VILLAGE OF MONTGOMERY, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
April 30, 2015

Prepared by:

Justin VanVooren
Director of Finance

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VILLAGE OF MONTGOMERY

Principal Officials
April 30, 2015

VILLAGE PRESIDENT

Matthew Brolley

VILLAGE TRUSTEES

Stan Bond	Peter Heinz	Doug Marecek
Denny Lee	Theresa Sperling	Steve Jungermann

VILLAGE ADMINISTRATOR

Jeff Zoephel

VILLAGE CLERK

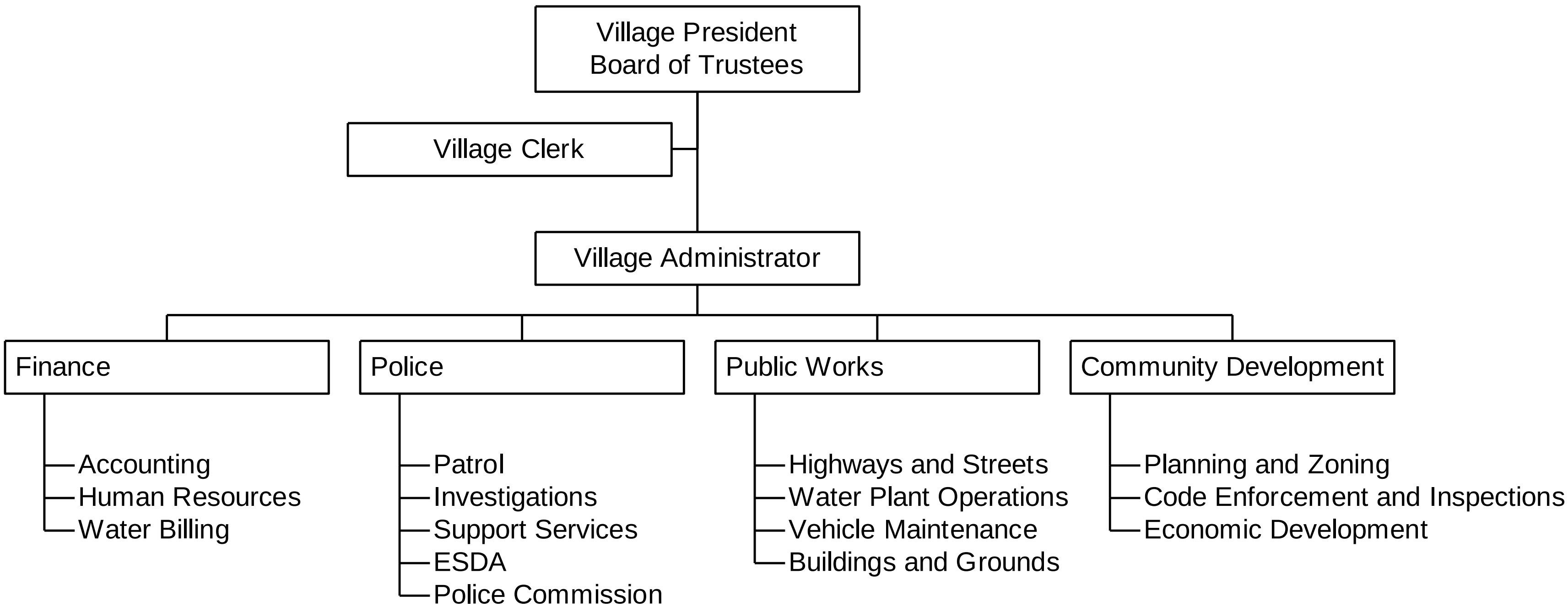
Tiffany Francis

DIRECTOR OF FINANCE

Justin VanVooren

VILLAGE OF MONTGOMERY, ILLINOIS

ORGANIZATION CHART



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Montgomery
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2014

Jeffrey R. Emer

Executive Director/CEO

Village of Montgomery

August 14, 2015

The Honorable Village President
Members of the Board of Trustees
Village Administrator
Citizens of the Village of Montgomery

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by an independent firm of certified public accountants. Pursuant to that requirement, the Comprehensive Annual Financial Report (CAFR) of the Village of Montgomery, Illinois (Village) for the fiscal year ended April 30, 2015, is hereby submitted.

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

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village for the year ended April 30, 2015, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the Village's financial statements for the fiscal year ended April 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Village of Montgomery

The Village of Montgomery is a growing community nestled along the banks of the Fox River in northern Illinois, located in both southern Kane and northern Kendall counties. Situated approximately 40 miles southwest of Chicago, the Village is bordered by Aurora to the north and east, Oswego and Boulder Hill to the south, Sugar Grove to the northwest, and Yorkville to the southwest. Montgomery also sits at a strategic nexus of multiple regional transportation routes. One of its primary assets is its access to major

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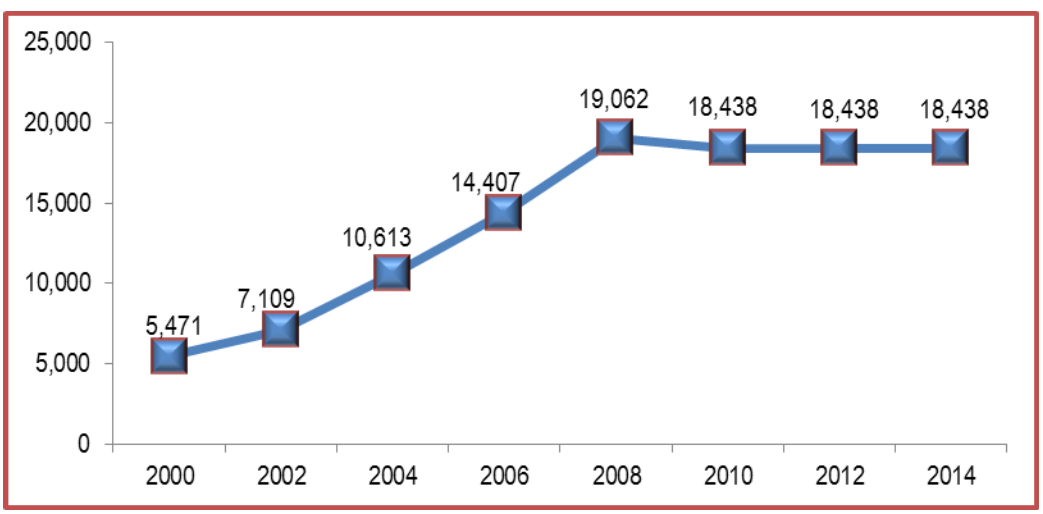
transportation corridors, including U.S. Route 30, U.S. Route 34, IL Route 47, and Interstate 88, which runs east-west approximately 3.5 miles north of the Village.

Montgomery was founded in 1835 by entrepreneur Daniel Gray, who purchased several land grants from the Federal government and pursued industrial development along the Fox River. The settlement was called "Graystown" for several years, but eventually he persuaded the other settlers to call the little village "Montgomery" after the county in New York that he and several other settlers had come from. Daniel Gray was a man of much energy and enterprise. No sooner had he settled in the place than he commenced improvements on a grand scale. A store, foundry, reaper and header manufacturing shop over 100 feet in length, a second foundry built of stone, and one of the best stone grist-mills in the country, appeared in rapid succession. The stone grist mill, built by Gray in 1853, has been beautifully restored and is listed on the National Register of Historic Places. The Village of Montgomery was incorporated in 1858.

Montgomery's early growth continued to align with its industrial roots. After a brief setback in growth, due to the arrival of the McCormick Works at Chicago that out competed Montgomery's reaper plant, the construction of the Chicago, Burlington & Quincy (CB&Q) Railroad reinvigorated local industrial activity. The rail line shipped Montgomery's produce, spring water, and livestock to Chicago markets. In 1899, Riverview Park (later Fox River Park) opened as an amusement park, which drew crowds from as far as Morris and Chicago on express interurbans. The park was replaced in 1943 by United Wallpaper Company and then by AT&T. Lyon Metallic, Montgomery's first modern factory, moved to Montgomery from Chicago in 1906, drawing a reverse commute from Aurora and further stabilizing the economy. The introduction of Caterpillar, the world's leading manufacturer of construction and mining equipment, further cemented the Village's strong industrial core.

For many years, Montgomery maintained a fairly stable population of around 5,000 residents, with 5,471 residents at the 2000 decennial census. However, a sharp increase in residential development after 2000 has altered the industrial character and transformed Montgomery into a more suburban community of 18,438 residents by the 2010 decennial census. Despite an astounding population increase of 237% in just ten years, Montgomery has been successful in maintaining its warm, small-town atmosphere. The graph below shows Montgomery's population growth throughout the years.

Montgomery's Population Growth



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

The Village Board, pictured from left to right, includes: front row – Village Trustee Theresa Sperling, Village Trustee Denny Lee, Village President Matt Brolley, Village Clerk Tiffany Francis, Village Trustee Pete Heinz; back row – Village Trustee Steve Jungermann, Village Trustee Doug Marecek, and Village Trustee Stan Bond.

The Village of Montgomery is committed to providing their citizens with a full range of services including police protection, the construction and maintenance of highways, streets and infrastructure, water treatment and distribution, planning and zoning, and general administrative services.

The annual budget serves as the foundation for the Village's financial planning and control. The operating departments prepare their budget requests and submit them to the Finance Department in January. Upon receipt of the departmental budget requests, the Finance Department compiles the draft budget. Revenue estimates are prepared by the Finance Department based upon historical trends, economic forecasts of authoritative sources, and anticipated activities and events in the community which are expected to have a local economic impact. The product is the budget as proposed by the Director of Finance to the Village Administrator. The Village Administrator reviews all departmental budget requests, ensures that they are consistent with the priorities and guidance of the Village Board, and fashions a feasible fiscal plan. The overall goal of the process is to have the Village Administrator recommend a balanced budget to the Village

Board for review and adoption. The Village Board and staff conduct a series of meetings beginning in February and ending in April. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30th of each year; the close of the Village's previous fiscal year.

Local Economy

Municipal revenue streams traditionally have been reasonably constant and predictable. For municipalities in their growth stage, such as Montgomery, expenditure growth frequently exceeds revenue needed to fund new operating and capital programs. The budget cycle provides an opportunity to review lists of new services and programs which could be provided to residents and enhance the Village.

The Village has faced unprecedented challenges over the last couple of years under the Great Recession. Although the recession has ended, the economic recovery continues to be slower than anticipated while unemployment has steadily decreased and the housing market appears to be on the mend. The Village has seen the number of foreclosures drop and expects that trend to continue, while building of new homes has started to increase again. The recent economic hardships has dramatically changed the landscape of municipal finance.

The Great Recession hit just as the Village was spending millions of dollars on capital improvements to pay for the dramatic increase in the Village's population. The Village had also seen an increase in the demand for services due to Montgomery's tremendous population growth and had to hire more employees. Health insurance and police pension contributions had increased more than 50% during this time period as well. The Village had to take action to reverse the trend before it depleted its financial reserves. Over the past four years the Village has reduced staffing; moved $150,000 of snow removal expenditures to the Motor Fuel Tax Fund from the General Fund; reduced or removed salary increases; and eliminated the local Dispatch Center (savings of approximately $200,000 to use regional dispatch center KenCom).

The Village moved to a pay for performance plan in fiscal year 2014 whereby non-represented and Public Works Local 150 union employees were only given an increase in November based solely on performance. The Village has started negotiations with Public Works Local 150 as the current contract expired on April 30, 2015. The Police Patrol union employees will still receive the cost of living adjustment (COLA) and step increases as outlined in their contract which expires on April 30, 2016.

The State of Illinois has proposed a 50% reduction in the amount of income tax allocated to the Local Government Distributive Fund (LGDF) which is then shared with municipalities. The budget was approved by the Village Board on April 13, 2015; however, several items in the fiscal year 2016 budget are on hold until the State decides how they will move forward. The Finance Department will continue to analyze the budget during fiscal year 2016 as the State decides and economic recovery continues. The Village wants to ensure revenue sources come in at or above expectations, while expenditures/expenses come in at or below expectations. A change either way will make it necessary for the Village to reexamine the budget during fiscal year 2016.

Long-Term Financial Planning

The Village completed a Five-Year Capital Improvement Program (CIP) for fiscal year 2016 through fiscal year 2020 in association with the fiscal year 2016 operating budget. The Village updated its procedures during fiscal year 2016 to include a three-year financial plan providing for all Village revenues and expenditures. Information will be gathered from each department regarding major capital projects and changes in operating levels and services that may be needed over the next several years.

Cash Management Policies and Practices

The Village examined its cash and investment practices and the Village Board approved a new investment policy during fiscal year 2014. Major changes in the length and type of investments, in accordance with the investment policy and State law, were made during fiscal year 2015 to increase the amount of investment income. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, U.S. Agency securities, and the Illinois Funds. The Village will built a laddered portfolio of securities during fiscal year 2015 extending out to three years to capture additional yield from longer maturities. Although short-term interest rates remained at historically low levels, the Village was able to capture additional investment income during fiscal year 2015 due to the changes made above.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Montgomery for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2014. This was the twelfth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

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

Respectfully submitted,

Justin E. VanVooren

Justin E. VanVooren, CMA, CPA
Director of Finance

FINANCIAL SECTION

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Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Montgomery
Montgomery, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Montgomery, Illinois (the Village), as of and for the year ended April 30, 2015, and the related notes to financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Montgomery, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted the GASB Statement No 67, *Financial Reporting for Pension Plans*, which modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and other required supplementary information 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections and supplemental data 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 14, 2015 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
August 14, 2015

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

These general purpose external financial statements provide a summary overview of the financial position of all funds as well as the operating results of all funds. They also serve as an introduction to the more detailed statements and schedules that follow in the next subsection.

Village of Montgomery

Management's Discussion and Analysis

April 30, 2015

As management of the Village of Montgomery, Illinois (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2015. Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

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

Financial Highlights

- The Village net position as of April 30, 2015 was $83,640. Of this amount, $6,181 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position decreased by $2,204 over the prior year. The decrease reflects approximately $1,252 and $952 decreases attributable to the general and water operations, respectively, of the Village. The decrease in general operations is a combination of an increase in general revenues as the economy continues to recover offset by the depreciation of capital assets and other expenses. The decrease in water operations is a combination of an increase in water and sewer rates offset by the depreciation of capital assets.
- As of April 30, 2015, the Village's governmental funds reported combined ending fund balances of $7,210, an increase of $293 over the prior year. Approximately 39.4% of this total amount, $2,843, is available for spending at the Village's discretion (unassigned fund balance).
- In addition, the Village's proprietary funds reported combined ending net position of $28,247, a decrease of $952 over the prior year. Approximately 9.2% of this total amount, $2,597, is available for spending at the Village's discretion (unrestricted net position) for proprietary purposes.

Overview of the Financial Statements

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

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

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

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

The Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-Type Activities). The Governmental Activities reflect the Village's basic services, including general government, public safety, highways and streets and sanitation. The Business-Type Activities include the waterworks and sewerage operations.

The government-wide financial statements can be found on pages 4 through 6 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvement Fund, and Debt Service Fund, all of which are considered to be major funds. Data from the remaining twenty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 7 through 10 of this report.

Proprietary Funds. The Village maintains two different types of proprietary funds. Enterprise funds are used to report the same functions as presented in the business-type activities in the government-wide financial statements. The Village uses two enterprise funds, one to account for the operation of the Village owned water utility and one to account for the Village's waste removal program. Internal service funds are an accounting device used to accumulate and allocate costs internally amount the Village's various functions. The Village uses an internal service fund to account for providing insurance to Village employees. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water utility and refuse program, which are considered to be major funds of the Village, as well as the employee insurance fund.

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

The basic proprietary fund financial statements can be found on pages 11 through 14 of this report.

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

The basic fiduciary fund financial statements can be found on pages 15 through 16 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 54 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget to actual comparisons for the General Fund and the Village's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 55 through 65 of this report.

Individual fund statements and schedules are presented immediately following the required supplementary information discussed above which can be found on pages 66 through 109 of this report.

Financial Analysis of the Village as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $83,640 as of April 30, 2015.

Table 1

Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	$ 10,667	$ 10,440	$ 4,653	$ 4,596	$ 15,320	$ 15,036
Capital assets	59,274	61,547	37,098	36,336	96,372	97,883
Total assets	69,941	71,987	41,751	40,932	111,692	112,919
Deferred outflows						
Unamortized loss	199	221	-	-	199	221
Total deferred outflows	199	221	-	-	199	221
Liabilities						
Long-term liabilities	11,372	12,125	12,822	11,129	24,194	23,254
Other liabilities	819	911	682	604	1,501	1,515
Total liabilities	12,191	13,036	13,504	11,733	25,695	24,769
Deferred inflows						
Deferred taxes	2,556	2,527	-	-	2,556	2,527
Total deferred inflows	2,556	2,527	-	-	2,556	2,527
Net position						
Net investment in capital assets	48,715	50,230	25,650	26,975	74,365	77,205
Restricted	3,094	3,332	-	-	3,094	3,332
Unrestricted	3,584	3,083	2,597	2,224	6,181	5,307
Total net position	$ 55,393	$ 56,645	$ 28,247	$ 29,199	$ 83,640	$ 85,844

The largest portion of the Village's net position (88.9%) reflects its net investment in capital assets (e.g. land, infrastructure, buildings, improvements, vehicles, and equipment) less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net position (3.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (7.4%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of April 30, 2015, the Village was able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The Village's total net position decreased by $2,204 over the prior year. The decrease reflects approximately $1,252 and $952 decreases attributable to the general and water operations, respectively, of the Village. The decrease in general operations is a combination of an increase in general revenues as the economy continues to recover offset by the depreciation of capital assets and other expenses. The decrease in water operations is a combination of an increase in water and sewer rates offset by the depreciation of capital assets.

The Village's unrestricted net position increased by $874 during the current fiscal year which reflects the increase in general revenues noted above. In addition, the majority of restricted net position is legally restricted to either economic development or certain capital projects. The Village's net investment in capital assets decreased by $2,840 during the current fiscal year. The Village added $3,234 of new capital assets, disposed of $343 of existing capital assets, and had depreciation of $4,746 during the year.

Table 2

Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	$ 1,531	$ 3,026	$ 5,690	$ 4,115	$ 7,221	$ 7,141
Operating grants and contributions	673	606	-	-	673	606
Capital grants and contributions	7	196	118	39	125	235
General revenues:						
Property taxes	2,651	2,607	-	-	2,651	2,607
Other taxes	7,022	6,669	-	-	7,022	6,669
Other	156	285	5	1	161	286
Total revenues	12,040	13,389	5,813	4,155	17,853	17,544
Expenses:						
General government	3,544	3,216	-	-	3,544	3,216
Public safety	4,949	5,001	-	-	4,949	5,001
Highways and streets	4,376	4,609	-	-	4,376	4,609
Sanitation	65	1,265	1,236	-	1,301	1,265
Interest	358	467	-	-	358	467
Water and sewer	-	-	5,529	5,236	5,529	5,236
Total expenses	13,292	14,558	6,765	5,236	20,057	19,794
Change in net position	(1,252)	(1,169)	(952)	(1,081)	(2,204)	(2,250)
Net position, May 1	56,645	57,814	29,199	30,280	85,844	88,094
Net position, April 30	$ 55,393	$ 56,645	$ 28,247	$ 29,199	$ 83,640	$ 85,844

Governmental activities. Governmental activities decreased the Village's net position by $1,252. Key elements of this decrease are as follows:

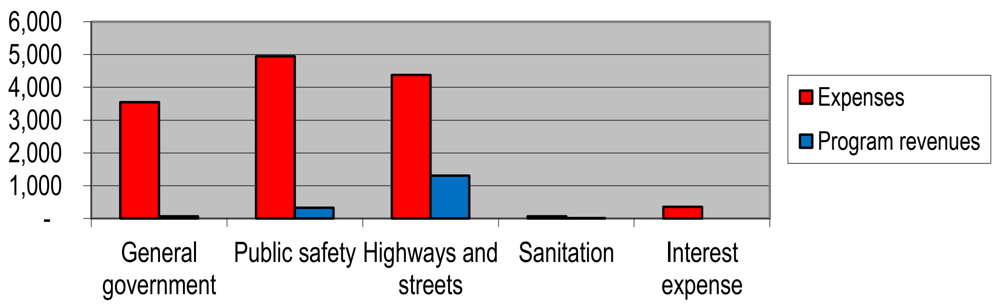
Governmental revenues decreased by $1,349 (10.1%). Components of this decrease are as follows:

- Charges for services decreased by $1,495 (15.0%) mainly due to the movement of refuse revenue from the General Fund to a separate proprietary fund (Refuse Fund).
- Other taxes increased by $353 (5.3%) in large part because of the opening of Sam's Club during fiscal year 2015 and resulting increase in state and local taxes.

