|-------------------|-------------|------------|
| | | | | | | | | | | | |
| Assets | | | | | | | | | | | |
| Cash | 283 | | 2,259 | 226 | 174 | 20,696 | - | 16 | | 23,654 | |
| Property Tax Receivable | - | | - | - | - | - | - | - | | - | |
| Due from other funds | - | | - | - | - | - | - | - | | - | |
| Total Assets | \$ 283 | \$ 2,259 | \$ 226 | \$ 174 | \$ 20,696 | \$ - | \$ - | \$ 16 | \$ 23,654 | | |
| Liabilities and Fund Balances | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | |
| Accounts Payables | - | | - | - | - | - | - | - | | - | |
| Accrued Taxes | - | | - | - | - | - | - | - | | - | |
| Due to Other Funds | - | | - | - | - | - | - | - | | - | |
| Total Liabilities | - | - | - | - | - | - | - | - | - | - | - |
| Fund Balances | | | | | | | | | | | |
| Nonspendable advances to other funds | 283 | | - | 226 | 174 | 20,656 | - | 16 | | 21,355 | |
| Restricted | - | | - | - | - | - | - | - | | - | |
| Assigned | - | | - | - | - | - | - | - | | - | |
| Total Fund Balances | 283 | 225,844 | 226 | 174 | 20,686 | - | 16 | 247,229 | | | |
| Total Liabilities and Fund Balances | \$ 283 | \$ 225,844 | \$ 226 | \$ 174 | \$ 20,686 | \$ - | \$ - | \$ 16 | \$ 247,229 | | |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 2019

| | Municipal Economic Development | CDBG | Community Projects | Dept. of Justice | Scholarship | Special Projects Fund | Fire Cadets | Total 2018 |
|--|--------------------------------------|---------------------|-----------------------|---------------------|------------------|--------------------------|---------------|---------------------|
| Revenues | | | | | | | | |
| Interest | 0.11 | - | - | - | 10.00 | - | 389.00 | 399.11 |
| Total Revenues | 0.11 | - | - | - | 10.00 | - | 389.00 | 399.11 |
| Expenditures | | | | | | | | |
| Maintenance Expense | - | - | - | - | - | - | - | - |
| Other Professional Services | - | - | - | - | - | - | - | - |
| Program Expenses | - | - | - | - | - | - | - | - |
| Tax Expense | - | - | - | - | - | - | - | - |
| Total Expenditures | - | - | - | - | - | - | - | - |
| Excess (deficiency) of Revenues over Expenditures | 0 | - | - | - | - | - | 389 | - |
| Other Financing Sources | | | | | | | | |
| Transfers In | - | - | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - |
| Total Other Financing Sources | - | - | - | - | - | - | - | - |
| Net Change in Fund Balance | 0 | - | - | - | - | - | 389 | 389 |
| Fund Balance May 1, 2018 | 2,236,537 | 1,039,238 | 525,108 | (33,992) | 35,916 | (18,134) | 16 | 3,784,689 |
| Fund Balance April 30, 2019 | \$ 2,236,537 | \$ 1,039,238 | \$ 525,108 | \$ (33,992) | \$ 35,916 | \$ (18,134) | \$ 405 | \$ 3,785,078 |

See attached financial statement notes

**VILLAGE OF ROBBINS, ILLINOIS
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
For the Year Ended April 30, 2019**

| | Capital Projects |
|--|---------------------|
| Assets | |
| Cash | \$ - |
| Due from other funds | - |
| Total Assets | \$ - |
| Liabilities and Fund Balances | |
| Liabilities | |
| Accounts Payables | - |
| Accrued Taxes | - |
| Due to Other Funds | - |
| Total Liabilities | - |
| Fund Balances | |
| Nonspendable advances to other funds | (553,519) |
| Restricted | - |
| Assigned | - |
| Total Fund Balances | (553,519) |
| Total Liabilities and Fund Balances | \$ (553,519) |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES
For the Year Ended April 30, 2019

| | <u>Capital Projects</u> |
|--|-------------------------|
| Revenues | |
| Interest | - |
| Total Revenues | \$ - |
| Expenditures | |
| Street and Roads | - |
| Miscellaneous | - |
| Total Expenditures | - |
| Excess (deficiency) of Revenues over Expenditures | - |
| Other Financing Sources | |
| Transfers In | - |
| Transfers Out | - |
| Total Other Financing Sources | - |
| Net Change in Fund Balance | - |
| Fund Balance May 1, 2017 | (553,519) |
| Fund Balance April 30, 2018 | \$ (553,519) |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
NON - MAJOR GOVERNMENTAL FUNDS
COMBINING BALLANCE SHEET
For the Year Ended April 30, 2019