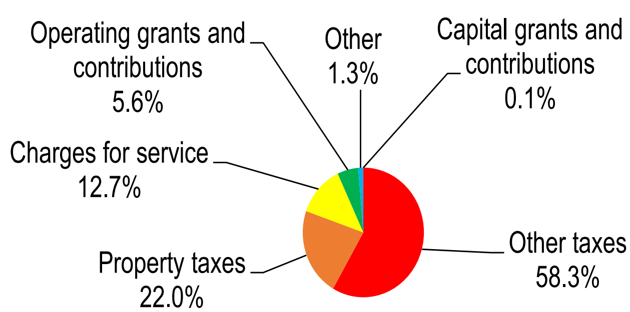
Governmental expenses decreased by $1,266 (8.7%). Components of this increase are as follows:

- Sanitation decreased by $1,200 (94.9%) due to the movement of refuse expenditures from the General Fund to a separate proprietary fund (Refuse Fund).
- Salaries, including overtime, decreased by $65 (1.6%). This decrease reflects a lower amount of overtime due to a mild winter.
- Depreciation of governmental capital assets decreased by $99 (3.5%) due mainly to a small number of assets acquired during fiscal year 2014 and fiscal year 2015.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Business-type activities. Business-type activities decreased the Village's net position by $952. Key elements of this decrease are as follows:

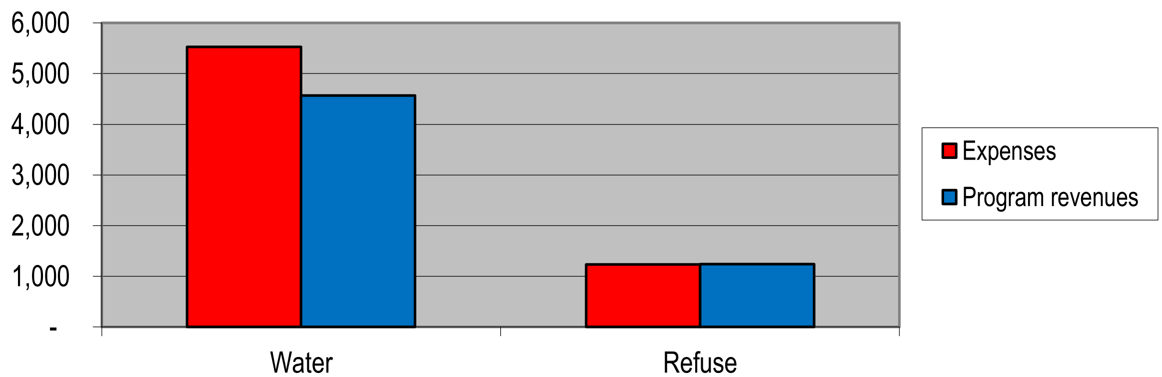
Business-type revenues increased by $1,575 (38.3%). Components of this increase are as follows:

- Charges for services increased by $418 (10.4%) due to an increase in water and sewer rates during fiscal year 2015.
- Charges for services increased by $1,240 (100.0%) due to the movement of refuse revenue from the General Fund to a separate proprietary fund (Refuse Fund).

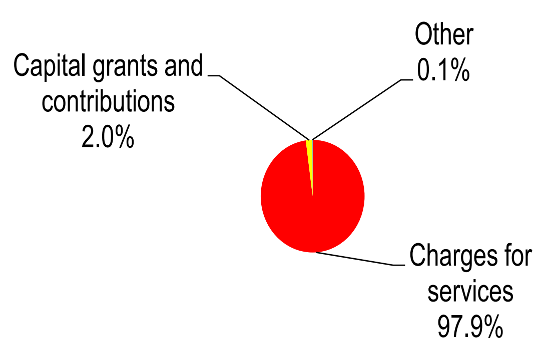
Business-type expenses increased by $1,529 (29.2%). Components of this increase are as follows:

- Contractual services increased by $1,235 (100.0%) due to the movement of refuse expenses from the General Fund to a separate proprietary fund (Refuse Fund).
- Depreciation of business-type capital assets increased by $108 (5.6%) due mainly to depreciation on the Boulder Hill water main improvements made during fiscal year 2014 and fiscal year 2015.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Village's Funds

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

Governmental Funds. The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of April 30, 2015, the Village's governmental funds reported combined ending fund balances of $7,210, an increase of $295 over the prior year. Approximately 39.4% of this total amount, $2,843, is available for spending at the Village's discretion (unassigned fund balance). The remainder of fund balance is either nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form ($687), 2) restricted for particular purposes ($3,094), or 3) assigned for particular purposes ($586).

The General Fund is the chief operating fund of the Village. As of April 30, 2015, unassigned fund balance of the General Fund was $2,973. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 33.8% (4.1 months) of the total General Fund expenditures, while total fund balance represents 41.6% (5.0 months) of total General Fund expenditures.

The fund balance of the General Fund increased by $106 to a total of $3,660 of fund balance at the end of the current fiscal year. The key factors in this increase are 1) increase in state and local taxes due mostly to the opening of Sam's Club during fiscal year 2015, 2) decrease in charges for services mainly due to the movement of refuse revenue from the General Fund to a separate proprietary fund (Refuse Fund), 3) increase in economic development incentives due to the opening of Sam's Club during fiscal year 2015, 4) decrease in dispatch center expenditures due to a full year of outsourcing (switched to KenCom in October 2013), 5) increase in contribution to the Police Pension Fund, and 6) decrease in sanitation expenditures mainly due to the movement of refuse revenue from the General Fund to a separate proprietary fund (Refuse Fund).

The fund deficit of the Capital Improvement Fund was reduced by $261 to a total of $61 of fund deficit at the end of the current fiscal year. The reduction in fund deficit is due to a decrease in the transfer for debt service realized with a refunding of the Series 2010 bonds at the end of fiscal year 2014, as well as beginning to repay the advance from the General Fund during fiscal year 2015.

The fund balance of the Debt Service Fund decreased by $3 to a total of $56 of fund balance at the end of the current fiscal year. The timing of receipts versus payment of debt principal and interest accounted for the increase.

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

The Water Fund had a decrease in net position of $957 to a total of $28,242 of net position at the end of the current fiscal year. Approximately 9.2% of that total is unrestricted net position. Other factors concerning the finances of the Water Fund have already been addressed in the discussion of the Village's business-type activities.

The Refuse Fund, previously included within the General Fund, was new this year and had an increase in net position of $5 to a total of $5 of net position at the end of the current fiscal year.

The Employee Insurance Fund had an increase in net position of $31 to a total of $230 of net position at the end of the current fiscal year. The Village keeps a balance in this fund to offset any unexpected increases in health and dental insurance for employees.

General Fund Budgetary Highlights

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

The General Fund revenues were less than the budget by $266 or 2.9%. The most significant differences between budgeted and actual revenues included 1) state sales tax was $387 lower than budget due to new businesses not realizing as much sales tax as estimated, 2) reimbursement of professional service fees was $66 higher than budget due to development and building recovery, 3) building permits was $31 higher than budget due to residential and commercial building activity, and 4) court fines was $100 lower than budgeted due to training of new officers in the Police Department.

The General Fund expenditures were less than the budget by $357 or 3.9%. The most significant differences between budgeted and actual expenditures included 1) economic incentives paid was $223 lower than budget due to new businesses not realizing as much sales tax as estimated, and 2) professional service fees was $99 higher than budget due to development and building recovery.

Capital Asset and Debt Administration

Capital Assets. The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2015, amounts to $96,372 (net of accumulated depreciation). This investment in capital assets includes land (including rights-of-way), buildings, improvements other than buildings, vehicles and equipment, and infrastructure (including streets, storm sewers, water mains, water pumping and storage facilities, and sanitary sewers).

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

- A total of five vehicle replacements were made during the year totaling $305. The vehicles replaced included two Police squads, a Public Works pickup truck, single axle dump truck, and skid steer.
- The Boulder Hill water main project continued in fiscal year 2015, where the Village spent $2,782. The overall project replaces approximately 18,000 feet of water main in the unincorporated Boulder Hill Subdivision to remediate water main quality, small diameter water main, and water main looping issues.
- Depreciation of governmental and business-type activities capital assets totaling $2,709 and $2,037, respectively, was taken during the year.

The following schedule summarizes the Village's capital assets.

Table 3
Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	$ 17,933	$ 17,933	$ 17	$ 17	$ 17,950	$ 17,950
Construction in progress	18	1	231	231	249	232
Infrastructure	34,775	34,775	57,744	54,961	92,519	89,736
Buildings	22,311	22,311	-	-	22,311	22,311
Improvements other than buildings	1,175	1,175	-	-	1,175	1,175
Vehicles and equipment	3,011	2,935	480	464	3,491	3,399
Less:						
Accumulated depreciation	(19,949)	(17,583)	(21,374)	(19,337)	(41,323)	(36,920)
Total capital assets	$ 59,274	$ 61,547	$ 37,098	$ 36,336	$ 96,372	$ 97,883

Additional information regarding the capital assets can be found in note 6 on pages 30 through 31 of this report.

Long-term Debt. At the end of the current fiscal year, the Village had total debt outstanding of $23,515 (excluding other postemployment benefit, net pension obligation, and compensated absences). This amount is partially comprised of six general obligation alternate revenue bonds which pledge sales, use, and telecommunications taxes, as well as net revenues of the water system. These bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2007, Series 2008A, Series 2010, Series 2011, Series 2013, and Series 2014 bonds. The remaining amount of debt outstanding is comprised of three Illinois Environmental Protection Agency (IEPA) loans backed by the net revenues of the water system. The Village's debt increased by $919 (4.1%) during fiscal year 2015.

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

- The Village drew down $2,393 of Illinois Environmental Protection Agency loans to fund the Boulder Hill water main project.
- The Village made its regularly scheduled payments of principal ($1,424) and interest on the existing outstanding debt.

The following schedule summarizes the Village's indebtedness.

Table 4
Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	$ 10,656	$ 11,337	$ 5,996	$ 6,431	$ 16,652	$ 17,768
Capital lease	103	201	-	-	103	201
IEPA loans	-	-	6,760	4,627	6,760	4,627
Total long-term debt	$ 10,759	$ 11,538	$ 12,756	$ 11,058	$ 23,515	$ 22,596

Additional information regarding the Village's long-term debt can be found in note 8 on pages 32 through 39 of this report.

Economic Factors and Next Year's Budgets and Rates

Municipal revenue streams traditionally have been reasonably constant and predictable. For municipalities in their growth stage, such as Montgomery, expenditure growth frequently exceeds revenue needed to fund new operating and capital programs. The budget cycle provides an opportunity to review lists of new services and programs which could be provided to residents and enhance the Village.

The Village's single largest revenue source is sales tax. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs. Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed fairly consistent even through the Great Recession. The Village will begin collecting non-home rule sales tax on July 1, 2015, which is collected on items other than groceries, prescription drugs, over-the-counter medicine, or professional services. The decrease in fiscal year 2010 is due to the loss of a major business while the increases in fiscal year 2015 and fiscal year 2016 are due to the addition of a major business.

The Village owns a water utility and charges residents a fee to use that water, which is the second largest revenue source for the Village. The Village also charges residents a fee to maintain the sanitary sewer lines that feed to the Fox Metro Water Reclamation District. The revenue is based upon the immediate prior year's usage by existing residents along with the additional housing units brought online by new permits. The fiscal year 2016 budget includes an increase in the water rates of 4% as of May 1, 2015. The Village expects annual increases of 3% in fiscal year 2017 and each year thereafter. This revenue stream is dependent on weather conditions and will vary based on how warm it is or how much rain the Village receives.

The State of Illinois has proposed a 50% reduction in the amount of income tax allocated to the Local Government Distributive Fund (LGDF) which is then shared with municipalities. The budget was approved by the Village Board on April 13, 2015; however, several items in the fiscal year 2016 budget are on hold until the State decides how they will move forward.

The Village has faced unprecedented challenges over the last couple of years under the Great Recession. Although the recession has ended, the economic recovery continues to be slower than anticipated while unemployment has steadily decreased and the housing market appears to be on the mend. The Village has seen the number of foreclosures drop and expects that trend to continue, while building of new homes has started to increase again. The recent economic hardships has dramatically changed the landscape of municipal finance.

The Great Recession hit just as the Village was spending millions of dollars on capital improvements to pay for the dramatic increase in the Village's population. The Village had also seen an increase in the demand for services due to Montgomery's tremendous population growth and had to hire more employees. Health insurance and police pension contributions had increased more than 50% during this time period as well. The Village had to take action to reverse the trend before it depleted its financial reserves. Over the past four years the Village has reduced staffing; moved $150,000 of snow removal expenditures to the Motor Fuel Tax Fund from the General Fund; reduced or removed salary increases; and eliminated the local Dispatch Center (savings of approximately $200,000 to use regional dispatch center KenCom).

The Village, as a service driven organization, continues to expend the greatest percentage of its budget on personal services (wages and benefits). For fiscal year 2016, personal services expenditures are expected to total $6,728,435 or 26.89% of total budgeted expenditures. This is an increase of 3.28% over the fiscal year 2015 budgeted expenditures of $6,514,575. Performance based increases of 0% to 1% were budgeted for non-represented employees. The Village negotiated a 3-year agreement during fiscal year 2014 with MAP #333 (Metropolitan Alliance of Police) representing patrol officers through April 30, 2016. This contract includes a cost of living increase of 2% each year as well as step increases. In addition, the Village has started negotiations with IUOE Local 150 (International Union of Operating Engineers) representing Public Works field employees as the current contract expired on April 30, 2015. The fiscal year 2016 budget includes no new full-time equivalent (FTE) positions. FTE equal the total hours of all employees divided by 2,080 working hours in a year.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. Justin E. VanVooren, Director of Finance, Village of Montgomery, 200 North River Street, Montgomery, IL 60538.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	$ 5,024,645	$ 3,225,202	$ 8,249,847
Receivables (Net of Allowances for Uncollectibles)			
Property Taxes	2,556,405	-	2,556,405
Accounts	341,343	1,186,126	1,527,469
Accrued Interest	3,465	2,835	6,300
Prepaid Items	64,515	-	64,515
Due from Other Governments	1,322,528	239,263	1,561,791
Due to (from) Fiduciary Funds	42,948	-	42,948
Notes Receivable	1,310,562	-	1,310,562
Capital Assets not Being Depreciated	17,951,096	247,533	18,198,629
Capital Assets Being Depreciated (Net of Accumulated Depreciation)	41,323,123	36,850,097	78,173,220
Total Assets	69,940,630	41,751,056	111,691,686
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Refunding	199,214	-	199,214
Total Deferred Outflows of Resources	199,214	-	199,214
Total Assets and Deferred Outflows of Resources	70,139,844	41,751,056	111,890,900
LIABILITIES			
Accounts Payable	518,112	260,364	778,476
Retainage Payable	-	263,876	263,876
Accrued Payroll	128,605	18,946	147,551
Accrued Interest	148,902	103,116	252,018
Due to Other Governments	23,260	-	23,260
Unearned Revenue	-	36,000	36,000
Noncurrent Liabilities			
Due Within One Year	879,582	814,579	1,694,161
Due in More than One Year	10,492,129	12,007,227	22,499,356
Total Liabilities	12,190,590	13,504,108	25,694,698
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	2,556,405	-	2,556,405
Total Deferred Inflows of Resources	2,556,405	-	2,556,405
Total Liabilities and Deferred Inflows of Resources	14,746,995	13,504,108	28,251,103
NET POSITION			
Net Investment in Capital Assets	48,714,620	25,650,151	74,364,771
Restricted for			
Subdivision Maintenance	760,895	-	760,895
Subdivision Improvements	42,819	-	42,819
Economic Development	1,750,590	-	1,750,590
Public Safety	177,369	-	177,369
Highways and Streets	362,646	-	362,646
Unrestricted	3,583,910	2,596,797	6,180,707
TOTAL NET POSITION	$ 55,392,849	$ 28,246,948	$ 83,639,797

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2015

	Program Revenues			
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 3,543,827	$ 560,053	$ 9,910	$ -
Public Safety	4,948,830	314,769	13,904	-
Highways and Streets	4,376,423	648,251	649,485	6,783
Sanitation	64,954	7,852	-	-
Interest	358,069	-	-	-
Total Governmental Activities	13,292,103	1,530,925	673,299	6,783
Business-Type Activities				
Water Department	5,528,881	4,449,673	-	117,713
Refuse	1,235,387	1,239,870	-	-
Total Business-Type Activities	6,764,268	5,689,543	-	117,713
TOTAL PRIMARY GOVERNMENT	$ 20,056,371	$ 7,220,468	$ 673,299	$ 124,496

	Net (Expense) Revenue and Change in Net Position		
	Governmental Activities	Business-Type Activities	Total
	$ (2,973,864)	$ -	$ (2,973,864)
	(4,620,157)	-	(4,620,157)
	(3,071,904)	-	(3,071,904)
	(57,102)	-	(57,102)
	(358,069)	-	(358,069)
	(11,081,096)	-	(11,081,096)
	-	(961,495)	(961,495)
	-	4,483	4,483
	-	(957,012)	(957,012)
	(11,081,096)	(957,012)	(12,038,108)
General Revenues			
Taxes			
Property	2,650,814	-	2,650,814
Replacement	66,610	-	66,610
Sales	3,169,321	-	3,169,321
Utility	1,324,307	-	1,324,307
Local Use	370,691	-	370,691
Video Gaming	48,392	-	48,392
Shared Income Taxes	1,805,718	-	1,805,718
Franchise Fees	237,577	-	237,577
Investment Income	25,919	4,745	30,664
Miscellaneous	129,626	-	129,626
Total	9,828,975	4,745	9,833,720
CHANGE IN NET POSITION	(1,252,121)	(952,267)	(2,204,388)
NET POSITION, MAY 1	56,644,970	29,199,215	85,844,185
NET POSITION, APRIL 30	$ 55,392,849	$ 28,246,948	$ 83,639,797

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2015

	General	Capital Improvement	Debt Service	Nonmajor Governmental Funds	Total
ASSETS					
Cash and Investments	$ 2,082,819	$ 434,865	$ 56,089	$ 2,220,725	$ 4,794,498
Property Taxes Receivable	2,116,190	-	-	440,215	2,556,405
Accounts Receivable	286,021	55,322	-	-	341,343
Accrued Interest Receivable	2,835	630	-	-	3,465
Prepaid Items	64,515	-	-	-	64,515
Due from Other Governments	1,177,655	94,734	-	50,139	1,322,528
Due from Other Funds	37,894	-	-	12,687	50,581
Due from Fiduciary Funds	-	-	-	42,948	42,948
Notes Receivable	-	-	-	1,310,562	1,310,562
Advance to Other Funds	622,380	-	-	-	622,380
TOTAL ASSETS	$ 6,390,309	$ 585,551	$ 56,089	$ 4,077,276	$ 11,109,225
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 485,758	$ 1,182	$ -	$ 31,172	$ 518,112
Accrued Payroll	128,605	-	-	-	128,605
Due to Other Funds	-	-	-	50,581	50,581
Due to Other Governments	-	23,260	-	-	23,260
Advance from Other Funds	-	622,380	-	-	622,380
Total Liabilities	614,363	646,822	-	81,753	1,342,938
DEFERRED INFLOWS OF RESOURCES					
Unavailable Property Taxes	2,116,190	-	-	440,215	2,556,405
Total Deferred Inflows of Resources	2,116,190	-	-	440,215	2,556,405
FUND BALANCES (DEFICIT)					
Nonspendable					
Long-Term Advance	622,380	-	-	-	622,380
Prepaid Items	64,515	-	-	-	64,515
Restricted for					
Economic Development	-	-	-	1,750,590	1,750,590
Public Safety	-	-	-	177,369	177,369
Highways and Streets	-	-	-	362,646	362,646
Subdivision Maintenance	-	-	-	760,895	760,895
Subdivision Improvements	-	-	-	42,819	42,819
Unrestricted					
Assigned for Debt Service	-	-	56,089	-	56,089
Assigned for Capital	-	-	-	529,570	529,570
Unassigned	2,972,861	(61,271)	-	(68,581)	2,843,009
Total Fund Balances (Deficit)	3,659,756	(61,271)	56,089	3,555,308	7,209,882
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 6,390,309	$ 585,551	$ 56,089	$ 4,077,276	$ 11,109,225

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2015

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 7,209,882
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	59,274,219
Internal service fund is reported on the statement of net position but not on the governmental fund financial statements	230,147
Loss on refundings are reported as a deferred outflow of resources on the statement of net position	199,214
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(10,490,000)
Capital lease payable	(103,071)
Accrued interest payable	(148,902)
Unamortized bond premium	(165,742)
Net pension obligation	(43,956)
Net other postemployment benefit obligation	(53,835)
Compensated absences payable	(515,107)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 55,392,849

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2015

	General	Capital Improvement	Debt Service	Nonmajor Governmental Funds	Total
REVENUES					
Property Taxes	$ 2,220,787	$ -	$ -	$ 430,027	$ 2,650,814
Other Taxes	3,732,831	1,246,490	-	649,485	5,628,806
Shared Income Taxes	1,805,718	-	-	-	1,805,718
Licenses and Permits	394,959	-	-	-	394,959
Charges for Services	323,326	14,476	-	606,814	944,616
Intergovernmental	17,960	2,579	-	4,203	24,742
Fines and Forfeits	293,108	-	-	15,595	308,703
Investment Income	10,059	796	-	15,064	25,919
Miscellaneous	108,329	114,053	-	26,669	249,051
Total Revenues	8,907,077	1,378,394	-	1,747,857	12,033,328
EXPENDITURES					
Current					
General Government	2,895,912	-	-	13,004	2,908,916
Public Safety	4,297,052	-	-	32,018	4,329,070
Highways and Streets	1,543,538	-	-	1,348,089	2,891,627
Sanitation	64,954	-	-	-	64,954
Capital Outlay	-	148,764	-	322,597	471,361
Debt Service					
Principal Retirement	-	-	640,000	98,396	738,396
Interest and Fiscal Charges	-	-	331,197	9,570	340,767
Total Expenditures	8,801,456	148,764	971,197	1,823,674	11,745,091
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	105,621	1,229,630	(971,197)	(75,817)	288,237
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	968,253	-	968,253
Transfers (Out)	-	(968,253)	-	-	(968,253)
Sale of Capital Assets	-	-	-	6,654	6,654
Total Other Financing Sources (Uses)	-	(968,253)	968,253	6,654	6,654
NET CHANGE IN FUND BALANCES	105,621	261,377	(2,944)	(69,163)	294,891
FUND BALANCES (DEFICIT), MAY 1	3,554,135	(322,648)	59,033	3,624,471	6,914,991
FUND BALANCES (DEFICIT), APRIL 30	$ 3,659,756	$ (61,271)	$ 56,089	$ 3,555,308	$ 7,209,882

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ 294,891
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities	
Capitalized expenditures	435,684
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
Compensated absences	(33,498)
Net pension obligation	20,685
Net other postemployment benefit obligation	(13,353)
Principal	738,396
Change in interest	(36,985)
Amortization of bond premium	41,202
The internal service fund change in net position	31,076
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	(2,708,700)
Amortization of loss on refunding	(21,519)
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ (1,252,121)

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2015

	Business-Type Activities			Governmental Activities
	Water	Refuse	Total	Internal Service
CURRENT ASSETS				
Cash and Investments	$ 3,225,202	$ -	$ 3,225,202	$ 230,147
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Accounts	880,446	305,680	1,186,126	-
Accrued Interest	2,835	-	2,835	-
Due from Other Governments	239,263	-	239,263	-
Due from Other Funds	195,244	-	195,244	-
Total Current Assets	4,542,990	305,680	4,848,670	230,147
NONCURRENT ASSETS				
Capital Assets not Being Depreciated	247,533	-	247,533	-
Capital Assets Being Depreciated				
Cost	58,223,874	-	58,223,874	-
Accumulated Depreciation	(21,373,777)	-	(21,373,777)	-
Net Capital Assets	37,097,630	-	37,097,630	-
Total Assets	41,640,620	305,680	41,946,300	230,147
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	41,640,620	305,680	41,946,300	230,147
CURRENT LIABILITIES				
Accounts Payable	154,411	105,953	260,364	-
Retainage Payable	263,876	-	263,876	-
Due to Other Funds	-	195,244	195,244	-
Accrued Payroll	18,946	-	18,946	-
Interest Payable	103,116	-	103,116	-
Unearned Revenue	36,000	-	36,000	-
Current Portion of Compensated Absences	6,663	-	6,663	-
Current Portion of Bonds and IEPA Loan Payable	807,916	-	807,916	-
Total Current Liabilities	1,390,928	301,197	1,692,125	-
NONCURRENT LIABILITIES				
Compensated Absences	59,966	-	59,966	-
General Obligation Bonds Payable	5,550,585	-	5,550,585	-
IEPA Loan Payable	6,396,676	-	6,396,676	-
Total Noncurrent Liabilities	12,007,227	-	12,007,227	-
Total Liabilities	13,398,155	301,197	13,699,352	-
NET POSITION				
Net Investment in Capital Assets	25,650,151	-	25,650,151	-
Unrestricted	2,592,314	4,483	2,596,797	230,147
TOTAL NET POSITION	$ 28,242,465	$ 4,483	$ 28,246,948	$ 230,147

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended April 30, 2015

	Business-Type Activities			Governmental Activities
	Water	Refuse	Total	Internal Service
OPERATING REVENUES				
Charges for Services	$ 4,449,673	$ 1,239,870	$ 5,689,543	$ 893,259
Total Operating Revenues	4,449,673	1,239,870	5,689,543	893,259
OPERATING EXPENSES				
Personal Services	1,476,147	-	1,476,147	-
Contractual Services	139,991	1,235,387	1,375,378	-
Repairs and Maintenance	920,692	-	920,692	-
Insurance	90,695	-	90,695	862,183
Utilities	343,803	-	343,803	-
Supplies and Miscellaneous	232,689	-	232,689	-
Depreciation and Amortization	2,025,978	-	2,025,978	-
Total Operating Expenses	5,229,995	1,235,387	6,465,382	862,183
OPERATING INCOME (LOSS)	(780,322)	4,483	(775,839)	31,076
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	4,745	-	4,745	-
Connection Fees and Reimbursements	117,713	-	117,713	-
Interest Expense and Fiscal Charges	(298,886)	-	(298,886)	-
Total Non-Operating Revenues (Expenses)	(176,428)	-	(176,428)	-
NET INCOME (LOSS)	(956,750)	4,483	(952,267)	31,076
NET POSITION, MAY 1	29,199,215	-	29,199,215	199,071
NET POSITION, APRIL 30	$ 28,242,465	$ 4,483	$ 28,246,948	$ 230,147

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2015

	Business-Type Activities			Governmental Activities
	Water	**Refuse**	**Total**	**Internal Service**
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$ 4,409,612	$ 934,190	$ 5,343,802	$ -
Receipts from Interfund Services	-	-	-	893,259
Payments for Interfund Services	(854,603)	-	(854,603)	-
Payments to Suppliers	(1,758,702)	(1,129,434)	(2,888,136)	(802,752)
Payments to Employees	(618,632)	-	(618,632)	-
Net Cash from Operating Activities	1,177,675	(195,244)	982,431	90,507
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Short-Term Loan to Other Fund	(195,244)	-	(195,244)	-
Short-Term Loan from Other Fund	-	195,244	195,244	-
Connection Fees and Reimbursements	(120,277)	-	(120,277)	-
Net Cash from Noncapital Financing Activities	(315,521)	195,244	(120,277)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(2,798,029)	-	(2,798,029)	-
Principal Payments on Long-Term Debt	(685,374)	-	(685,374)	-
Loan Proceeds	2,392,632	-	2,392,632	-
Interest Paid	(302,158)	-	(302,158)	-
Net Cash from Capital and Related Financing Activities	(1,392,929)	-	(1,392,929)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	4,745	-	4,745	-
Net Cash from Investing Activities	4,745	-	4,745	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(526,030)	-	(526,030)	90,507
CASH AND CASH EQUIVALENTS, MAY 1	3,751,232	-	3,751,232	139,640
CASH AND CASH EQUIVALENTS, APRIL 30	$ 3,225,202	$ -	$ 3,225,202	$ 230,147

(This statement is continued on the following page.)

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2015

	Business-Type Activities			Governmental Activities
	Water	**Refuse**	**Total**	**Internal Service**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Income (Loss)	$ (780,322)	$ 4,483	$ (775,839)	$ 31,076
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
Depreciation and Amortization	2,025,978	-	2,025,978	-
Changes in Assets and Liabilities				
Accounts Receivable	(37,226)	(305,680)	(342,906)	-
Accrued Interest Receivable	(2,835)	-	(2,835)	-
Prepaid Expenses	-	-	-	59,431
Accounts Payable	(171,642)	105,953	(65,689)	-
Retainage Payable	140,810	-	140,810	-
Accrued Payroll	7,061	-	7,061	-
Accrued Compensated Absences	(4,149)	-	(4,149)	-
NET CASH FROM OPERATING ACTIVITIES	$ 1,177,675	$ (195,244)	$ 982,431	$ 90,507

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

April 30, 2015

	Police Pension	Agency
ASSETS		
Cash and Short-Term Investments	$ 275,925	$ 3,193,064
Receivables		
Accounts Receivable	-	47,348
Accrued Interest Receivable	34,909	-
Investments		
U.S. Agency Obligations	1,310,498	-
U.S. Treasury Obligations	124,733	-
Municipal Bonds	437,055	-
Insurance Company Contracts - Separate Accounts	1,747,583	-
Corporate Bonds	1,421,508	-
Equity Mutual Funds	2,306,916	-
Common Stock	547,469	-
Total Assets	8,206,596	$ 3,240,412
LIABILITIES		
Accounts Payable	-	$ -
Deposits Payable	-	18,000
Due to Other Funds	-	42,948
Due to Others	-	636,844
Due to Bondholders	-	2,542,620
Total Liabilities	-	$ 3,240,412
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	$ 8,206,596	

See accompanying notes to financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
POLICE PENSION FUND

For the Year Ended April 30, 2015

ADDITIONS	
Contributions	
Employer	$ 449,027
Employee	228,037
Total Contributions	677,064
Investment Income	
Net Appreciation in Fair Value of Investments	227,109
Interest	261,304
Total Investment Income	488,413
Less Investment Expense	(16,746)
Net Investment Income	471,667
Total Additions	1,148,731
DEDUCTIONS	
Payments to Retired Members	375,066
Refunds	56,617
Administration	8,625
Total Deductions	440,308
NET INCREASE	708,423
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
May 1	7,498,173
April 30	$ 8,206,596

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Montgomery, Illinois (the Village) are in accordance with accounting principles generally accepted in the United States of America, as applied to governmental 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 accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Village.

a. Reporting Entity

The Village is a municipal corporation established under Illinois Compiled Statutes (ILCS) governed by an elected President and Board of Trustees. The Village has defined its reporting entity in accordance with GASB Statement No. 14. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the 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 Police Pension Fund is a legally separate organization from the Village and has its own governing board. However, although legally separate, this fund is reported as a fiduciary fund of the Village, because it is fiscally dependent on the Village and administered exclusively for the benefit of the Village's police personnel.

b. Fund Accounting

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

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

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

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

c. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village and is used to account for all financial resources of the Village unless accounted for in another fund.

The Capital Improvement Fund is used to account for resources restricted, committed or assigned for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

The Debt Service Fund is used to account for the repayment of the 2008A, 2010, 2011 and 2014 general obligation alternate revenue source bonds that are being repaid with utility taxes restricted for the repayment of the bonds. The Village has elected to report this fund as major.

In addition, the Village reports the following major enterprise funds:

The Water Fund is used to account for the revenues and expenses relative to the operation of the Village owned water utility.

The Refuse Fund is used to account for the revenues and expenses relative to the Village’s waste removal program.

Additionally, the Village reports the following internal service fund:

The Employee Insurance Fund is used to account for providing health insurance to village employees. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services primarily to the Village’s governmental funds/activities.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund. Agency funds are used to account for Talma Street Special Service Area, Lakewood Special Assessments and Special Service Area No. 10 and No. 17 debt repayments (all no commitment debt), developer’s escrows and the employee flex benefit program.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except the agency funds which do not have a measurement focus).

Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

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. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and telecommunication taxes owed to the state at year end, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability is removed from the financial statements and revenue is recognized.

e. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand and in interest-bearing and non-interest-bearing checking accounts.

f. Investments

Investments of the Village consist of money market accounts, certificates of deposit with various local financial institutions, various marketable securities, pooled investments and insurance company annuity contracts. Investments are stated at fair value, except for non-negotiable certificates and other nonpension fund investments with a maturity of less than one year at date of purchase which are stated at cost or amortized cost.

g. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered (interfund services). These receivables and payables are classified as “due from other funds” or “due to other funds” on the financial statements as are short-term interfund loans. Long-term interfund loans, if any, are classified as advances to/from other funds.

h. Capital Assets

Capital assets, which include property, plant, equipment and prospectively reported infrastructure assets (e.g., roads, bridges, storm sewers and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than $10,000 for equipment, $20,000 for vehicles, $25,000 for software, $50,000 for buildings and land improvements,

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

$50,000 for easements and $100,000 for infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land Improvements	20
Buildings and Building Improvements	20
Equipment	7 - 10
Vehicles	5 - 10
Water Distribution System	25 - 50
Other Infrastructure	25
Software	5

i. Compensated Absences

Vested or accumulated vacation leave and sick pay related to employees that have retired or terminated at year end but are not yet paid out is reported as an expenditure and a fund liability of the governmental fund (general fund) that will pay it. Vested and accumulated vacation leave and sick pay of the proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

j. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as gains/losses on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount while unamortized gains/losses on refundings are reported as deferred inflows/deferred outflows. Bond issuance costs are reported as expenses in the period incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Long-Term Obligations (Continued)

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

k. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions are adopted via ordinance and can only be changed by a subsequent ordinance. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Finance Director by Board Policy No. 03-07. Any residual fund balance in the General Fund and any deficit fund balance of any other governmental fund are reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds. The Village has established fund balance reserve policies for its General Fund. The policy requires unassigned fund balance to be maintained in the General Fund equivalent to 25% of the audited expenditures excluding capital transfers.

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

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the Village.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has one item that qualifies for reporting in this category. It is the unamortized loss on refunding reported in the government-wide statement of net position. A gain or loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

m. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses in the effected funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

n. Use of Estimates

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

2. CASH AND INVESTMENTS

The Village's investment policy authorizes the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

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

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

a. Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 105% of all bank balances in excess of federal depository insurance with the collateral held by an independent third party or by the Federal Reserve Bank in the Village's name. At April 30, 2015, all of the Village's deposits are covered by federal depository insurance or collateral.

b. Village Investments

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy limits the maximum maturity length of investments to three years from the date of purchase, except if matched to anticipated cash flow requirement (e.g., bond proceeds), in which case the maximum maturity is five years.

2. CASH AND INVESTMENTS (Continued)

b. Village Investments (Continued)

In accordance with it's investment policy, the Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by diversifying its portfolio and by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. Illinois Funds and the money market funds are rated AAA by Standard and Poor's. The U.S. agency securities listed below are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased. Illinois Funds and the money market funds are not subject to custodial credit risk.

Concentration of credit risk - In accordance with the Village's investment policy, with the exception of U.S. Treasury and U.S. agency securities, as well as Illinois Funds, IMET and Illinois Trust no more than 90% of the Village's total investment portfolio will be invested in a single security type and no more than 50% of the Village's total investment portfolio will be invested with a single financial institution.

The following table presents the investments and maturities, where applicable, of the Village's investment securities as of April 30, 2015:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Agency Securities - FHLB	$ 100,000	$ -	$ 100,000	$ -	$ -
Negotiable Certificates of Deposit	1,600,000	500,000	1,100,000	-	-
TOTAL	$ 1,700,000	$ 500,000	$ 1,200,000	$ -	$ -

3. NOTES RECEIVABLE

a. Economic Development

During the fiscal year ended April 30, 1985, the Village established the Economic Development Fund from the proceeds of a Community Development Block Grant, in the amount of $500,000, received through the Department of Commerce and Community Affairs of the State of Illinois. During the fiscal year ended April 30, 1991, the Village received another Community Development Block Grant in the

3. NOTES RECEIVABLE (Continued)

a. Economic Development (Continued)

amount of $300,000. This fund is used to account for these grant funds which are to be loaned to new or expanding local business ventures which enhance economic development of the Village. Proceeds (principal and interest) received from such economic development loans made by the Village are to be used to capitalize a revolving economic development loan fund. The following represents the outstanding balances as of April 30, 2015:

- During the fiscal year 2006, the Village entered into an installment note with EDM Associates, Inc., in the amount of $120,000. During the fiscal year 2011, the remaining balance was assumed by Ridgeline Consultants LLC. The note is payable in monthly installments of $1,159 through May 2016, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2015 was $13,681.

- During the fiscal year 2014, the Village entered into an installment note with Butterball, LLC, in the amount of $1,500,000. The note is payable in monthly installments of $13,141 through November 2023, which includes 1.0% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2015 was $1,296,881.

Principal and interest maturities of these notes receivable for future periods are as follows:

Year Ending April 30,	Amount
2016	$ 171,592
2017	157,789
2018	157,687
2019	157,687
2020	157,687
2021	157,687
2022	157,687
2023	157,687
2024	92,399
Total Principal and Interest	1,367,902
Interest	(57,340)
TOTAL PRINCIPAL	$ 1,310,562

4. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position:

GOVERNMENTAL ACTIVITIES		
Sales Tax	$	734,760
Local Use Tax		92,095
Court Fines		10,465
Telecommunications Tax		112,683
Video Gaming		9,765
Income Tax		297,537
Grants		10,446
Personal Property Replacement Tax		11,894
Motor Fuel Tax		42,883
TOTAL GOVERNMENTAL ACTIVITIES	$	1,322,528
BUSINESS-TYPE ACTIVITIES		
Illinois Environmental Protection Agency Loan	$	239,263
TOTAL BUSINESS-TYPE ACTIVITIES	$	239,263

The following receivables are included in accounts receivable on the statement of net position:

GOVERNMENTAL ACTIVITIES		
Utility Tax	$	55,322
Cable Franchise Fees		40,567
Legal Fees		24,012
Engineering Fees		177,040
Code Enforcement Fines		625
Planning Fees		4,646
Other Fees		39,131
TOTAL GOVERNMENTAL ACTIVITIES	$	341,343
BUSINESS-TYPE ACTIVITIES		
Water Sales	$	878,922
Garbage		305,680
Tap On Fees		1,524
TOTAL BUSINESS-TYPE ACTIVITIES	$	1,186,126

5. INDIVIDUAL FUND DISCLOSURES

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	$ 37,894
Nonmajor Governmental	Nonmajor Governmental	12,687
Nonmajor Governmental	Fiduciary	42,948
Water	Refuse	195,244
TOTAL		$ 288,773

The purpose of the due to/due from other funds are to eliminate deficit cash positions. Repayment is expected within one year.

Individual fund advances are as follows:

Receivable Fund	Payable Fund	Amount
General	Capital Improvement	$ 622,380

The purposes of the advances from/to other funds are as follows:

- $622,380 advance to the Capital Improvement Fund from the General Fund to reclassify negative cash balances in the Capital Improvement Fund; repayment will occur in greater than one year.

Individual fund transfers are as follows:

	Transfers In	Transfers Out
Capital Improvement	$ -	$ 968,253
Debt Service	968,253	-
TOTAL	$ 968,253	$ 968,253

The purposes of the significant individual fund transfers are as follows:

- $968,253 transferred from the Capital Improvements Fund to the Debt Service Fund to fund debt payments with utility and telecommunication taxes. The transfer will not be repaid.