| | Special Revenue Funds | Capital Projects | Total 2019 |
|---|--------------------------|------------------|------------|
| Assets | | | |
| Cash | - | - | - |
| Due From Other Funds | - | - | - |
| Total Assets | - | - | - |
| Liabilities | | | |
| Accounts Payable | - | - | - |
| Due to other funds | - | - | - |
| Total Liabilities | - | - | - |
| Fund Balance | | | |
| Nonspendable advances to other funds Restricted | - | | |
| Total Fund Balance | 3,784,689 | (553,519) | 3,231,170 |
| Total Liabilities and Fund Balance | 3,784,689 | (553,519) | 3,231,170 |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
NON - MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended April 30, 2019

| | Special Revenue Funds | Capital Projects | Total 2019 |
|---|--------------------------|------------------|------------|
| Revenues | | | |
| Motor Fuel Tax Allotments | - | - | - |
| Other Grants | - | - | - |
| Other Income | - | - | - |
| Interest | - | - | - |
| Total Revenues | - | - | - |
| Expenditures | | | |
| Maintenance Expenses | - | - | - |
| Other Professional Services | - | - | - |
| Street and Roads | - | - | - |
| Program Expenses | - | - | - |
| Total Expenditures | - | - | - |
| Excess Revenues over (Deficiency)over Expenditures | | | |
| Other Financing Sources | | | |
| Transfer in | - | - | - |
| Transfer out | - | - | - |
| Total Other Financing Sources | - | - | - |
| Net Change in Fund Balance | | | |
| Fund Balance - May 30, 2018 | 3,784,689 | (553,519) | 3,231,171 |
| Fund Balance - April 30, 2019 | 3,784,689 | (553,519) | 3,231,171 |

See attached financial statement notes

VILLAGE OF ROBBINS, ILLINOIS
Schedule of Compliance Findings
For the year Ended April 30, 2019

The Findings and resolutions when applicable are classified in the following categories:

(A): New Findings, (B): Prior Year audit Findings that have not been implemented

A: NEW FINDINGS

FINDING 2019-1: General Fund not Balanced

Condition:

The General Fund dis not balance to the General Ledger.

Condition:

The Village General Fund was out of balance in the amount of (\$1,667,663).

Effect:

With the system not in balance the financial statements are either overstated or understated.

Cause

The Village lacks effective accounting skills to make sure the various accounts are reconciled.

Recommendation

Village should hire an accountant with the skills to maintain the financial system.

Village Response

The Village plans the bring in an accountant to correct the general ledger problems.

FINDING 2017-1: (Repeated in 2019)

Unhallowed Transfer of Funds from Water Fund to General Fund in excess of \$182,332

Condition:

The Village routinely makes unallowed bank transfers from the Water fund to the General fund in as in the prior year. In the fiscal year ended April 30, 2018, the Village made unhallowed transfer of \$939,494 to General fund. This is money that should been used to pay down the outstanding water debt and penalties.

The Village owes the City of Chicago a cumulative amount of about \$14 million for unpaid water bill that span several years. The Village does not have payment plan in place to repay the amount owed.

Criteria

The revenue received by Water fund is restricted to specific payment of Water fund expenses. The Water and Sewage fund is an Enterprise fund and no part of General fund. Fund accounting requires these funds to be separate and maintain independent financial obligations.

VILLAGE OF ROBBINS, ILLINOIS

Schedule of Compliance Findings

For the year Ended April 30, 2019

Effect:

The Village will be required to account for all Water funds received and transferred to other funds for all previous years, net of qualified expenditures. The funds should be transferred to Water fund to meet its financial obligations.

Cause

The Village lacks effective internal control in accounting for its obligations and assuring that there is a Repayment plan for transfers made to other funds. Accounting functions were not performed for the fiscal year.

Recommendation

Village should determine and account for the cumulative amount of the fund transfers by year. It should also establish a repayment plan that would pay back the water fund without further delay.