5. INDIVIDUAL FUND DISCLOSURES (Continued)

The following funds reported deficit fund balances at April 30, 2015:

Fund	Deficit Fund Balance
Capital Improvement	$ 61,271
Balmorea Special Service Area Fund	12,687
Tax Increment Financing District #2 Fund	37,894
Infrastructure Improvement Fund	18,000

6. CAPITAL ASSETS

The following is a summary of capital asset activity during the fiscal year:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	$ 9,876,696	$ -	$ -	$ 9,876,696
Land Right of Way	8,056,400	-	-	8,056,400
Construction in progress	988	18,000	988	18,000
Total Capital Assets not Being Depreciated	17,934,084	18,000	988	17,951,096
Capital Assets Being Depreciated				
Buildings and Improvements	22,310,653	-	-	22,310,653
Land Improvements	1,175,377	-	-	1,175,377
Equipment and Vehicles	2,934,799	418,672	342,619	3,010,852
Infrastructure	34,774,665	-	-	34,774,665
Total Capital Assets Being Depreciated	61,195,494	418,672	342,619	61,271,547
Less Accumulated Depreciation for				
Buildings and Improvements	7,053,654	1,115,533	-	8,169,187
Land Improvements	1,158,731	4,163	-	1,162,894
Equipment and Vehicles	2,245,094	198,017	342,619	2,100,492
Infrastructure	7,124,864	1,390,987	-	8,515,851
Total Accumulated Depreciation	17,582,343	2,708,700	342,619	19,948,424
Total Capital Assets Being Depreciated, Net	43,613,151	(2,290,028)	-	41,323,123
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 61,547,235	$ (2,272,028)	$ 988	$ 59,274,219

6. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	$ 16,533	$ -	$ -	$ 16,533
Construction in Progress	231,000	-	-	231,000
Total Capital Assets not Being Depreciated	247,533	-	-	247,533
Capital Assets Being Depreciated				
Water Distribution System	54,961,400	2,782,030	-	57,743,430
Motor Equipment	189,085	-	-	189,085
Miscellaneous Equipment	275,359	16,000	-	291,359
Total Capital Assets Being Depreciated	55,425,844	2,798,030	-	58,223,874
Less Accumulated Depreciation for				
Water Distribution System	18,882,201	2,031,164	-	20,913,365
Equipment and Machinery	189,084	-	-	189,084
Miscellaneous Equipment	265,849	5,479	-	271,328
Total Accumulated Depreciation	19,337,134	2,036,643	-	21,373,777
Total Capital Assets Being Depreciated, Net	36,088,710	761,387	-	36,850,097
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 36,336,243	$ 761,387	$ -	$ 37,097,630

Depreciation expense was charged to the governmental activities functions/programs as follows:

GOVERNMENTAL ACTIVITIES	
General Government	$ 645,186
Public Safety	596,242
Highways and Streets, Including Depreciation of General Infrastructure Assets	1,467,272
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 2,708,700

7. PROPERTY TAX CALENDAR

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

- The property tax lien date is January 1.
- The annual tax levy ordinance for the 2014 levy was passed on December 8, 2014.

7. PROPERTY TAX CALENDAR (Continued)

- Property taxes for the 2014 levy are due to the County Collector in two installments, June 1, 2015 and September 1, 2015.

- Significant amounts of property taxes for the 2014 levy will be distributed to the Village during June, July, August and September of 2015. The remaining distributions are expected to be received in October and November 2015.

- The 2015 tax levy, which attached as an enforceable lien on property as of January 1, 2015, has not been recorded as a receivable as of April 30, 2015 as the tax has not yet been levied by the Village, and will not be levied until December 2015 and, therefore, the levy is not measurable at April 30, 2015.

8. LONG-TERM DEBT

a. Governmental Activities

The following is a summary of changes in general long-term debt reported in the governmental activities of the Village for the year ended April 30, 2015:

	Balance May 1	Issuances	Repayments/ Refundings	Balance April 30	Current Portion
2008A General Obligation Alternate Revenue Source Bonds	$ 2,000,000	$ -	$ -	$ 2,000,000	$ -
2010 General Obligation Alternate Revenue Source Refunding Bonds	1,970,000	-	340,000	1,630,000	475,000
2011 General Obligation Alternate Revenue Source Refunding Bonds	3,825,000	-	300,000	3,525,000	250,000
2014 Taxable General Obligation Alternate Refunding Bonds	3,335,000	-	-	3,335,000	-
Capital Lease	201,467	-	98,396	103,071	103,071
Bond Premium	206,944	-	41,202	165,742	-
Other Postemployment Benefit*	40,482	13,353	-	53,835	-
Net Pension Obligation*	64,641	-	20,685	43,956	-
Compensated Absences*	481,609	81,658	48,160	515,107	51,511
TOTAL GOVERNMENTAL ACTIVITIES LONG-TERM DEBT	$ 12,125,143	$ 95,011	$ 848,443	$ 11,371,711	$ 879,582

* Repaid by the General Fund.

8. LONG-TERM DEBT (Continued)

a. Governmental Activities (Continued)

Governmental activities long-term debt payable at April 30, 2015 is comprised of the following issues:

General Obligation Alternate Revenue Source Bonds, Series 2008A dated August 1, 2008, payable from utility, telecommunication and sales taxes payable to the Village. The bonds are due in annual installments of $1,000,000 on December 1, 2018 and December 1, 2019, with interest at 5.00% payable each June 1 and December 1 and are being paid by the Debt Service Fund.	$ 2,000,000
General Obligation Alternate Revenue Source Refunding Bonds Series 2010 dated June 1, 2010 payable from utility, telecommunication and sales taxes payable to the Village. These bonds were partially refunded in the fiscal year ended April 30, 2014. The remaining bonds are due in annual amounts of $340,000 to $605,000 through December 1, 2017 with interest payable each June 1 and December 1 at rates from 2.00% to 4.00%, and are being repaid by the Debt Service Fund.	1,630,000
General Obligation Alternate Revenue Source Refunding Bonds Series 2011 dated December 15, 2011 payable from utility, telecommunication and sales taxes payable to the Village. The bonds are due in annual amounts of $205,000 to $450,000 through December 1, 2024 with interest payable each June 1 and December 1 at rates from 2.00% to 3.125%, and are being repaid by the Debt Service Fund.	3,525,000
Taxable General Obligation Alternate Refunding Bonds Series 2014 dated April 29, 2014 payable from utility, telecommunication and sales taxes payable to the Village. The bonds are due in annual amounts of $630,000 to $710,000 through December 1, 2024 with interest payable each June 1 and December 1 at rates from 3.00% to 3.50%, and are being repaid by the Debt Service Fund.	3,335,000
The Village entered into a capital lease on June 6, 2013 of $309,008 to purchase six public safety vehicles. The principal is paid in annual installments of $107,966 over three years including interest at 4.75%. The lease is being repaid by the Vehicle Reserve Fund.	103,071
TOTAL GOVERNMENTAL ACTIVITIES DEBT PAYABLE	$ 10,593,071

8. LONG-TERM DEBT (Continued)

a. Governmental Activities (Continued)

Debt service to maturity for these issues is as follows:

Fiscal Year	Series 2008A General Obligation Alternate Revenue Source Bonds Principal	Series 2008A General Obligation Alternate Revenue Source Bonds Interest	Series 2010 General Obligation Alternate Revenue Source Refunding Bonds Principal	Series 2010 General Obligation Alternate Revenue Source Refunding Bonds Interest	Series 2011 General Obligation Alternate Revenue Source Refunding Bonds Principal	Series 2011 General Obligation Alternate Revenue Source Refunding Bonds Interest
2016	$ -	$ 100,000	$ 475,000	$ 61,075	$ 250,000	$ 89,950
2017	-	100,000	550,000	42,075	205,000	84,950
2018	-	100,000	605,000	24,200	205,000	80,850
2019	1,000,000	100,000	-	-	375,000	76,750
2020	1,000,000	50,000	-	-	385,000	68,312
2021	-	-	-	-	395,000	59,168
2022	-	-	-	-	405,000	49,294
2023	-	-	-	-	420,000	38,663
2024	-	-	-	-	435,000	27,113
2025	-	-	-	-	450,000	14,063
TOTAL	$ 2,000,000	$ 450,000	$ 1,630,000	$ 127,350	$ 3,525,000	$ 589,113

Fiscal Year	Series 2014 Taxable General Obligation Alternate Refunding Bonds Principal	Series 2014 Taxable General Obligation Alternate Refunding Bonds Interest	Capital Lease Payable Principal	Capital Lease Payable Interest	Total Principal	Total Interest
2016	$ -	$ 106,340	$ 103,071	$ 4,896	$ 828,071	$ 362,261
2017	-	106,340	-	-	755,000	333,365
2018	-	106,340	-	-	810,000	311,390
2019	-	106,340	-	-	1,375,000	283,090
2020	-	106,340	-	-	1,385,000	224,652
2021	630,000	106,340	-	-	1,025,000	165,508
2022	645,000	87,440	-	-	1,050,000	136,734
2023	665,000	68,090	-	-	1,085,000	106,753
2024	685,000	48,140	-	-	1,120,000	75,253
2025	710,000	24,850	-	-	1,160,000	38,913
TOTAL	$ 3,335,000	$ 866,560	$ 103,071	$ 4,896	$ 10,593,071	$ 2,037,919

8. LONG-TERM DEBT (Continued)

b. Business-Type Activities/Enterprise Fund Long-Term Debt

The following is a summary of changes in Business-Type Activities/Enterprise Fund long-term debt of the Village for the year ended April 30, 2015:

	Balance May 1	Issuances	Repayments	Balance April 30	Current Portion
2007 General Obligation Alternative Revenue Source Refunding Bonds	$ 1,675,000	$ -	$ 305,000	$ 1,370,000	$ 320,000
2013 General Obligation Alternate Bonds	4,590,000	-	120,000	4,470,000	125,000
IEPA Loans Payable	4,627,333	2,392,633	260,374	6,759,592	362,916
Bond Premium	166,250	-	10,665	155,585	-
Compensated Absences	70,778	2,929	7,078	66,629	6,663
TOTAL ENTERPRISE FUND	$ 11,129,361	$ 2,395,562	$ 703,117	$ 12,821,806	$ 814,579

Total Business-Type Activities/Enterprise Fund bonded debt payable at April 30, 2015 is comprised of the following issues:

General Obligation Alternative Revenue Source Refunding Bonds, Series 2007, payable from user fees generated in the Water Fund. These bonds are reported in the Water Fund since the intent of the Village is to use water revenues to abate the tax levy authorized for repayment of this obligation. The bonds are due in annual installments of $5,000 to $365,000 from December 1, 2008 through December 1, 2018, with interest at 3.95% payable each June 1 and December 1.	$ 1,370,000
General Obligation Alternate Bonds, Series 2013, payable from user fees generated in the Water Fund. These bonds are reported in the Water Fund since the intent of the Village is to use water revenues to abate the tax levy authorized for repayment of this obligation. The bonds are due in annual installments of $120,000 to $280,000 from December 1, 2015 through December 1, 2038, with interest at 3.00% - 4.00% payable each June 1 and December 1.	4,470,000
Installment Loan Payable #1 agreement with the Illinois Environmental Protection Agency for advances of up to $1,144,627 for construction of a sewer treatment plant. The advances bear interest at 2.675% and require semiannual payments of principal and interest.	535,427

8. LONG-TERM DEBT (Continued)

b. Business-Type Activities/Enterprise Fund Long-Term Debt (Continued)

Installment Loan Payable #2 agreement with the Illinois Environmental Protection Agency for advances of up to $4,336,971 for rehabilitation of the water treatment plant, drilling of well #15, installation of well #15 water main and improvements to well #14. The advances bear interest at 1.25% and require semiannual payments of principal and interest.	$ 3,831,532
Installment Loan Payable #3 agreement with the Illinois Environmental Protection Agency for advances of up to $2,570,986 for improvements to the distribution system, replacement of aging and undersized water mains and to loop dead end water mains. The advances bear interest at 1.995% and require semiannual payments of principal and interest.	2,392,633
TOTAL ENTERPRISE FUND DEBT PAYABLE	$ 12,599,592

Debt service to maturity for these issues is as follows:

Fiscal	Series 2007 Bond		Series 2013 Bond		IEPA Loan #1	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 320,000	$ 54,116	$ 125,000	$ 166,300	$ 60,872	$ 13,918
2017	335,000	41,476	125,000	162,550	62,511	12,279
2018	350,000	28,242	130,000	158,800	64,194	10,596
2019	365,000	14,418	135,000	154,900	65,922	8,868
2020	-	-	140,000	150,850	67,698	7,092
2021	-	-	145,000	146,650	69,521	5,269
2022	-	-	145,000	142,300	71,393	3,397
2023	-	-	150,000	137,950	73,316	1,474
2024	-	-	155,000	133,450	-	-
2025	-	-	160,000	128,800	-	-
2026	-	-	165,000	122,400	-	-
2027	-	-	175,000	115,800	-	-
2028	-	-	180,000	108,800	-	-
2029	-	-	190,000	101,600	-	-
2030	-	-	195,000	94,000	-	-
2031	-	-	205,000	86,200	-	-
2032	-	-	210,000	78,000	-	-
2033	-	-	220,000	69,600	-	-
2034	-	-	230,000	60,800	-	-
2035	-	-	240,000	51,600	-	-
2036	-	-	245,000	42,000	-	-
2037	-	-	255,000	32,200	-	-
2038	-	-	270,000	22,000	-	-
2039	-	-	280,000	11,200	-	-
TOTAL	$ 1,370,000	$ 138,252	$ 4,470,000	$ 2,478,750	$ 535,427	$ 62,893

8. LONG-TERM DEBT (Continued)

b. Business-Type Activities/Enterprise Fund Long-Term Debt (Continued)

Fiscal	IEPA Loan #2		IEPA Loan #3		Total	Total
Year	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 203,620	$ 47,260	$ 98,424	$ 47,245	$ 807,916	$ 328,839
2017	206,173	44,707	100,398	45,271	829,082	306,283
2018	208,758	42,122	102,411	43,258	855,363	283,018
2019	211,376	39,504	104,464	41,205	881,762	258,895
2020	214,027	36,853	106,558	39,111	528,283	233,906
2021	216,711	34,169	108,695	36,974	539,927	223,062
2022	219,428	31,452	110,874	34,795	546,695	211,944
2023	222,178	28,702	113,097	32,572	558,591	200,698
2024	224,965	25,915	115,365	30,304	495,330	189,669
2025	227,786	23,094	117,678	27,991	505,464	179,885
2026	230,642	20,238	120,037	25,632	515,679	168,270
2027	233,534	17,346	122,444	23,225	530,978	156,371
2028	236,462	14,418	124,899	20,770	541,361	143,988
2029	239,427	11,453	127,403	18,266	556,830	131,319
2030	242,429	8,451	129,957	15,712	567,386	118,163
2031	245,469	5,411	132,563	13,106	583,032	104,717
2032	248,547	2,333	135,221	10,448	593,768	90,781
2033	-	-	137,932	7,737	357,932	77,337
2034	-	-	140,696	4,972	370,696	65,772
2035	-	-	143,517	2,151	383,517	53,751
2036	-	-	-	-	245,000	42,000
2037	-	-	-	-	255,000	32,200
2038	-	-	-	-	270,000	22,000
2039	-	-	-	-	280,000	11,200
TOTAL	$ 3,831,532	$ 433,428	$ 2,392,633	$ 520,745	$ 12,599,592	$ 3,634,068

c. Special Service Area Bonds

During the fiscal year ended April 30, 2006, the Village issued $275,000 Special Service Area No. 17 Bonds. The bonds are payable solely from the special service area taxes levied upon the properties located in the special service areas and do not constitute an indebtedness of the Village. The Village is acting solely as paying agent in collecting the taxes and remitting them to the bond holders. Accordingly, these bonds are not reported as a liability in the Village's financial statements. As of April 30, 2015, $110,876 of the Special Service Area No. 17 bonds are outstanding.

8. LONG-TERM DEBT (Continued)

d. Special Assessment Bonds

During the fiscal year ended April 30, 2007, the Village refunded $11,923,000 of special assessment bonds, which were paid from escrow during the fiscal year ended April 30, 2012. The refunding special assessment bonds, dated December 1, 2006, were outstanding as of April 30, 2015 and totaled $10,877,000. These bonds are not an obligation of the Village and are secured by the levy of special assessments on the real property within the special assessment area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the assessments and forwarding the collections to bondholders.

e. Pledged Revenues

The Village has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The Series 2007 General Obligation Alternate Revenue Source Bonds, issued for various water system improvements, are payable by a pledge of the Village’s water operations revenue. The 2007 bonds have a remaining total pledge of $1,508,252, with the bonds maturing December 1, 2018. During the current fiscal year, the pledge of water revenues for the 2007 bonds of $371,162 was approximately 8.93% of total water revenues.

The 2008A General Obligation Alternate Revenue Source Bonds, issued for the construction of the Village Hall, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of $2,450,000 with the bonds maturing December 1, 2019. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of $100,000 was approximately 2.50% of total sales, telecommunication and use tax.

The 2010 General Obligation Alternate Revenue Source Refunding Bonds, issued to refund the Series 2002A General Obligation Alternate Revenue Source Bonds, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of $1,757,350 with the bonds maturing December 1, 2017. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of $411,275 was approximately 10.28% of total sales, telecommunication and use tax.

The 2011 General Obligation Alternate Revenue Source Refunding Bonds, issued to refund the Series 2005 General Obligation Alternate Revenue Source Bonds, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of $4,114,113 with the bonds maturing December 1, 2024. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of $395,950 was approximately 9.90% of total sales, telecommunication and use tax.

8. LONG-TERM DEBT (Continued)

e. Pledged Revenues (Continued)

The 2013 General Obligation Alternate Revenue Source Bonds, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue, with a remaining total pledge of $6,948,750 with the bonds maturing December 1, 2038. During the current fiscal year, the pledge of water revenues of $289,900 was approximately 6.98% of total water operations revenue.

The 2014 Taxable General Obligation Alternate Refunding Bonds, issued to refund a portion the Series 2010 General Obligation Alternate Revenue Source Bonds, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of $4,201,560 with the bonds maturing December 1, 2024. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of $62,622 was approximately 1.57% of total sales, telecommunication and use tax.

f. Refunding

On April 29, 2014, the Village issued $3,335,000 Taxable General Obligation Alternate Refunding Bonds, Series 2014, to advance refund, through an in-substance defeasance, $3,050,000 of the General Obligation Alternate Revenue Source Bonds, Series 2010. The bonds will be paid from escrow on December 1, 2014, December 1, 2015, December 1, 2016 and December 1, 2017. The amount of bonds outstanding to be paid from escrow at April 30, 2015 was $2,350,000.

9. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; employee health; and injuries to the Village's employees. To insure against the losses, the Village participates in the Municipal Insurance Cooperative Agency (MICA), a public entity risk pool with transfers of risk. The Village pays an annual premium to MICA for its coverage. The Village is not aware of any additional premiums owed to MICA as of April 30, 2015, for the current or prior claim years. In addition, the Village provides health insurance to its employees through a third party indemnity policy. The Village pays an annual premium to the insurance company for its coverage. Settled claims have not exceeded the coverage in the current or preceding two fiscal years.

10. COMMITMENTS AND CONTINGENCIES

Economic Incentive

The Village has entered into economic development agreements with four companies in Montgomery to provide sales tax rebates. The agreements require the Village to rebate to the companies different levels of additional sales tax generated by the facilities. The total expenditures paid during the year ended April 30, 2015 was $781,334, and the total cumulative expenditures incurred to date in rebates of current development agreements was $4,669,279.

11. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for plans are governed by ILCS and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for fiscal year ended April 30, 2015 was 12.94% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

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

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

Plan Membership

At April 30, 2015, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	7
Current Employees	
Vested	11
Nonvested	13
TOTAL	31

Benefits Provided

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

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired as police officers on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2015, the Village's contribution was 22.33% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

Illinois Compiled Statutes (ILCS) limit the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The investment policy was amended during the year ended April 30, 2015, to modify the fund's target investment allocations.

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

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Fixed Income			
U.S. Treasury Securities	0-40%	10%	1.75%
U.S. Agency Securities	0-75%	40%	2.00%
Taxable Municipal Securities	0-20%	10%	2.00%
Corporate Bonds	0-50%	25%	2.50%
High-Yield Fixed Income	0-10%	7.5%	3.50%
Emerging Market Fixed Income	0-10%	7.5%	4.00%
Equity			
U.S. Large Cap Equities	15-75%	55%	5.00%
U.S. Mid Cap Equities	0-20%	10%	5.25%
U.S. Small Cap Equities	0-25%	10%	5.00%
International Equities	0-30%	15%	5.25%
Alternative Investment Funds	0-30%	10%	1.25-4.75%

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The overall allocation for the Police Pension Fund between fixed income securities and equity securities is not defined in the Pension Investment Policy. However, ILCS limit the Fund’s investments in equities, mutual funds and variable annuities to 45%. Securities in any one company should not exceed 5% of the total fund. The long-term expected real rates of return are net of a 2.5% factor for inflation and investment expense. The targets above are the percentage of fixed income or equity allocation noted in the respective sections above.

The long-term expected rate of return on the Fund’s investments was determined using the Asset Management and Trust Division of the investment management consultant’s proprietary research and analytical tools in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund’s target asset allocation as of April 30, 2015 are listed in the table above.

Investment Valuations

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

Investment Concentrations

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

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Deposits with Financial Institutions

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

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
Debt Securities					
U.S. Agency Obligations	$ 1,310,498	$ 143,723	$ 785,224	$ 367,449	$ 14,102
U.S. Treasury Obligations	124,733	19,056	80,404	25,273	-
State and Local Obligations	437,055	-	437,055	-	-
Corporate Securities	1,421,508	-	812,393	609,115	-
TOTAL	3,293,794	$ 162,779	$ 2,115,076	$ 1,001,837	$ 14,102
Other Securities					
Insurance Company Contracts - Separate Accounts	1,747,583				
Equity Mutual Funds	2,306,916				
Common Stock	547,469				
TOTAL INVESTMENTS	$ 7,895,762				

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

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Credit Risk

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and other obligations which are rated in the top three classes by a national rating agency. The money market mutual funds are not rated. Illinois Funds are rated AAA. The U.S. agency obligations are rated AA+. The municipal bonds and corporate bonds range in rating from BBB+ to AA+.

Custodial Credit Risk

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

To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total Pension Liability	$ 12,202,590
Plan Fiduciary Net Position	8,206,596
Village's Net Pension Liability	3,995,994
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.25%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015 using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary Increases	4.00%-7.00%
Interest Rate	7.00%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality rates were based on the rates developed in the L&A 2012 Mortality Table for Illinois Police Officers. Other demographic rates are based on a review of assumptions in the L&A 2012 study of Illinois Police Officers.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability	$ 5,891,757	$ 3,995,994	$ 2,448,594

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of plan net assets the Police Pension Plan. Information for IMRF is not available.

11. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	December 31, 2012	May 1, 2014
Actuarial Cost Method	Entry-Age Normal	Projected Unit Credit
Asset Valuation Method	5 Year Smoothed Market	5 Year Smoothed Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization Period	29 Years, Open	26 Years, Closed
Significant Actuarial Assumptions		
a) Rate of Return on Present and Future Assets	7.50% Compounded Annually	7.00% Compounded Annually
b) Projected Salary Increase - Attributable to Inflation	4.00% Compounded Annually	3.00% Compounded Annually
c) Additional Projected Salary Increases - Seniority/Merit	0.40% to 10.00%	4.00% to 7.00%
d) Postretirement Benefit Increases	3.00%	3.00%

11. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

Employer annual pension cost (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO (asset) is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual Pension Cost (APC)	2013	$ 322,234	$ 363,719
	2014	307,891	399,582
	2015	277,019	428,342
Actual Contribution	2013	$ 322,234	$ 331,778
	2014	307,891	388,546
	2015	277,019	449,027
Percentage of APC Contributed	2013	100.00%	91.21%
	2014	100.00%	97.23%
	2015	100.00%	105.03%
NPO (Asset)	2013	$ -	$ 53,605
	2014	-	64,641
	2015	-	43,956

The net pension obligation (asset) has been calculated as follows as of April 30, 2015:

	Police Pension
Annual Required Contributions	$ 427,528
Interest on Net Pension Obligation	4,525
Adjustment to Annual Required Contribution	(3,711)
Annual Pension Cost	428,342
Contributions Made	449,027
Increase (Decrease) in Net Pension Obligation	(20,685)
Net Pension Obligation (Asset), May 1	64,641
NET PENSION OBLIGATION (ASSET), APRIL 30	$ 43,956

11. DEFINED BENEFIT PENSION PLANS (Continued)

d. Funded Status

The funded status of the plans as of April 30, 2015, based on actuarial valuations performed as of December 31, 2014 for IMRF and April 30, 2015 for the Police Pension Fund is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 11a for the police pension fund and Note 11c for IMRF:

	Illinois Municipal Retirement	Police Pension
Actuarial Accrued Liability (AAL)	$ 6,697,954	$ 12,202,590
Actuarial Value of Plan Assets	4,645,780	8,206,596
Unfunded Actuarial Accrued Liability (UAAL)	2,052,174	3,995,994
Funded Ratio (Actuarial Value of Plan Assets/AAL)	69.36%	67.25%
Covered Payroll (Active Plan Members)	$ 2,146,002	$ 2,010,832
UAAL as a Percentage of Covered Payroll	95.63%	198.72%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

12. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

The Village provides continued health insurance coverage at the active employee rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the Village's retirement plans. For village non-uniformed employees (IMRF retirees), upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the Village's insurance provider. Retired uniformed police personnel are allowed to continue in the Village's plan indefinitely.

c. Membership

At April 30, 2013, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	10
Terminated Employees Entitled to Benefits but not yet Receiving Them	-
Active Employees	
Vested	27
Nonvested	23
TOTAL	60
Participating Employers	1

d. Funding Policy

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2013	$ 31,362	$ 24,773	78.99%	$ 27,152
April 30, 2014	56,726	43,396	76.50%	40,482
April 30, 2015	56,749	43,396	76.47%	53,835

The net OPEB obligation as of April 30, 2015 was calculated as follows:

Annual Required Contribution	$ 56,576
Interest on Net OPEB Obligation	1,619
Adjustment to Annual Required Contribution	(1,446)
Annual OPEB Cost	56,749
Contributions Made	43,396
Increase in Net OPEB Obligation	13,353
Net OPEB Obligation, Beginning of Year	40,482
NET OPEB OBLIGATION, END OF YEAR	$ 53,835

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2013 (most recent data available) was as follows:

Actuarial Accrued Liability (AAL)	$ 882,324
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	882,324
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	3,442,427
UAAL as a Percentage of Covered Payroll	25.63%

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

In the April 30, 2013 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a discount rate of 5% and an initial healthcare cost trend rate of 8% with an ultimate healthcare inflation rate of 6%. Both rates include a 3% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2013 was 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes Including Road and Bridge	$ 2,197,963	$ 2,220,787
Other Taxes		
Sales	3,556,074	3,169,321
Personal Property Replacement	65,240	66,610
Photo and Local Use	328,196	370,691
Video Gaming	24,000	48,392
Utility	86,223	77,817
Total Other Taxes	4,059,733	3,732,831
State Shared Income Taxes	1,803,236	1,805,718
Licenses and Permits	339,846	394,959
Charges for Services	240,725	323,326
Intergovernmental	10,730	17,960
Fines and Forfeits	382,400	293,108
Investment Income	15,000	10,059
Miscellaneous	123,500	108,329
Total Revenues	9,173,133	8,907,077
EXPENDITURES		
Current		
General Government		
Elected Officials	176,258	151,751
Administration Office	377,242	367,552
Finance Office	518,956	485,561
Legal Services	170,500	190,308
Engineering Services	150,000	228,745
Community Development - Planning/Zoning	317,610	294,073
Community Development - Code Enforcement	319,255	305,707
Community Development - Economic Development	1,096,044	872,215
Total General Government	3,125,865	2,895,912
Public Safety		
Police Administration	573,951	570,003
Police Support Services	426,077	433,394
Police Patrol	3,022,652	2,998,700
Police Investigations	259,029	274,789
Police Commission	9,383	16,329
Emergency Services and Disaster Agency	2,200	3,837
Total Public Safety	4,293,292	4,297,052

(This schedule is continued on the following page.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
EXPENDITURES (Continued)		
Current (Continued)		
Highways and Streets		
Public Works Administration	$ 123,610	$ 126,525
Public Works Highways and Streets	854,447	784,313
Public Works Vehicle Maintenance	243,326	240,908
Public Works Buildings and Grounds	425,919	391,792
Total Highways and Streets	1,647,302	1,543,538
Sanitation		
Public Works Sanitation	52,000	43,161
Storm Sewer	40,000	21,793
Total Sanitation	92,000	64,954
Total Expenditures	9,158,459	8,801,456
NET CHANGE IN FUND BALANCE	$ 14,674	105,621
FUND BALANCES, MAY 1		3,554,135
FUND BALANCES, APRIL 30		$ 3,659,756

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	$ 4,682,596	$ 5,999,912	78.04%	$ 1,317,316	$ 2,497,690	52.74%
2010	3,862,434	5,626,419	68.65%	1,763,985	2,307,168	76.46%
2011	4,040,584	6,117,528	66.05%	2,076,944	2,340,676	88.73%
2012	4,744,395	6,892,040	68.84%	2,147,645	2,480,122	86.59%
2013	4,297,526	6,112,238	70.31%	1,814,712	2,327,889	77.96%
2014	4,645,780	6,697,954	69.36%	2,052,174	2,146,002	95.63%

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2015

Actuarial* Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2010	$ 6,047,147	$ 8,293,467	72.91%	$ 2,246,320	$ 1,300,567	172.72%
2011	5,948,391	8,970,413	66.31%	3,022,022	1,392,700	216.99%
2012	6,424,550	9,719,250	66.10%	3,294,700	1,410,349	233.61%
2013	6,940,564	10,597,930	65.49%	3,657,366	1,638,052	223.28%
2014	7,538,608	10,137,331	74.36%	2,598,723	1,829,493	142.05%
2015	8,206,596	12,202,590	67.25%	3,995,994	2,010,832	198.72%

*The actuarial valuations for April 30, 2010 and April 30, 2015 were prepared using the entry-age normal actuarial cost method. The actuarial valuations for April 30, 2011, April 30, 2012, April 30, 2013 and April 30, 2014 were prepared using the projected unit credit actuarial cost method.

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2015

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2010	$ -	$ 481,239	0.00%	$ 481,239	$ 3,868,449	12.44%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	882,324	0.00%	882,324	3,442,427	25.63%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Valuation not performed.

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	$ 261,859	$ 261,859	100.00%
2011	258,237	258,237	100.00%
2012	282,337	282,337	100.00%
2013	322,234	322,234	100.00%
2014	307,891	307,891	100.00%
2015	277,019	277,019	100.00%

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

POLICE PENSION FUND

April 30, 2015

	2015
Actuarially Determined Contribution	$ 455,783
Contribution in Relation to the Actuarially Determined Contribution	449,027
CONTRIBUTION DEFICIENCY (Excess)	$ 6,756
Covered-Employee Payroll	$ 2,010,832
Contributions as a Percentage of Covered-Employee Payroll	22.33%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67. The actuarially determined contribution was based on funding 100% of the past service cost using the projected unit credit actuarial cost method.

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)*	Percentage Contributed
2010	$ 239,611	$ 337,385	71.02%
2011	241,802	290,008	83.38%
2012	324,493	292,583	110.91%
2013	331,778	363,170	91.36%
2014	388,546	397,879	97.65%
2015	449,027	427,528	105.03%

Notes to the Required Supplementary Information:

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of April 30 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 28 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.00% annually, projected salary increase assumption of 4.00%-7.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	$ 24,773	$ 32,081	77.22%
2011	24,773	31,224	79.34%
2012	24,773	31,224	79.34%
2013	24,773	31,224	79.34%
2014	43,396	56,726	76.50%
2015	43,396	56,576	76.70%

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

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

POLICE PENSION FUND

April 30, 2015

	2015
TOTAL PENSION LIABILITY	
Service cost	$ 463,455
Interest	782,101
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	1,251,387
Benefit payments, including refunds of member contributions	(431,684)
Net change in total pension liability	2,065,259
Total pension liability - beginning	10,137,331
TOTAL PENSION LIABILITY - ENDING	$ 12,202,590
PLAN FIDUCIARY NET POSITION	
Contributions - employer	$ 449,027
Contributions - member	228,037
Net investment income	471,668
Benefit payments, including refunds of member contributions	(431,684)
Administrative expense	(8,625)
Net change in plan fiduciary net position	708,423
Plan fiduciary net position - beginning	7,498,173
PLAN FIDUCIARY NET POSITION - ENDING	$ 8,206,596
EMPLOYER'S NET PENSION LIABILITY	$ 3,995,994
Plan fiduciary net position as a percentage of the total pension liability	67.25%
Covered-employee payroll	$ 2,010,832
Employer's net pension liability as a percentage of covered-employee payroll	198.72%

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

POLICE PENSION FUND

April 30, 2015

	2015
Annual money-weighted rate of return, net of investment expense	6.54%

(See independent auditor's report.)

1. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted for all funds except for the Infrastructure Improvement Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriations to the Budget Officer so that a budget may be prepared. The budget is prepared by fund, department and division, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. The budget may be amended by the governing body.

The Board of Trustees approves transfers between departments within a fund and transfers between funds. Expenditures may not legally exceed budgeted appropriations at the department level. During the current fiscal year, no budget amendments were adopted.

2. EXCESSES OF EXPENDITURES OVER BUDGET

The following individual fund expenditures exceeded budget in the following amounts (excluding depreciation):

	Budget	Expenditures
Police Drug Fund	$ 29,750	$ 29,811
Motor Fuel Tax Fund	763,990	1,001,910
Police Gift Fund	1,000	1,817
Balmorea Special Service Area Fund	28,000	39,560
Tax Increment Financing District #2 Fund	500	655
Saratoga Springs Special Service Area Fund	7,500	11,353
Blackberry Crossing West Special Service Area Fund	40,000	48,024
Fieldstone Special Service Area Fund	4,500	6,088

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Purpose:
These financial statements provide a more detailed view of the general purpose external financial statements presented in the preceding subsection.

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital Improvement Fund - to account for funds restricted, committed or assigned for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

DEBT SERVICE FUNDS

Debt Service Fund - to account for the repayment of the 2008A, 2010, 2011 and 2014 general obligation alternate revenue source bonds that are being repaid with utility taxes.

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Other Taxes		
Utility Taxes	$ 1,276,508	$ 1,246,490
Charges for Services	16,200	14,476
Intergovernmental	81,000	2,579
Investment Income	50	796
Miscellaneous	87,000	114,053
Total Revenues	1,460,758	1,378,394
EXPENDITURES		
Capital Outlay	246,000	148,764
Total Expenditures	246,000	148,764
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,214,758	1,229,630
OTHER FINANCING SOURCES (USES)		
Transfer (Out)	(987,233)	(968,253)
Total Other Financing Sources (Uses)	(987,233)	(968,253)
NET CHANGE IN FUND BALANCE	$ 227,525	261,377
FUND BALANCE (DEFICIT), MAY 1		(322,648)
FUND BALANCE (DEFICIT), APRIL 30		$ (61,271)

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
None	$ -	$ -
Total Revenues	-	-
EXPENDITURES		
Debt Service		
Principal Retirement	640,000	640,000
Interest and Fiscal Charges	347,233	331,197
Total Expenditures	987,233	971,197
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(987,233)	(971,197)
OTHER FINANCING SOURCES (USES)		
Transfers In	987,233	968,253
Total Other Financing Sources (Uses)	987,233	968,253
NET CHANGE IN FUND BALANCE	$ -	(2,944)
FUND BALANCE, MAY 1		59,033
FUND BALANCE, APRIL 30		$ 56,089

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Economic Development Fund - to account for the community development revolving loan program funded by a grant restricted to provide loans to local businesses.

Police Drug Fund - to account for County court fines restricted for police anti-drug program expenditures.

Motor Fuel Tax Fund - to account for State Gasoline Tax Allocations restricted for local roadway program expenditures.

Emergency 911 Fund - to account for County wireless 911 surcharge fees restricted for emergency 911 enhancements.

Police Gift Fund - to account for monies that are restricted by the donors to be used for educational and equipment expenditures for the police force.

Montgomery Crossing Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Montgomery Crossing development.

Blackberry Crossing Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Blackberry Crossing development.

Ogden Hill Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Ogden Hill development.

Marquis Pointe Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Marquis Pointe development.

Balmorea Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Balmorea development.

Arbor Ridge Special Service Area Fund - to account for the special service area tax that is restricted for maintenance of common areas in the Arbor Ridge development.

Fairfield Way Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Fairfield Way development.

Foxmoor Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Foxmoor development.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Tax Increment Financing (TIF) District #1 Fund - to account for the taxes restricted for expenditures incurred related to the Village’s U.S. Route 30 and Fifth Street TIF District.

Tax Increment Financing (TIF) District #2 Fund - to account for the taxes restricted for expenditures incurred related to the Village’s Orchard Road and Aucutt Road TIF District.

Saratoga Springs Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Saratoga Springs development.

Orchard Prairie North Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Orchard Prairie North development.

Blackberry Crossing West Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Blackberry Crossing West development.

Fieldstone Special Service Area Fund - to account for the special service area tax that is restricted for the maintenance of common areas in the Fieldstone development.

CAPITAL PROJECTS FUNDS

Vehicle Reserve Fund - to account for contributions from other departments assigned for future vehicle replacements.

Infrastructure Improvement Fund - to account for the revenues and expenditures restricted to infrastructure improvements throughout the community, funded by the 1% non-home rule sales tax.

Lakewood Special Assessments Fund - to account for the revenues and expenditures restricted to capital improvements of specific areas within the Village.

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

	Special Revenue			
	Economic Development	**Police Drug**	**Motor Fuel Tax**	**Emergency 911**
ASSETS				
Cash and Investments	$ 293,235	$ 64,121	$ 313,998	$ 106,098
Property Taxes Receivable	-	-	-	-
Due from Other Governments	-	-	50,139	-
Due from Other Funds	-	-	-	-
Due from Fiduciary Funds	-	-	-	-
Notes Receivable	1,310,562	-	-	-
TOTAL ASSETS	$ 1,603,797	$ 64,121	$ 364,137	$ 106,098
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 60	$ -	$ 1,491	$ -
Due to Other Funds	-	-	-	-
Total Liabilities	60	-	1,491	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	60	-	1,491	-
FUND BALANCES				
Restricted for				
Economic Development	1,603,737	-	-	-
Public Safety	-	64,121	-	106,098
Highways and Streets	-	-	362,646	-
Subdivision Maintenance	-	-	-	-
Subdivision Improvements	-	-	-	-
Unrestricted				
Assigned for Capital	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	1,603,737	64,121	362,646	106,098
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,603,797	$ 64,121	$ 364,137	$ 106,098

Special Revenue						
Police Gift	**Montgomery Crossing Special Service Area**	**Blackberry Crossing Special Service Area**	**Ogden Hill Special Service Area**	**Marquis Pointe Special Service Area**	**Balmorea Special Service Area**	**Arbor Ridge Special Service Area**
$ 7,316	$ 133,420	$ 64,056	$ 24,679	$ 21,140	$ -	$ 39,273
-	53,002	11,001	22,527	13,527	30,000	18,358
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 7,316	$ 186,422	$ 75,057	$ 47,206	$ 34,667	$ 30,000	$ 57,631
$ 166	$ 652	$ 188	$ -	$ -	$ -	$ 463
-	-	-	-	-	12,687	-
166	652	188	-	-	12,687	463
-	53,002	11,001	22,527	13,527	30,000	18,358
-	53,002	11,001	22,527	13,527	30,000	18,358
166	53,654	11,189	22,527	13,527	42,687	18,821
-	-	-	-	-	-	-
7,150	-	-	-	-	-	-
-	-	-	-	-	-	-
-	132,768	63,868	24,679	21,140	-	38,810
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(12,687)	-
7,150	132,768	63,868	24,679	21,140	(12,687)	38,810
$ 7,316	$ 186,422	$ 75,057	$ 47,206	$ 34,667	$ 30,000	$ 57,631

(This schedule is continued on the following page.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

	Special Revenue			
	Fairfield Way Special Service Area	**Foxmoor Special Service Area**	**Tax Increment Financing District #1**	**Tax Increment Financing District #2**
ASSETS				
Cash and Investments	$ 121,895	$ 123,631	$ 150,832	$ -
Property Taxes Receivable	50,000	42,500	40,917	51,880
Due from Other Governments	-	-	-	-
Due from Other Funds	-	12,687	-	-
Due from Fiduciary Funds	42,948	-	-	-
Notes Receivable	-	-	-	-
TOTAL ASSETS	$ 214,843	$ 178,818	$ 191,749	$ 51,880
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 1,339	$ 2,009	$ 3,979	$ -
Due to Other Funds	-	-	-	37,894
Total Liabilities	1,339	2,009	3,979	37,894
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	50,000	42,500	40,917	51,880
Total Deferred Inflows of Resources	50,000	42,500	40,917	51,880
Total Liabilities and Deferred Inflows of Resources	51,339	44,509	44,896	89,774
FUND BALANCES				
Restricted for				
Economic Development	-	-	146,853	-
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Subdivision Maintenance	163,504	134,309	-	-
Subdivision Improvements	-	-	-	-
Unrestricted				
Assigned for Capital	-	-	-	-
Unassigned	-	-	-	(37,894)
Total Fund Balances (Deficit)	163,504	134,309	146,853	(37,894)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 214,843	$ 178,818	$ 191,749	$ 51,880