Village Response

The Village discontinued the practice of transferring water related expenses to the general fund then paying water related expenses from that fund in the first quarter of 2018. The Village Council has also voted to increase water rates to cover the cost of the monthly water usage from the City of Chicago as well cover the outstanding debt over a 30 years period. We have also made timely payments of \$45,000 per month for the year beginning February 2018. The Village is currently negotiating a payment arrangement with the City of Chicago to pay off the current debt.

FINDING 2017-2: (Repeated in 2019)

Amounts of debt owed fund to Vendor not reflected on the Village financial statement

Condition:

The Village purportedly owes the cumulative amounts for two different accounts consisting \$5,686,465 and \$8,394,612.46 for a total of \$14,081,077.79 to City of Chicago. The amounts are supported by the City of Chicago billing, **(Repeated)**

Criteria:

General business practice requires that all financial obligations of organization be recorded to reflect the organization's general ledger. Also, effective internal control requires that all financial obligations be disclosed to assure that the financial statements are not misstated.

Effect

The Village's financial statement for the fiscal year was not fairly stated

Cause

The Village lacks effective internal control in accounting for its obligations and assuring that there is a repayment plan for transfers made to other funds, Accounting functions were not performed for the fiscal year.

Recommendation

The Village should establish effective internal controls over payroll and maintain proper accounting records. The Village should engage the services of a full-time competent accountant to maintain its accounting activities.

VILLAGE OF ROBBINS, ILLINOIS
Schedule of Compliance Findings
For the year Ended April 30, 2019

Village Response

The Village has addressed this concern by hiring a capable Accountant.

B: PRIOR YEAR FINDINGS THAT HAVE NOT BEEN IMPLEMENTED

FINDING 2017-2: Material Unrecorded Revenue, Receivables, Expenditures and Liabilities

Condition:

Invoices and other payment agreements are not logged to the accounts payable sub-ledger in a timely manner. A long-term debt agreement between the Village and an outside water consortium from August 2012 was not recorded until April 30, 2015. (Repeated)

Recommendation:

Management should establish procedures to log all invoices and payment agreements to ensure proper and timely recording to its sub-ledgers and ledgers.

This prior year audit finding recommendation has been implemented

FINDING 2016-4,

Check Register has Missing Checks, Incorrect Clearing Dates and turbid s Voided Checks as Active

Condition:

The Village's Check Register does not include all check: written; it has incorrect clearing dates for many checks and includes some voided checks as active.

Recommendation:

Criteria:

A good business practice requires, that all accounting transactions for an entity be documented, approved and recorded in the client general ledger accounting system.

Effect

Payroll expenses was not corrected stated in the financial statements.

Cause

Accounting services were not performed for the year.

VILLAGE OF ROBBINS, ILLINOIS
Schedule of Compliance Findings
For the year Ended April 30, 2019

Recommendation

The Village should establish effective internal controls over payroll and maintain proper accounting records. The Village should engage the services of a full-time competent accountant to maintain its accounting activities.

Village Response

The Village has addressed this concern by hiring a capable Accountant.

B: PRIOR YEAR FINDINGS THAT HAVE NOT BEEN IMPLEMENTED (Repeated in 2019

FINDING 2017-2: Material Unrecorded Revenue, Receivables, Expenditures and Liabilities

Condition:

Invoices and other payment agreements are not logged to the accounts payable sub- ledger in a timely manner. A long-term debt agreement between the Village and an outside water consortium from August 2012 was not recorded until April 30, 2015.

Recommendation:

Management should establish procedures to log all invoices and payment agreements to ensure proper and timely recording to its sub-ledgers and ledgers.

This primary year audit finding recommendation has been implemented

FINDING 2016-7: Advances from Tax Increment Financing TIF to other Village of Robbins have no documented repayment plan **(Repeated in 2019)**

Condition:

Funds have been advanced from the Tax Increment Finance Fund (TIF) to other Village of Robbins funds starting in fiscal year 2001, in the amount of \$2,690,707. During this time the Village has repaid \$317,517 in advanced funds to the 'CI Currently, the Village does not have a repayment plan in place to repay the remaining advanced balance of \$2,475,718

Criteria:

Tax Increment revenue received by the Village's TIP District is restricted to specific uses under the provisions of subsection (q) of Illinois Compiled Statutes 65 (II,CS) 5/1 1 774,4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1 142).

Effect:

The Village will be required to account for all Tax Increment Revenue received in the TIP Fund since inception, net of qualified expenditures since inception, at the close of the Tax increment Finance District which is scheduled to close by the end of 2017.

Cause:

The Village lacks documented repayment plan for advances from the TIF Fund in anticipation of the closing of

the TIP District

Recommendation:

The Village should immediately explore its options to raise funds to repay the funds advanced to other Village Funds from the TIF Fund and establish a repayment plan that will repay the outstanding advanced funds at the closing of the Tax Increment Financing District.

Village Response:

We concurred with the finding and the City Council is exploring credible options to repay the balance owed.

FINDING 2016-8: Approval of Customer Account Adjustments (Repeated in 2019)

Condition:

Village Accountant currently makes adjustments to accounts receivable balance without proper approval from management. This results in an incorrect balance in the financial statements,

Criteria:

All adjustments to customer accounts should require approval of an authorized Village manager.

Cause:

Lack of documented Procedures Manual that requires approval of customer account adjustments.

Effect:

Unauthorized adjustments to customer accounts subject the Village to fraud and losses.

Recommendation:

Procedures should be established to require all adjustments to customer accounts be approved by an authorized Village manager.

Village Response:

The Village personnel do *not* make adjustments to customer accounts receivable without proper approval from management. The auditor is referring to a million dollar write down to the water accounts receivable that I made. The accounts were beyond materially past due and showed no signs of immediate collectability. The auditor is wrong in that no customer account was written down. We merely wrote down the receivable in gross, never touching an individual account. Those accounts and balances are still in LOCIS waiting to be collected. Moreover, the Accountant discussed the matter with the Treasurer before making the adjustment. Including this balance as a viable receivable at year end is not in keeping with generally accepted accounting principles. We are questioning whether this finding should be eliminated.

We concurred with the finding and plan to implement the recommendation

FINDING 2016-9: Segregation of Duties (Repeated in 2019)

Condition:

In several areas of the Village operations, there is lack of segregation of duties among personnel functions. The extent to which the Village can segregate duties is limited to budgetary constraints number of personnel, skill sets, work load, and the relatively flat organizational structure of the Village. There are instances where the lack of segregation of duties is exacerbated by a lack of approval of transactions and oversight and results in the same person having responsibilities for cash collections, disbursements and hooking responsibilities to making journals and posting adjustments to customer accounts.

Criteria:

Segregation of duties refers to assigning tasks among personnel so that no one person handles initially all aspects of a transaction.

VILLAGE OF ROBBINS, ILLINOIS
Schedule of Compliance Findings
For the year Ended April 30, 2019

Cause:

Shortage of staff, lack of required approval of transactions and lack of oversight

Recommendation

Procedures should be established to require segregation of duties so that no one person handles substantially all aspects of a transaction and in cases where segregation of duties is not feasible, there should be sufficient approvals and oversight to mitigate risk.

Village Response:

This is a repeat finding from the prior year. Internal controls and the segregation of duties have improved since last year We concurred with the finding and plan to implement the recommendation.

FINDING 2016-10: Long-Term-Debt Payments are not Properly Scheduled for Payment

Condition:

The Village does not maintain a log and schedule for servicing the Village debt.

Criteria:

Debt Service should be maintained on a schedule to ensure timely payment.

cause:

The Village lacks procedures and/or a tickler system or repayment schedule for its debt service.

Effect:

The Village is subject to unnecessary late *fees* and/or additional interest charges.

Recommendation

:

The Village should establish procedures and a tickler system to alert staff of debt service due dates, In addition, the Village should maintain a schedule to ensure timely payment.

Village Response:

We concurred with the finding and plan to implement the recommendation.

Recommendation has been implemented

FINDING 2016-13: Fixed Assets ate not Recorded in the general ledger. (Repeat Finding in 2019)

Condition:

The Village does not maintain a fixed assets ledger. Assets are not capitalized in accordance with the Village's policies. Fixed asset balances, depreciation expense and accumulated depreciation were not determinable from management's records.

Criteria.

Fixed assets should he recorded at cost and depreciated per accounting principles generally accepted in t h United States of America.

VILLAGE OF ROBBINS, ILLINOIS
Schedule of Compliance Findings
For the year Ended April 30, 2019

Effect:

We are unable to render an opinion on the Village's fixed assets, cumulated depreciation and Depreciation expense

Cause

The Village does not have adequate fixed assets records.