Special Revenue				Capital Projects			
Saratoga Springs Special Service Area	Orchard Prairie North Special Service Area	Blackberry Crossing West Special Service Area	Fieldstone Special Service Area	Vehicle Reserve	Infrastructure Improvement	Lakewood Special Assessments	Total
$ 38,589	$ 27,872	$ 101,241	$ 16,940	$ 529,570	$ -	$ 42,819	$ 2,220,725
12,000	25,000	63,003	6,500	-	-	-	440,215
-	-	-	-	-	-	-	50,139
-	-	-	-	-	-	-	12,687
-	-	-	-	-	-	-	42,948
-	-	-	-	-	-	-	1,310,562
$ 50,589	$ 52,872	$ 164,244	$ 23,440	$ 529,570	$ -	$ 42,819	$ 4,077,276
$ 275	$ 1,029	$ 1,521	$ -	$ -	$ 18,000	$ -	$ 31,172
-	-	-	-	-	-	-	50,581
275	1,029	1,521	-	-	18,000	-	81,753
12,000	25,000	63,003	6,500	-	-	-	440,215
12,000	25,000	63,003	6,500	-	-	-	440,215
12,275	26,029	64,524	6,500	-	18,000	-	521,968
-	-	-	-	-	-	-	1,750,590
-	-	-	-	-	-	-	177,369
-	-	-	-	-	-	-	362,646
38,314	26,843	99,720	16,940	-	-	-	760,895
-	-	-	-	-	-	42,819	42,819
-	-	-	-	529,570	-	-	529,570
-	-	-	-	-	(18,000)	-	(68,581)
38,314	26,843	99,720	16,940	529,570	(18,000)	42,819	3,555,308
$ 50,589	$ 52,872	$ 164,244	$ 23,440	$ 529,570	$ -	$ 42,819	$ 4,077,276

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2015

	Special Revenue			
	Economic Development	**Police Drug**	**Motor Fuel Tax**	**Emergency 911**
REVENUES				
Property Taxes	$ -	$ -	$ -	$ -
Other Taxes	-	-	649,485	-
Charges for Services	-	-	1,268	-
Intergovernmental	-	-	4,203	-
Fines and Forfeits	-	15,595	-	-
Investment Income	14,679	-	382	-
Miscellaneous	-	-	-	-
Total Revenues	14,679	15,595	655,338	-
EXPENDITURES				
Current				
General Government	1,378	-	-	-
Public Safety	-	29,811	-	390
Highways and Streets	-	-	1,001,910	-
Capital Outlay	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Total Expenditures	1,378	29,811	1,001,910	390
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,301	(14,216)	(346,572)	(390)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	13,301	(14,216)	(346,572)	(390)
FUND BALANCES (DEFICIT), MAY 1	1,590,436	78,337	709,218	106,488
FUND BALANCES (DEFICIT), APRIL 30	$ 1,603,737	$ 64,121	$ 362,646	$ 106,098

			Special Revenue			
Police Gift	Montgomery Crossing Special Service Area	Blackberry Crossing Special Service Area	Ogden Hill Special Service Area	Marquis Pointe Special Service Area	Balmorea Special Service Area	Arbor Ridge Special Service Area
$ -	$ 65,611	$ 18,007	$ 19,710	$ 12,025	$ 27,472	$ 18,752
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
300	-	-	-	-	-	-
300	65,611	18,007	19,710	12,025	27,472	18,752
-	-	-	-	-	-	-
1,817	-	-	-	-	-	-
-	45,937	11,760	19,985	11,736	39,560	10,875
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,817	45,937	11,760	19,985	11,736	39,560	10,875
(1,517)	19,674	6,247	(275)	289	(12,088)	7,877
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(1,517)	19,674	6,247	(275)	289	(12,088)	7,877
8,667	113,094	57,621	24,954	20,851	(599)	30,933
$ 7,150	$ 132,768	$ 63,868	$ 24,679	$ 21,140	$ (12,687)	$ 38,810

(This schedule is continued on the following page.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2015

	Special Revenue			
	Fairfield Way Special Service Area	**Foxmoor Special Service Area**	**Tax Increment Financing District #1**	**Tax Increment Financing District #2**
REVENUES				
Property Taxes	$ 65,230	$ 67,352	$ 38,853	$ -
Other Taxes	-	-	-	-
Charges for Services	-	-	-	-
Intergovernmental	-	-	-	-
Fines and Forfeits	-	-	-	-
Investment Income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	65,230	67,352	38,853	-
EXPENDITURES				
Current				
General Government	-	-	10,971	655
Public Safety	-	-	-	-
Highways and Streets	35,949	38,734	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Total Expenditures	35,949	38,734	10,971	655
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	29,281	28,618	27,882	(655)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	29,281	28,618	27,882	(655)
FUND BALANCES (DEFICIT), MAY 1	134,223	105,691	118,971	(37,239)
FUND BALANCES (DEFICIT), APRIL 30	$ 163,504	$ 134,309	$ 146,853	$ (37,894)

Special Revenue				Capital Projects			
Saratoga Springs Special Service Area	Orchard Prairie North Special Service Area	Blackberry Crossing West Special Service Area	Fieldstone Special Service Area	Vehicle Reserve	Infrastructure Improvement	Lakewood Special Assessments	Total Nonmajor Governmental
$ 7,489	$ 22,458	$ 62,865	$ 4,203	$ -	$ -	$ -	$ 430,027
-	-	-	-	-	-	-	649,485
-	-	-	-	605,546	-	-	606,814
-	-	-	-	-	-	-	4,203
-	-	-	-	-	-	-	15,595
-	-	-	-	-	-	3	15,064
-	-	-	-	-	-	26,369	26,669
7,489	22,458	62,865	4,203	605,546	-	26,372	1,747,857
-	-	-	-	-	-	-	13,004
-	-	-	-	-	-	-	32,018
11,353	18,599	48,024	6,088	-	-	47,579	1,348,089
-	-	-	-	304,597	18,000	-	322,597
-	-	-	-	98,396	-	-	98,396
-	-	-	-	9,570	-	-	9,570
11,353	18,599	48,024	6,088	412,563	18,000	47,579	1,823,674
(3,864)	3,859	14,841	(1,885)	192,983	(18,000)	(21,207)	(75,817)
-	-	-	-	6,654	-	-	6,654
-	-	-	-	6,654	-	-	6,654
(3,864)	3,859	14,841	(1,885)	199,637	(18,000)	(21,207)	(69,163)
42,178	22,984	84,879	18,825	329,933	-	64,026	3,624,471
$ 38,314	$ 26,843	$ 99,720	$ 16,940	$ 529,570	$ (18,000)	$ 42,819	$ 3,555,308

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Investment Income	$ 14,560	$ 14,679
Total Revenues	14,560	14,679
EXPENDITURES		
Current		
General Government	5,000	1,378
Total Expenditures	5,000	1,378
NET CHANGE IN FUND BALANCE	$ 9,560	13,301
FUND BALANCE, MAY 1		1,590,436
FUND BALANCE, APRIL 30		$ 1,603,737

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Fines and Forfeits	$ 16,400	$ 15,595
Total Revenues	16,400	15,595
EXPENDITURES		
Current		
Public Safety	29,750	29,811
Total Expenditures	29,750	29,811
NET CHANGE IN FUND BALANCE	$ (13,350)	(14,216)
FUND BALANCE, MAY 1		78,337
FUND BALANCE, APRIL 30		$ 64,121

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Other Taxes		
Motor Fuel Taxes	$ 571,475	$ 649,485
Charges for Services	-	1,268
Intergovernmental	100,000	4,203
Investment Income	100	382
Total Revenues	671,575	655,338
EXPENDITURES		
Current		
Highways and Streets	763,990	1,001,910
Total Expenditures	763,990	1,001,910
NET CHANGE IN FUND BALANCE	$ (92,415)	(346,572)
FUND BALANCE, MAY 1		709,218
FUND BALANCE, APRIL 30		$ 362,646

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EMERGENCY 911 FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
None	$ -	$ -
Total Revenues	-	-
EXPENDITURES		
Current		
Public Safety	39,500	390
Total Expenditures	39,500	390
NET CHANGE IN FUND BALANCE	$ (39,500)	(390)
FUND BALANCE, MAY 1		106,488
FUND BALANCE, APRIL 30		$ 106,098

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Miscellaneous	$ 250	$ 300
Total Revenues	250	300
EXPENDITURES		
Current		
Public Safety	1,000	1,817
Total Expenditures	1,000	1,817
NET CHANGE IN FUND BALANCE	$ (750)	(1,517)
FUND BALANCE, MAY 1		8,667
FUND BALANCE, APRIL 30		$ 7,150

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MONTGOMERY CROSSINGS SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 65,345	$ 65,611
Total Revenues	65,345	65,611
EXPENDITURES		
Current		
Highways and Streets	55,000	45,937
Total Expenditures	55,000	45,937
NET CHANGE IN FUND BALANCE	$ 10,345	19,674
FUND BALANCE, MAY 1		113,094
FUND BALANCE, APRIL 30		$ 132,768

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BLACKBERRY CROSSINGS SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 18,005	$ 18,007
Total Revenues	18,005	18,007
EXPENDITURES		
Current		
Highways and Streets	18,000	11,760
Total Expenditures	18,000	11,760
NET CHANGE IN FUND BALANCE	$ 5	6,247
FUND BALANCE, MAY 1		57,621
FUND BALANCE, APRIL 30		$ 63,868

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OGDEN HILL SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 20,000	$ 19,710
Total Revenues	20,000	19,710
EXPENDITURES		
Current		
Highways and Streets	20,000	19,985
Total Expenditures	20,000	19,985
NET CHANGE IN FUND BALANCE	$ -	(275)
FUND BALANCE, MAY 1		24,954
FUND BALANCE, APRIL 30		$ 24,679

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MARQUIS POINTE SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 12,000	$ 12,025
Total Revenues	12,000	12,025
EXPENDITURES		
Current		
Highways and Streets	12,000	11,736
Total Expenditures	12,000	11,736
NET CHANGE IN FUND BALANCE	$ -	289
FUND BALANCE, MAY 1		20,851
FUND BALANCE, APRIL 30		$ 21,140

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BALMOREA SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 27,470	$ 27,472
Total Revenues	27,470	27,472
EXPENDITURES		
Current		
Highways and Streets	28,000	39,560
Total Expenditures	28,000	39,560
NET CHANGE IN FUND BALANCE	$ (530)	(12,088)
FUND BALANCE (DEFICIT), MAY 1		(599)
FUND BALANCE (DEFICIT), APRIL 30		$ (12,687)

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ARBOR RIDGE SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 28,240	$ 18,752
Total Revenues	28,240	18,752
EXPENDITURES		
Current		
Highways and Streets	35,000	10,875
Total Expenditures	35,000	10,875
NET CHANGE IN FUND BALANCE	$ (6,760)	7,877
FUND BALANCE, MAY 1		30,933
FUND BALANCE, APRIL 30		$ 38,810

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FAIRFIELD WAY SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 65,215	$ 65,230
Total Revenues	65,215	65,230
EXPENDITURES		
Current		
Highways and Streets	50,000	35,949
Total Expenditures	50,000	35,949
NET CHANGE IN FUND BALANCE	$ 15,215	29,281
FUND BALANCE, MAY 1		134,223
FUND BALANCE, APRIL 30		$ 163,504

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOXMOOR SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 67,400	$ 67,352
Total Revenues	67,400	67,352
EXPENDITURES		
Current		
Highways and Streets	65,000	38,734
Total Expenditures	65,000	38,734
NET CHANGE IN FUND BALANCE	$ 2,400	28,618
FUND BALANCE, MAY 1		105,691
FUND BALANCE, APRIL 30		$ 134,309

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING DISTRICT #1 FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 40,000	$ 38,853
Total Revenues	40,000	38,853
EXPENDITURES		
Current		
General Government	26,000	10,971
Capital Outlay	36,170	-
Total Expenditures	62,170	10,971
NET CHANGE IN FUND BALANCE	$ (22,170)	27,882
FUND BALANCE, MAY 1		118,971
FUND BALANCE, APRIL 30		$ 146,853

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING DISTRICT #2 FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
None	$ -	$ -
Total Revenues	-	-
EXPENDITURES		
Current		
General Government	500	655
Total Expenditures	500	655
NET CHANGE IN FUND BALANCE	$ (500)	(655)
FUND BALANCE (DEFICIT), MAY 1		(37,239)
FUND BALANCE (DEFICIT), APRIL 30		$ (37,894)

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SARATOGA SPRINGS SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 7,530	$ 7,489
Total Revenues	7,530	7,489
EXPENDITURES		
Current		
Highways and Streets	7,500	11,353
Total Expenditures	7,500	11,353
NET CHANGE IN FUND BALANCE	$ 30	(3,864)
FUND BALANCE, MAY 1		42,178
FUND BALANCE, APRIL 30		$ 38,314

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ORCHARD PRAIRIE NORTH SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 22,480	$ 22,458
Total Revenues	22,480	22,458
EXPENDITURES		
Current		
Highways and Streets	25,000	18,599
Total Expenditures	25,000	18,599
NET CHANGE IN FUND BALANCE	$ (2,520)	3,859
FUND BALANCE, MAY 1		22,984
FUND BALANCE, APRIL 30		$ 26,843

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BLACKBERRY CROSSING WEST SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 62,995	$ 62,865
Total Revenues	62,995	62,865
EXPENDITURES		
Current		
Highways and Streets	40,000	48,024
Total Expenditures	40,000	48,024
NET CHANGE IN FUND BALANCE	$ 22,995	14,841
FUND BALANCE, MAY 1		84,879
FUND BALANCE, APRIL 30		$ 99,720

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FIELDSTONE SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Property Taxes	$ 4,230	$ 4,203
Total Revenues	4,230	4,203
EXPENDITURES		
Current		
Highways and Streets	4,500	6,088
Total Expenditures	4,500	6,088
NET CHANGE IN FUND BALANCE	$ (270)	(1,885)
FUND BALANCE, MAY 1		18,825
FUND BALANCE, APRIL 30		$ 16,940

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ 605,546	$ 605,546
Investment Income	1,000	-
Total Revenues	606,546	605,546
EXPENDITURES		
Capital Outlay	426,391	304,597
Debt Service		
Principal Retirement	-	98,396
Interest	-	9,570
Total Expenditures	426,391	412,563
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	180,155	192,983
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets	10,001	6,654
Total Other Financing Sources (Uses)	10,001	6,654
NET CHANGE IN FUND BALANCE	$ 190,156	199,637
FUND BALANCE, MAY 1		329,933
FUND BALANCE, APRIL 30		$ 529,570

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAKEWOOD SPECIAL ASSESSMENTS FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
REVENUES		
Investment Income	$ 1	$ 3
Miscellaneous	75,000	26,369
Total Revenues	75,001	26,372
EXPENDITURES		
Current		
Highways and Streets	74,556	47,579
Total Expenditures	74,556	47,579
NET CHANGE IN FUND BALANCE	$ 445	(21,207)
FUND BALANCES, MAY 1		64,026
FUND BALANCES, APRIL 30		$ 42,819

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

Water Fund - to account for revenues and expenses relative to the operation of the water utility.

Refuse Fund - to account for the revenues and expenses relative to the Village’s waste removal program.

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING SCHEDULE OF NET POSITION
WATER DEPARTMENT ACCOUNTS

April 30, 2015

	Water	Water Improvement	Eliminations	Total
CURRENT ASSETS				
Cash and Cash Equivalents	$ 3,064,982	$ 160,220	$ -	$ 3,225,202
Accounts Receivable	878,922	1,524	-	880,446
Accrued Interest Receivable	2,835	-	-	2,835
Due from Other Governments	-	239,263	-	239,263
Due from Other Funds	195,244	-	-	195,244
Total Current Assets	4,141,983	401,007	-	4,542,990
Capital Assets not Being Depreciated	247,533	-	-	247,533
Capital Assets Being Depreciated				
Cost	58,223,874	-	-	58,223,874
Accumulated Depreciation	(21,373,777)	-	-	(21,373,777)
Net Capital Assets	37,097,630	-	-	37,097,630
Total Assets	41,239,613	401,007	-	41,640,620
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	41,239,613	401,007	-	41,640,620
CURRENT LIABILITIES				
Accounts Payable	73,605	80,806	-	154,411
Retainage Payable	-	263,876	-	263,876
Accrued Payroll	18,946	-	-	18,946
Interest Payable	103,116	-	-	103,116
Unearned Revenue	36,000	-	-	36,000
Current Portion of Compensated Absences	6,663	-	-	6,663
Current Portion of Bonds and IEPA Loan Payable	807,916	-	-	807,916
Total Current Liabilities	1,046,246	344,682	-	1,390,928
NONCURRENT LIABILITIES				
General Obligation Bonds Payable	5,550,585	-	-	5,550,585
IEPA Loan Payable	6,396,676	-	-	6,396,676
Compensated Absences	59,966	-	-	59,966
Total Noncurrent Liabilities	12,007,227	-	-	12,007,227
Total Liabilities	13,053,473	344,682	-	13,398,155
NET POSITION				
Net Investment in Capital Assets	25,650,151	-	-	25,650,151
Unrestricted	2,535,989	56,325	-	2,592,314
TOTAL NET POSITION	$ 28,186,140	$ 56,325	$ -	$ 28,242,465

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
WATER DEPARTMENT ACCOUNTS

For the Year Ended April 30, 2015

	Water	Water Improvement	Eliminations	Total
OPERATING REVENUES				
Charges for Services	$ 4,449,673	$ -	$ -	$ 4,449,673
Total Operating Revenues	4,449,673	-	-	4,449,673
OPERATING EXPENSES				
Personal Services	1,476,147	-	-	1,476,147
Contractual Services	139,991	-	-	139,991
Repairs and Maintenance	611,614	309,078	-	920,692
Insurance	90,695	-	-	90,695
Utilities	343,803	-	-	343,803
Supplies and Miscellaneous	232,689	-	-	232,689
Depreciation and Amortization	2,025,978	-	-	2,025,978
Total Operating Expenses	4,920,917	309,078	-	5,229,995
OPERATING INCOME (LOSS)	(471,244)	(309,078)	-	(780,322)
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	4,745	-	-	4,745
Connection Fees and Reimbursements	-	117,713	-	117,713
Interest Expense and Fiscal Charges	(298,886)	-	-	(298,886)
Total Non-Operating Revenues (Expenses)	(294,141)	117,713	-	(176,428)
NET INCOME (LOSS) BEFORE TRANSFERS	(765,385)	(191,365)	-	(956,750)
TRANSFERS				
Transfers In	389,396	-	(389,396)	-
Transfers (Out)	-	(389,396)	389,396	-
Total Transfers	389,396	(389,396)	-	-
CHANGE IN NET POSITION	(375,989)	(580,761)	-	(956,750)
NET POSITION, MAY 1	28,562,129	637,086	-	29,199,215
NET POSITION, APRIL 30	$ 28,186,140	$ 56,325	$ -	$ 28,242,465

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING SCHEDULE OF CASH FLOWS
WATER DEPARTMENT ACCOUNTS

For the Year Ended April 30, 2015

	Water	Water Improvement	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$ 4,409,612	$ -	$ -	$ 4,409,612
Payments to Suppliers	(1,418,313)	(340,389)	-	(1,758,702)
Payments to Employees	(618,632)	-	-	(618,632)
Payments for Interfund Services	(854,603)	-	-	(854,603)
Net Cash from Operating Activities	1,518,064	(340,389)	-	1,177,675
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In	389,396	-	(389,396)	-
Transfers (Out)	-	(389,396)	389,396	-
Short-Term Loan to Other Fund	(195,244)	-	-	(195,244)
Connection Fees and Reimbursements	-	(120,277)	-	(120,277)
Net Cash from Noncapital Financing Activities	194,152	(509,673)	-	(315,521)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(2,798,029)	-	-	(2,798,029)
Principal Payments on Long-Term Debt	(685,374)	-	-	(685,374)
Loan Proceeds	2,392,632	-	-	2,392,632
Interest and Fiscal Charges Paid	(302,158)	-	-	(302,158)
Net Cash from Capital and Related Financing Activities	(1,392,929)	-	-	(1,392,929)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	4,745	-	-	4,745
Net Cash from Investing Activities	4,745	-	-	4,745
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	324,032	(850,062)	-	(526,030)
CASH AND CASH EQUIVALENTS, MAY 1	2,740,950	1,010,282	-	3,751,232
CASH AND CASH EQUIVALENTS, APRIL 30	$ 3,064,982	$ 160,220	$ -	$ 3,225,202
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Income (Loss)	$ (471,244)	$ (309,078)	$ -	$ (780,322)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
Depreciation and Amortization	2,025,978	-	-	2,025,978
Changes in Assets and Liabilities				
Accounts Receivable	(37,226)	-	-	(37,226)
Accrued Interest Receivable	(2,835)	-	-	(2,835)
Accounts Payable	479	(172,121)	-	(171,642)
Accrued Payroll	7,061	-	-	7,061
Retainage Payable	-	140,810	-	140,810
Accrued Compensated Absences	(4,149)	-	-	(4,149)
NET CASH FROM OPERATING ACTIVITIES	$ 1,518,064	$ (340,389)	$ -	$ 1,177,675