Recommendation

Prepare a fixed assets inventory to record al 1 the Village's fixed assets. 2. Determine the cost and remaining useful life of each major asset. Review large purchases in the past 3-5 years to identify capitol assets that have been expensed.4. Record all assets in the appropriate asset class, calculate late accumulated depreciation and create a depreciation schedule for each asset. Establish written procedures for on-boarding fixed assets.

Village Response:

We concurred with the finding and plan to implement the recommendations.

FINDING 2016-14¹: Compliance relating auditing standards and Rural Utilities Service in accordance with United States Department of Agriculture (USDA) Bulletin 1700-0

Condition:

The Village did not adequately fund the reserve balance, required accounts to account for project funds were not set up, reporting requirements stated by Section 1780.47 (f) were not met and key documents were not retained as speculated by the Loan Agreement and "Letter of Conditions" between the USDA and the Village.

Criteria:

To comply with the requirements as stated in the Loan Agreement and the "Letter of Conditions between the USDA and the Village.

Cause:

The Village lacks key policies and procedures to ensure that all compliance requirements are met

Effect:

The Village is not in compliance with the Loan Agreement and "Letter of Conditions" betty on the USDA and the Village of Robbins, Illinois.

Recommendation:

The Village should immediately establish and implement a funding plan for its sewer System Improvement Project reserve account and develop policies and procedures to ensure that .111 reporting requirements are met in the future in a timely manner and documents and data are retained.

Village Response:

We concurred with the finding and plan to implement the recommendations.

VILLAGE OF ROBBINS, ILLINOIS
Schedule of Compliance Findings
For the year Ended April 30, 2019

C: NEW 2016 FINDINGS.

FINDING 2016-: Approved Fiscal Year Budget for Expenditures by Board of Trustees was untimely

Condition:

During our review of the minutes of the Board of Trustees for Fiscal Year beginning May 1", 2015 and ended April 30, 2016, we noted that the Board did not discuss and approve the Annual Budget Ordinance until July 28, 2015; this is a time in excess of three (3) months into the Fiscal Year. It

should be noted that the December approval may be good if the Village is on calendar year starting in January, but it is unacceptable for a Fiscal Year that started three (3) months earlier.

Criteria:

The Board and the Mayor should make a conscious decision to prepare and approve the Appropriation Budget Ordinance before the start of a Fiscal Year. As a practical matter, a budget for a Fiscal Year beginning May is: should be approved no later than April 1A, of the preceding year, The approved budget should have detailed line item expenditures by account so that it could be monitored against actual expenditures by Fund.

Cause:

The Mayor and the Board of Trustees are not aware of the importance of the timing for approval of the budgetary process for expenditures.

Effect:

Municipal funds are being spent on significant expenditures not budgeted, thereby depriving the tax payers from

The benefits of which their tax dollars should be us

It is recommended that Village of Robbins:

1. Ensure that each employee, when hired, has personnel Me created.
2. Check contents of current employee's personnel files and ensure that the documents contained are at least the necessary documents required by state and/or federal law. Copies of W-4s, new hire reports, documents checklists, copies of Social Security and Driver License or State ID, employee application, reference list, appointment letter, employee verification, contractor agreements, etc. must be contained in the files,

Village Response

We concurred with the finding and plan to implement the recommendations.

Finding 2016-19: (Repeated in 2019)

The Trial Balances provided by the Accountant were not in balance. Some asset accounts have credit balance while liability accounts have debit balances. These are abnormal balances that should have been investigated, reconciled and adjusted by the Accountant on monthly basis and definitely before the books are closed for the year.

Condition:

General ledger is not maintained and therefore the individual accounts that make lip the ledgers are not reconciled to any related any sub-ledger detail to ensure that the resulting financial statements are fairly stated.

VILLAGE OF ROBBINS, ILLINOIS

Schedule of Compliance Findings

For the year Ended April 30, 2019

Criteria:

To assure that financial statements properly reflect adjusted account balance and financial statements are fairly stated in conformity with generally accepted accounting standards.

Effect:

Auditor was unable to obtain the proper account balance for some account receivables and accounts payables reported in the financial statements.

Cause:

The accountant is not fully using the capabilities of the accounting software LOCIS system that the Village purchased for its accounting activities.

Recommendations:

We recommend additional training in the accounting software LOCIS system for the accounting personnel in order to have an adequate use of the accounting system that enhances the preparation of correct and reliable financial statements.

Village Response

We concurred with the finding and plan to implement the recommendation

Recommendation has not been implemented