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER ACCOUNT

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for Services	$ 4,498,585	$ 4,449,673
Total Operating Revenues	4,498,585	4,449,673
OPERATING EXPENSES		
Personal Services	1,508,889	1,476,147
Contractual Services	188,556	139,991
Repairs and Maintenance	641,747	611,614
Insurance	91,189	90,695
Utilities	304,750	343,803
Supplies and Miscellaneous	236,600	232,689
Depreciation and Amortization	-	2,025,978
Total Operating Expenses	2,971,731	4,920,917
OPERATING INCOME (LOSS)	1,526,854	(471,244)
NON-OPERATING REVENUES (EXPENSES)		
Investment Income	1,000	4,745
Interest Expense and Fiscal Charges	(987,632)	(298,886)
Total Non-Operating Revenues (Expenses)	(986,632)	(294,141)
NET INCOME (LOSS) BEFORE TRANSFERS	540,222	(765,385)
TRANSFERS		
Transfers In	-	389,396
Total Transfers	-	389,396
CHANGE IN NET POSITION	$ 540,222	(375,989)
NET POSITION, MAY 1		28,562,129
NET POSITION, APRIL 30		$ 28,186,140

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER IMPROVEMENT ACCOUNT

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
None	$ -	$ -
Total Operating Revenues	-	-
OPERATING EXPENSES		
Repairs and Maintenance	5,273,060	3,107,108
Total Operating Expenses	5,273,060	3,107,108
OPERATING INCOME (LOSS)	(5,273,060)	(3,107,108)
NON-OPERATING REVENUES (EXPENSES)		
Connection Fees and Reimbursements	57,000	117,713
Grant Revenue	3,524,535	-
Total Non-Operating Revenues (Expenses)	3,581,535	117,713
NET INCOME (LOSS) BEFORE TRANSFERS	(1,691,525)	(2,989,395)
TRANSFERS		
Transfers (Out)	-	(389,396)
Total Transfers	-	(389,396)
NET INCOME (LOSS) - BUDGETARY BASIS	(1,691,525)	(3,378,791)
ADJUSTMENTS TO GAAP BASIS		
Capital Assets Capitalized	-	2,798,030
Total Adjustments to GAAP Basis	-	2,798,030
CHANGE IN NET POSITION	$ (1,691,525)	(580,761)
NET POSITION, MAY 1		637,086
NET POSITION, APRIL 30		$ 56,325

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF NET POSITION
REFUSE FUND

April 30, 2015

CURRENT ASSETS	
Accounts Receivable	$ 305,680
Total Assets	305,680
DEFERRED OUTFLOWS OF RESOURCES	
None	-
Total Deferred Outflows of Resources	-
Total Assets and Deferred Outflows of Resources	305,680
CURRENT LIABILITIES	
Accounts Payable	105,953
Due To Other Funds	195,244
Total Current Liabilities	301,197
NONCURRENT LIABILITIES	
None	-
Total Noncurrent Liabilities	-
Total Liabilities	301,197
NET POSITION	
Unrestricted	4,483
TOTAL NET POSITION	$ 4,483

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
REFUSE FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for Services	$ 1,239,592	$ 1,239,870
Total Operating Revenues	1,239,592	1,239,870
OPERATING EXPENSES		
Solid Waste Disposal	1,239,592	1,235,387
Total Operating Expenses	1,239,592	1,235,387
OPERATING INCOME (LOSS)	-	4,483
NON-OPERATING REVENUES (EXPENSES)		
Investment Income	250	-
Total Non-Operating Revenues (Expenses)	250	-
NET INCOME	$ 250	4,483
NET POSITION, MAY 1		-
NET POSITION, APRIL 30		$ 4,483

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF CASH FLOWS
REFUSE FUND

For the Year Ended April 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Users	$ 934,190
Payments to Suppliers	(1,129,434)
Net Cash from Operating Activities	(195,244)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Short-Term Loan from Other Fund	195,244
Net Cash from Noncapital Financing Activities	195,244
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
None	-
Net Cash from Capital and Related Financing Activities	-
CASH FLOWS FROM INVESTING ACTIVITIES	
None	-
Net Cash from Investing Activities	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, MAY 1	-
CASH AND CASH EQUIVALENTS, APRIL 30	$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income	$ 4,483
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Changes in Assets and Liabilities	
Accounts Receivable	(305,680)
Accounts Payable	105,953
NET CASH FROM OPERATING ACTIVITIES	$ (195,244)

(See independent auditor's report.)

INTERNAL SERVICE FUND

Employee Insurance Fund - to account for revenues and expenses related to providing health insurance to village employees.

VILLAGE OF MONTGOMERY, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
EMPLOYEE INSURANCE FUND

For the Year Ended April 30, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for Services	$ 879,923	$ 893,259
Total Operating Revenues	879,923	893,259
OPERATING EXPENSES		
Insurance	879,923	862,183
Total Operating Expenses	879,923	862,183
CHANGE IN NET POSITION	$ -	31,076
NET POSITION, MAY 1		199,071
NET POSITION, APRIL 30		$ 230,147

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUND

Police Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the Village through an annual contribution from the General Fund from revenues received from the police pension property tax levy.

AGENCY FUNDS

Talma Street Special Service Area Fund - to account for tax collections to pay principal and interest on the Special Service Area Bonds.

Escrow Fund - to account for developer contributions held on behalf of other governments and for developer deposits.

Flexible Benefit Fund - to account for fringe benefits for employees.

Special Assessment Fund - to account for contributions from property owners and payments of principal and interest on the Special Assessment Bonds.

Special Service Area No. 10 Fund - to account for the tax collections to pay principal and interest on the Special Service Area No. 10 Bonds.

Cornell Special Service Area Fund - to account for the tax collections to pay principal and interest on the Special Service Area No. 17 Bonds.

Temporary CO Fund - to account for deposits held to ensure completion of final plans and projects on new commercial and residential construction.

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended April 30, 2015

	Balances May 1	Additions	Deductions	Balances April 30
All Funds				
ASSETS				
Cash and Investments	$ 3,486,600	$ 1,399,436	$ 1,692,972	$ 3,193,064
Accounts Receivable	44,275	16,451	13,378	47,348
TOTAL ASSETS	$ 3,530,875	$ 1,415,887	$ 1,706,350	$ 3,240,412
LIABILITIES				
Accounts Payable	$ 4,000	$ 173,751	$ 177,751	$ -
Deposits Payable	43,800	18,000	43,800	18,000
Due to Other Funds	41,215	1,733	-	42,948
Due to Others	714,152	(53,552)	23,756	636,844
Due to Bondholders	2,727,708	1,275,955	1,461,043	2,542,620
TOTAL LIABILITIES	$ 3,530,875	$ 1,415,887	$ 1,706,350	$ 3,240,412
Talma Street Special Service Area Fund				
ASSETS				
Cash and Investments	$ 19,445	$ -	$ -	$ 19,445
TOTAL ASSETS	$ 19,445	$ -	$ -	$ 19,445
LIABILITIES				
Due to Others	$ 19,445	$ -	$ -	$ 19,445
TOTAL LIABILITIES	$ 19,445	$ -	$ -	$ 19,445

(This statement is continued on the following pages.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended April 30, 2015

	Balances May 1	Additions	Deductions	Balances April 30
Escrow Fund				
ASSETS				
Cash and Investments	$ 691,020	$ 104,996	$ 183,502	$ 612,514
TOTAL ASSETS	$ 691,020	$ 104,996	$ 183,502	$ 612,514
LIABILITIES				
Accounts Payable	$ 2,000	$ 173,751	$ 175,751	$ -
Due to Others	689,020	(68,755)	7,751	612,514
TOTAL LIABILITIES	$ 691,020	$ 104,996	$ 183,502	$ 612,514
Flexible Benefit Fund				
ASSETS				
Cash and Investments	$ 2,627	$ 485	$ 2,627	$ 485
TOTAL ASSETS	$ 2,627	$ 485	$ 2,627	$ 485
LIABILITIES				
Due to Others	$ 2,627	$ 485	$ 2,627	$ 485
TOTAL LIABILITIES	$ 2,627	$ 485	$ 2,627	$ 485

(This statement is continued on the following pages.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended April 30, 2015

	Balances May 1	Additions	Deductions	Balances April 30
Lakewood Special Assessment Fund				
ASSETS				
Cash and Investments	$ 2,727,696	$ 1,275,955	$ 1,461,043	$ 2,542,608
TOTAL ASSETS	$ 2,727,696	$ 1,275,955	$ 1,461,043	$ 2,542,608
LIABILITIES				
Due to Bondholders	$ 2,727,696	$ 1,275,955	$ 1,461,043	$ 2,542,608
TOTAL LIABILITIES	$ 2,727,696	$ 1,275,955	$ 1,461,043	$ 2,542,608
Special Service Area No. 10 Fund				
ASSETS				
Cash and Investments	$ 12	$ -	$ -	$ 12
TOTAL ASSETS	$ 12	$ -	$ -	$ 12
LIABILITIES				
Due to Bondholders	$ 12	$ -	$ -	$ 12
TOTAL LIABILITIES	$ 12	$ -	$ -	$ 12

(This statement is continued on the following page.)

VILLAGE OF MONTGOMERY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended April 30, 2015

	Balances May 1	Additions	Deductions	Balances April 30
Cornell Special Service Area Fund				
ASSETS				
Accounts Receivable	$ 44,275	$ 16,451	$ 13,378	$ 47,348
TOTAL ASSETS	$ 44,275	$ 16,451	$ 13,378	$ 47,348
LIABILITIES				
Due to Other Funds	$ 41,215	$ 1,733	$ -	$ 42,948
Due to Others	3,060	14,718	13,378	4,400
TOTAL LIABILITIES	$ 44,275	$ 16,451	$ 13,378	$ 47,348
Temporary CO Fund				
ASSETS				
Cash and Investments	$ 45,800	$ 18,000	$ 45,800	$ 18,000
TOTAL ASSETS	$ 45,800	$ 18,000	$ 45,800	$ 18,000
LIABILITIES				
Accounts Payable	$ 2,000	$ -	$ 2,000	$ -
Deposits Payable	43,800	18,000	43,800	18,000
TOTAL LIABILITIES	$ 45,800	$ 18,000	$ 45,800	$ 18,000

SUPPLEMENTAL DATA

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2008A

April 30, 2015

Date of Issue	August 1, 2008
Date of Maturity	December 1, 2019
Authorized Issue	$2,000,000
Denomination of Bonds	$5,000
Interest Rates	5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	U.S. Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax Levy			Interest Due on			
Year	**Principal**	**Interest**	**Totals**	**June 1**	**Amount**	**December 1**	**Amount**
2016	$ -	$ 100,000	$ 100,000	2015	$ 50,000	2015	$ 50,000
2017	-	100,000	100,000	2016	50,000	2016	50,000
2018	-	100,000	100,000	2017	50,000	2017	50,000
2019	1,000,000	100,000	1,100,000	2018	50,000	2018	50,000
2020	1,000,000	50,000	1,050,000	2019	25,000	2019	25,000
	$ 2,000,000	$ 450,000	$ 2,450,000		$ 225,000		$ 225,000

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE REFUNDING
BOND SERIES OF 2010

April 30, 2015

Date of Issue	June 1, 2010
Date of Maturity	December 1, 2017
Authorized Issue	$7,375,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	U.S. Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal		**Tax Levy**		**Interest Due on**			
Year	**Principal**	**Interest**	**Totals**	**June 1**	**Amount**	**December 1**	**Amount**
2016	$ 475,000	$ 61,075	$ 536,075	2015	$ 30,537	2015	$ 30,538
2017	550,000	42,075	592,075	2016	21,037	2016	21,038
2018	605,000	24,200	629,200	2017	12,100	2017	12,100
	$ 1,630,000	$ 127,350	$ 1,757,350		$ 63,674		$ 63,676

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE REFUNDING
BOND SERIES OF 2011

April 30, 2015

Date of Issue	December 15, 2011
Date of Maturity	December 1, 2024
Authorized Issue	$4,410,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 3.125%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	U.S. Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax Levy			Interest Due on			
Year	**Principal**	**Interest**	**Totals**	**June 1**	**Amount**	**December 1**	**Amount**
2016	$ 250,000	$ 89,950	$ 339,950	2015	$ 44,975	2015	$ 44,975
2017	205,000	84,950	289,950	2016	42,475	2016	42,475
2018	205,000	80,850	285,850	2017	40,425	2017	40,425
2019	375,000	76,750	451,750	2018	38,375	2018	38,375
2020	385,000	68,312	453,312	2019	34,156	2019	34,156
2021	395,000	59,168	454,168	2020	29,584	2020	29,584
2022	405,000	49,294	454,294	2021	24,647	2021	24,647
2023	420,000	38,663	458,663	2022	19,331	2022	19,332
2024	435,000	27,113	462,113	2023	13,556	2023	13,557
2025	450,000	14,063	464,063	2024	7,031	2024	7,032
	$ 3,525,000	$ 589,113	$ 4,114,113		$ 294,555		$ 294,558

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION ALTERNATE REVENUE SOURCE REFUNDING
BOND SERIES OF 2014

April 30, 2015

Date of Issue	April 29, 2014
Date of Maturity	December 1, 2024
Authorized Issue	$3,335,000
Denomination of Bonds	$5,000
Interest Rates	3.00% - 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	U.S. Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	**Tax Levy**			**Interest Due on**			
Year	**Principal**	**Interest**	**Totals**	**June 1**	**Amount**	**December 1**	**Amount**
2016	$ -	$ 106,340	$ 106,340	2015	$ 53,170	2015	$ 53,170
2017	-	106,340	106,340	2016	53,170	2016	53,170
2018	-	106,340	106,340	2017	53,170	2017	53,170
2019	-	106,340	106,340	2018	53,170	2018	53,170
2020	-	106,340	106,340	2019	53,170	2019	53,170
2021	630,000	106,340	736,340	2020	53,170	2020	53,170
2022	645,000	87,440	732,440	2021	43,720	2021	43,720
2023	665,000	68,090	733,090	2022	34,045	2022	34,045
2024	685,000	48,140	733,140	2023	24,070	2023	24,070
2025	710,000	24,850	734,850	2024	12,425	2024	12,425
	$ 3,335,000	$ 866,560	$ 4,201,560		$ 433,280		$ 433,280

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GOVERNMENTAL ACTIVITIES
CAPITAL LEASE

April 30, 2015

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	$ 103,071	$ 4,896	$ 107,967
	$ 103,071	$ 4,896	$ 107,967

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE REFUNDING
BOND SERIES OF 2007

April 30, 2015

Date of Issue	December 3, 2007
Date of Maturity	December 1, 2018
Authorized Issue	$3,020,000
Denomination of Bonds	$5,000
Interest Rates	3.95%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	U.S. Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax Levy			Interest Due on			
Year	**Principal**	**Interest**	**Totals**	**June 1**	**Amount**	**December 1**	**Amount**
2016	$ 320,000	$ 54,116	$ 374,116	2015	$ 27,058	2015	$ 27,058
2017	335,000	41,476	376,476	2016	20,738	2016	20,738
2018	350,000	28,242	378,242	2017	14,121	2017	14,121
2019	365,000	14,418	379,418	2018	7,209	2018	7,209
	$ 1,370,000	$ 138,252	$ 1,508,252		$ 69,126		$ 69,126

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2013

April 30, 2015

Date of Issue	June 11, 2013
Date of Maturity	December 1, 2038
Authorized Issue	$4,590,000
Denomination of Bonds	$5,000
Interest Rates	3.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	U.S. Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax Levy			Interest Due on			
Year	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2016	$ 125,000	$ 166,300	$ 291,300	2015	$ 83,150	2015	$ 83,150
2017	125,000	162,550	287,550	2016	81,275	2016	81,275
2018	130,000	158,800	288,800	2017	79,400	2017	79,400
2019	135,000	154,900	289,900	2018	77,450	2018	77,450
2020	140,000	150,850	290,850	2019	75,425	2019	75,425
2021	145,000	146,650	291,650	2020	73,325	2020	73,325
2022	145,000	142,300	287,300	2021	71,150	2021	71,150
2023	150,000	137,950	287,950	2022	68,975	2022	68,975
2024	155,000	133,450	288,450	2023	66,725	2023	66,725
2025	160,000	128,800	288,800	2024	64,400	2024	64,400
2026	165,000	122,400	287,400	2025	61,200	2025	61,200
2027	175,000	115,800	290,800	2026	57,900	2026	57,900
2028	180,000	108,800	288,800	2027	54,400	2027	54,400
2029	190,000	101,600	291,600	2028	50,800	2028	50,800
2030	195,000	94,000	289,000	2029	47,000	2029	47,000
2031	205,000	86,200	291,200	2030	43,100	2030	43,100
2032	210,000	78,000	288,000	2031	39,000	2031	39,000
2033	220,000	69,600	289,600	2032	34,800	2032	34,800
2034	230,000	60,800	290,800	2033	30,400	2033	30,400
2035	240,000	51,600	291,600	2034	25,800	2034	25,800
2036	245,000	42,000	287,000	2035	21,000	2035	21,000
2037	255,000	32,200	287,200	2036	16,100	2036	16,100
2038	270,000	22,000	292,000	2037	11,000	2037	11,000
2039	280,000	11,200	291,200	2038	5,600	2038	5,600
	$ 4,470,000	$ 2,478,750	$ 6,948,750		$ 1,239,375		$ 1,239,375

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
LOAN PAYABLE 2002

April 30, 2015

Date of Issue	February 23, 2002
Date of Maturity	December 1, 2022
Original Contract	$1,128,780
Interest Rates	2.675%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	$ 60,872	$ 13,918	$ 74,790
2017	62,511	12,279	74,790
2018	64,194	10,596	74,790
2019	65,922	8,868	74,790
2020	67,698	7,092	74,790
2021	69,521	5,269	74,790
2022	71,393	3,397	74,790
2023	73,316	1,474	74,790
	$ 535,427	$ 62,893	$ 598,320

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
LOAN PAYABLE 2011

April 30, 2015

Date of Issue	October 20, 2011
Date of Maturity	April 19, 2032
Original Contract	$4,310,177
Interest Rates	1.25%
Interest Dates	April 19 and October 19
Principal Maturity Date	April 19 and October 19
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	$ 203,620	$ 47,260	$ 250,880
2017	206,173	44,707	250,880
2018	208,758	42,122	250,880
2019	211,376	39,504	250,880
2020	214,027	36,853	250,880
2021	216,711	34,169	250,880
2022	219,428	31,452	250,880
2023	222,178	28,702	250,880
2024	224,965	25,915	250,880
2025	227,786	23,094	250,880
2026	230,642	20,238	250,880
2027	233,534	17,346	250,880
2028	236,462	14,418	250,880
2029	239,427	11,453	250,880
2030	242,429	8,451	250,880
2031	245,469	5,411	250,880
2032	248,547	2,333	250,880
	$ 3,831,532	$ 433,428	$ 4,264,960

(See independent auditor's report.)

VILLAGE OF MONTGOMERY, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
LOAN PAYABLE 2014

April 30, 2015

Date of Issue	June 1, 2014
Date of Maturity	November 1, 2034
Original Contract	$2,392,635
Interest Rates	1.995%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1 and November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	$ 98,424	$ 47,245	$ 145,669
2017	100,398	45,271	145,669
2018	102,411	43,258	145,669
2019	104,464	41,205	145,669
2020	106,558	39,111	145,669
2021	108,695	36,974	145,669
2022	110,874	34,795	145,669
2023	113,097	32,572	145,669
2024	115,365	30,304	145,669
2025	117,678	27,991	145,669
2026	120,037	25,632	145,669
2027	122,444	23,225	145,669
2028	124,899	20,770	145,669
2029	127,403	18,266	145,669
2030	129,957	15,712	145,669
2031	132,563	13,106	145,669
2032	135,221	10,448	145,669
2033	137,932	7,737	145,669
2034	140,696	4,972	145,668
2035	143,517	2,151	145,668
	$ 2,392,633	$ 520,745	$ 2,913,378

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u> <u>Page(s)</u>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VILLAGE OF MONTGOMERY, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	**2006**	**2007**	**2008**	**2009**
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	$ 2,760,235	$ 4,388,301	$ 30,251,886	$ 36,431,647
Restricted	1,925,539	2,490,523	2,369,032	2,580,672
Unrestricted	10,415,952	9,176,185	709,828	(499,811)
TOTAL GOVERNMENT ACTIVITIES	$ 15,101,726	$ 16,055,009	$ 33,330,746	$ 38,512,508
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	$ 14,750,138	$ 16,233,234	$ 23,331,066	$ 24,102,567
Restricted	-	-	-	-
Unrestricted	2,162,812	464,271	691,648	637,045
TOTAL BUSINESS-TYPE ACTIVITIES	$ 16,912,950	$ 16,697,505	$ 24,022,714	$ 24,739,612
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	$ 17,510,373	$ 20,621,535	$ 53,582,952	$ 60,534,214
Restricted	1,925,539	2,490,523	2,369,032	2,580,672
Unrestricted	12,578,764	9,640,456	1,401,476	137,234
TOTAL PRIMARY GOVERNMENT	$ 32,014,676	$ 32,752,514	$ 57,353,460	$ 63,252,120

Data Sources

Audited Financial Statements

2010	2011	2012	2013	2014	2015
$ 41,540,031	$ 45,586,500	$ 47,292,952	$ 51,636,819	$ 50,229,557	$ 48,714,620
3,055,679	3,226,346	3,313,822	3,379,946	3,332,376	3,094,319
433,352	2,190,183	2,419,305	2,487,065	3,083,037	3,583,910
$ 45,029,062	$ 51,003,029	$ 53,026,079	$ 57,503,830	$ 56,644,970	$ 55,392,849
$ 25,878,294	$ 26,651,346	$ 27,255,898	$ 28,096,145	$ 26,974,755	$ 25,650,151
-	-	-	-	-	-
1,244,447	1,865,399	1,842,862	2,183,680	2,224,460	2,596,797
$ 27,122,741	$ 28,516,745	$ 29,098,760	$ 30,279,825	$ 29,199,215	$ 28,246,948
$ 67,418,325	$ 72,237,846	$ 74,548,850	$ 79,732,964	$ 77,204,312	$ 74,364,771
3,055,679	3,226,346	3,313,822	3,379,946	3,332,376	3,094,319
1,677,799	4,055,582	4,262,167	4,670,745	5,307,497	6,180,707
$ 72,151,803	$ 79,519,774	$ 82,124,839	$ 87,783,655	$ 85,844,185	$ 83,639,797

VILLAGE OF MONTGOMERY, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009
EXPENSES				
Governmental Activities				
General Government	$ 11,149,474	$ 3,555,496	$ 4,197,064	$ 3,417,096
Public Safety	2,199,900	3,744,231	4,024,681	3,943,129
Highways and Streets	1,402,507	2,059,540	2,731,761	2,694,913
Sanitation*	724,711	790,523	839,223	889,190
Interest	602,676	604,331	587,246	633,176
Total Governmental Activities Expenses	16,079,268	10,754,121	12,379,975	11,577,504
Business-Type Activities				
Waterworks	4,219,233	3,701,562	4,108,643	3,807,890
Refuse*	-	-	-	-
Total Business-Type Activities Expenses	4,219,233	3,701,562	4,108,643	3,807,890
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 20,298,501	$ 14,455,683	$ 16,488,618	$ 15,385,394
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	$ 2,416,565	$ 2,890,579	$ 1,784,591	$ 887,648
Public Safety	293,353	376,138	297,352	548,645
Highways and Streets	836,032	563,135	319,583	59,138
Sanitation	651,986	720,168	818,426	872,656
Operating Grants and Contributions	377,076	419,065	550,422	488,826
Capital Grants and Contributions	31,180	50,000	18,243,217	5,656,409
Total Governmental Activities Program Revenues	4,606,192	5,019,085	22,013,591	8,513,322
Business-Type Activities				
Charges for Services	4,164,976	3,510,934	3,834,338	2,815,318
Capital Grants and Contributions	286,818	60,356	7,082,159	1,623,918
Total Business-Type Activities Program Revenues	4,451,794	3,571,290	10,916,497	4,439,236
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 9,057,986	$ 8,590,375	$ 32,930,088	$ 12,952,558
NET REVENUE (EXPENSE)				
Governmental Activities	$ (11,473,076)	$ (5,735,036)	$ 9,633,616	$ (3,064,182)
Business-Type Activities	232,561	(130,272)	6,807,854	631,346
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	$ (11,240,515)	$ (5,865,308)	$ 16,441,470	$ (2,432,836)

	2010	2011	2012	2013	2014	2015
	$ 3,540,980	$ 3,077,769	$ 3,283,476	$ 3,089,899	$ 3,215,504	$ 3,543,827
	4,144,033	4,127,345	4,581,789	5,048,569	5,001,049	4,948,830
	2,724,614	3,610,159	3,175,332	3,818,065	4,608,540	4,376,423
	997,054	1,030,129	1,062,656	1,159,173	1,265,497	64,954
	639,111	537,769	502,037	496,752	466,594	358,069
	12,045,792	12,383,171	12,605,290	13,612,458	14,557,184	13,292,103
	3,813,368	4,108,643	5,134,321	5,097,758	5,235,850	5,528,881
	-	-	-	-	-	1,235,387
	3,813,368	4,108,643	5,134,321	5,097,758	5,235,850	6,764,268
	$ 15,859,160	$ 16,491,814	$ 17,739,611	$ 18,710,216	$ 19,793,034	$ 20,056,371
	$ 791,624	$ 1,343,545	$ 520,260	$ 479,102	$ 749,477	$ 560,053
	634,341	764,147	837,875	737,683	478,482	314,769
	75,614	168,046	74,715	281,136	607,452	648,251
	975,454	1,004,889	1,050,053	1,133,823	1,190,325	7,852
	476,945	1,413,932	620,940	601,387	605,838	673,299
	7,463,786	5,640,911	3,154,115	5,634,735	195,711	6,783
	10,417,764	10,335,470	6,257,958	8,867,866	3,827,285	2,211,007
	3,234,104	3,532,425	3,614,159	4,008,166	4,114,506	5,689,543
	2,881,397	1,919,667	2,025,506	2,268,670	39,361	117,713
	6,115,501	5,452,092	5,639,665	6,276,836	4,153,867	5,807,256
	$ 16,533,265	$ 15,787,562	$ 11,897,623	$ 15,144,702	$ 7,981,152	$ 8,018,263
	$ (1,628,028)	$ (2,047,701)	$ (6,347,332)	$ (4,744,592)	$ (10,729,899)	$ (11,081,096)
	2,302,133	1,343,449	505,344	1,179,078	(1,081,983)	(957,012)
	$ 674,105	$ (704,252)	$ (5,841,988)	$ (3,565,514)	$ (11,811,882)	$ (12,038,108)

VILLAGE OF MONTGOMERY, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Property Taxes	$ 1,234,678	$ 1,521,208	$ 1,728,472	$ 2,107,824
Other Taxes				
Replacement	55,485	61,644	69,384	63,422
Sales	1,684,446	1,799,426	2,308,243	2,539,423
Utility	1,308,029	1,281,322	1,492,570	1,501,852
Local Use	131,451	182,247	197,453	238,046
Video Gaming	-	-	-	-
State Shared Income Taxes	810,962	1,095,594	1,326,500	1,454,677
Franchise Fees	91,202	115,694	136,554	141,767
Donations	275,000	-	-	-
Investment Income	639,583	631,184	372,126	55,770
Miscellaneous	-	-	57,346	38,165
Total Governmental Activities	6,230,836	6,688,319	7,688,648	8,140,946
Business-Type Activities				
Investment Income	63,499	43,868	1,373	29,946
Miscellaneous	21,271	32,129	-	55,606.00
Total Business-Type Activities	84,770	75,997	1,373	85,552
TOTAL PRIMARY GOVERNMENT	$ 6,315,606	$ 6,764,316	$ 7,690,021	$ 8,226,498
CHANGE IN NET POSITION				
Governmental Activities	$ (5,242,240)	$ 953,283	$ 17,322,264	$ 5,076,764
Business-Type Activities	317,331	(54,275)	6,809,227	716,898
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ (4,924,909)	$ 899,008	$ 24,131,491	$ 5,793,662

* The Refuse Fund (Sanitation) changed from a department in the General Fund to an Enterprise Fund duirng the year ended April 30, 2015.

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015
$ 2,538,391	$ 2,131,202	$ 2,258,978	$ 2,570,184	$ 2,607,364	$ 2,650,814
55,407	66,756	57,776	56,957	76,855	66,610
2,434,337	2,590,760	1,489,230	2,690,164	2,851,053	3,169,321
1,365,252	1,429,762	2,684,106	1,301,361	1,391,352	1,324,307
206,509	250,488	1,350,780	303,898	316,541	370,691
-	-	-	-	17,477	48,392
1,355,129	1,330,267	264,029	1,661,642	1,796,712	1,805,718
158,204	178,225	186,217	229,121	218,343	237,577
-	-	-	-	-	-
22,633	61,751	66,329	42,991	16,143	25,919
23,636	11,030	12,937	366,025	269,258	129,626
8,159,498	8,050,241	8,370,382	9,222,343	9,561,098	9,828,975
6,130	2,797	891	1,987	1,373	4,745
74,866	47,758	75,780	-	-	-
80,996	50,555	76,671	1,987	1,373	4,745
$ 8,240,494	$ 8,100,796	$ 8,447,053	$ 9,224,330	$ 9,562,471	$ 9,833,720
$ 6,531,470	$ 6,002,540	$ 2,023,050	$ 4,477,751	$ (1,168,801)	$ (1,252,121)
2,383,129	1,394,004	582,015	1,181,065	(1,080,610)	(952,267)
$ 8,914,599	$ 7,396,544	$ 2,605,065	$ 5,658,816	$ (2,249,411)	$ (2,204,388)

VILLAGE OF MONTGOMERY, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL FUND										
Reserved	$ -	$ -	$ -	$ 701,124	$ 691,533	$ -	$ -	$ -	$ -	$ -
Unreserved	2,224,385	1,768,713	1,442,677	769,038	1,338,650	-	-	-	-	-
Nonspendable	-	-	-	-	-	691,533	691,533	691,533	754,783	686,895
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted										
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	2,124,288	2,484,493	2,860,573	2,799,352	2,972,861
TOTAL GENERAL FUND	$ 2,224,385	$ 1,768,713	$ 1,442,677	$ 1,470,162	$ 2,030,183	$ 2,815,821	$ 3,176,026	$ 3,552,106	$ 3,554,135	$ 3,659,756
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	$ 2,275,389	$ 2,490,523	$ 2,369,032	$ 2,580,672	$ 3,055,679	$ -	$ -	$ -	$ -	$ -
Unreserved										
Special Revenue	-	-	(92,759.00)	(24,412)	(6,226)	-	-	-	-	-
Capital Projects	8,540,237	7,951,924	(46,374)	(1,238,112)	(744,263)	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	3,226,346	3,226,351	3,379,946	3,332,376	3,094,319
Unrestricted										
Assigned	-	-	-	-	-	165,254	165,255	56,089	388,966	585,659
Unassigned	-	-	-	-	-	(59,236)	(59,234)	(565,377)	(360,486)	(129,852)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 10,815,626	$ 10,442,447	$ 2,229,899	$ 1,318,148	$ 2,305,190	$ 3,332,364	$ 3,332,372	$ 2,870,658	$ 3,360,856	$ 3,550,126
TOTAL ALL GOVERNMENTAL FUNDS	$ 13,040,011	$ 12,211,160	$ 3,672,576	$ 2,788,310	$ 4,335,373	$ 6,148,185	$ 6,508,398	$ 6,422,764	$ 6,914,991	$ 7,209,882

The Village implemented GASB Statement No 54 for the fiscal year ended April 30, 2011.

Data Source

Audited Financial Statements

VILLAGE OF MONTGOMERY, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013***	**2014**	**2015**
REVENUES										
Property Taxes	$ 1,234,678	$ 1,521,208	$ 1,728,472	$ 2,107,824	$ 2,538,391	$ 2,131,202	$ 2,258,978	$ 2,570,184	$ 2,607,364	$ 2,650,814
Other Taxes	4,311,210	4,816,958	5,818,015	6,240,493	5,871,837	6,198,356	6,342,355	4,838,011	5,231,904	5,628,806
State Shared Income Taxes	-	-	-	-	-	-	-	1,661,642	1,796,712	1,805,718
Licenses and Permits	545,975	646,609	453,255	347,605	348,071	337,455	337,287	331,004	401,960	394,959
Charges for Services	3,424,173	3,478,950	2,584,045	3,406,271	2,318,607	2,658,910	1,771,386	1,890,891	2,293,343	944,616
Intergovernmental	116,026	133,084	105,561	123,206	199,193	908,238	147,133	127,585	214,355	24,742
Fines and Forfeits	199,954	203,147	157,644	239,539	327,227	333,126	416,324	435,958	301,446	308,703
Investment Income	639,586	630,181	372,126	55,770	22,633	61,751	66,329	42,991	16,143	25,919
Developer Contributions	-	-	362,323	-	148,541	-	-	-	-	-
Contributions from Property Owners	275,000	-	-	17,500	423	1,208	-	-	-	-
Miscellaneous	90,426	277,267	213,042	170,688	219,131	145,315	147,006	316,079	738,124	249,051
Total Revenues	10,837,028	11,707,404	11,794,483	12,708,896	11,994,054	12,775,561	11,486,798	12,214,345	13,601,351	12,033,328
EXPENDITURES										
Current										
General Government	2,899,901	3,135,761	3,974,221	3,185,821	2,744,480	2,665,677	2,939,574	2,475,369	2,674,004	2,908,916
Public Safety	2,613,421	3,428,954	3,495,453	3,389,865	3,532,943	3,449,377	3,961,199	4,533,205	4,342,408	4,329,070
Highways and Streets	1,701,273	1,789,485	2,237,906	1,640,752	1,403,559	2,259,801	1,802,261	2,350,369	3,012,767	2,891,627
Sanitation**	724,711	775,807	839,223	889,190	997,054	1,030,129	1,062,656	1,159,173	1,265,497	64,954
Capital Outlay	10,600,641	2,339,488	8,614,925	5,540,861	485,739	501,212	53,213	117,786	483,766	471,361
Debt Service										
Principal	575,000	490,000	530,000	580,000	610,000	740,000	915,000	1,080,000	1,297,966	738,396
Interest and Fiscal Charges	513,548	611,130	594,812	609,961	658,300	599,438	561,575	435,339	474,225	340,767
Total Expenditures	19,628,495	12,570,625	20,286,540	15,836,450	10,432,075	11,245,634	11,295,478	12,151,241	13,550,633	11,745,091
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,791,467)	(863,221)	(8,492,057)	(3,127,554)	1,561,979	1,529,927	191,320	63,104	50,718	288,237

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013*	2014	2015
OTHER FINANCING SOURCES (USES)										
Transfers In	$ 1,120,000	$ 1,202,430	$ 1,126,120	$ 1,218,711	$ 1,595,763	$ 1,443,300	$ 1,584,100	$ 1,612,150	$ 1,681,117	$ 968,253
Transfers (Out)	(1,120,000)	(1,202,430)	(1,126,120)	(1,218,711)	(1,595,763)	(1,443,300)	(1,584,100)	(1,612,150)	(1,681,117)	(968,253)
Capital Lease Issuance	-	-	-	-	-	-	-	-	309,433	-
Bonds Issued, at Par	6,000,000	-	-	2,000,000	-	7,375,000	4,410,000	-	3,335,000	-
Premium on Bonds Issued	-	-	-	138,290	-	339,600	2,857	-	21,989	-
Payment to Escrow	-	-	-	-	-	(7,599,986)	(4,412,857)	-	(3,289,345)	-
Sale of Capital Assets	-	-	-	-	-	196,844	9,853	10,302	31,176	6,654
Total Other Funding Sources (Uses)	6,000,000	-	-	2,138,290	-	311,458	9,853	10,302	408,253	6,654
NET CHANGE IN FUND BALANCES	$ (2,791,467)	$ (863,221)	$ (8,492,057)	$ (989,264)	$ 1,561,979	$ 1,841,385	$ 201,173	$ 73,406	$ 458,971	$ 294,891
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	13.71%	10.40%	9.81%	11.18%	12.45%	12.31%	13.21%	12.81%	13.65%	9.54%

* Shared income taxes were reclassifed to a nontax revenue in fiscal year 2013.

** The Sanitation (Refuse) function changed from a department in the General Fund to an Enterprise Fund during the year ended April 30, 2015.

Data Source

Audited Financial Statements

VILLAGE OF MONTGOMERY, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year		Residential Property	Commercial Property	Industrial Property	Railroad Property	Farm Property	Total Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Ratio of Total Assessed to Total Actual Value
2005	Kane County	$ 94,695,685	$ 19,071,768	$ 45,856,396	$ 451,368	$ 397,619	$ 160,472,836	0.37930	$ 481,466,655	33.33%
	Kendall County	N/A	N/A	N/A	N/A	N/A	156,189,326	0.37930	468,614,839	
							316,662,162		950,081,494	
2006	Kane County	130,150,023	20,713,506	50,224,319	470,773	388,241	201,946,862	0.43900	605,901,176	33.33%
	Kendall County	N/A	N/A	N/A	N/A	N/A	205,272,490	0.43900	615,879,058	
							407,219,352		1,221,780,234	
2007	Kane County	143,557,685	21,254,903	52,334,881	494,539	411,850	218,053,858	0.37274	654,226,997	33.33%
	Kendall County	225,221,844	24,443,380	3,215,940	10,056	128,586	253,019,806	0.36600	759,135,332	
							471,073,664		1,413,362,329	
2008	Kane County	146,340,376	25,150,166	59,513,310	600,802	459,791	232,064,445	0.35902	696,262,961	33.33%
	Kendall County	239,740,364	33,432,819	2,943,895	10,056	126,025	276,253,159	0.36340	828,842,361	
							508,317,604		1,525,105,322	
2009	Kane County	145,339,543	24,471,644	55,883,059	719,732	502,703	226,916,681	0.36852	680,818,125	33.33%
	Kendall County	246,603,488	35,351,375	3,124,055	10,056	103,780	285,192,754	0.36635	855,663,828	
							512,109,435		1,536,481,953	
2010	Kane County	132,284,981	23,970,816	55,212,581	761,544	537,493	212,767,415	0.41543	638,366,082	33.33%
	Kendall County	217,611,681	36,767,375	2,947,971	10,056	142,280	257,479,363	0.41562	772,515,341	
							470,246,778		1,410,881,423	
2011	Kane County	115,406,949	21,077,188	46,500,648	907,720	553,817	184,446,322	0.47468	553,394,305	33.33%
	Kendall County	200,255,016	33,611,185	2,800,573	10,056	128,645	236,805,475	0.47463	710,487,474	
							421,251,797		1,263,881,779	
2012	Kane County	105,322,142	20,071,750	43,379,949	970,041	424,227	170,168,109	0.53046	510,555,383	33.33%
	Kendall County	183,611,931	31,452,582	2,828,579	10,056	139,612	218,042,760	0.53053	654,193,699	
							388,210,869		1,164,749,082	
2013	Kane County	95,690,557	15,885,918	42,166,350	1,054,188	409,843	155,206,856	0.57264	465,667,135	33.33%
	Kendall County	173,665,059	31,035,606	2,773,279	10,056	189,690	207,673,690	0.58242	623,083,378	
							362,880,546		1,088,750,513	
2014	Kane County	93,950,487	15,947,615	41,084,650	1,062,546	415,211	152,460,509	0.59893	457,381,527	33.33%
	Kendall County	171,747,048	31,285,233	2,773,279	10,056	208,290	206,023,906	0.59367	618,071,718	
							358,484,415		1,075,453,245	

N/A - Not available

Data Source

Village and County Records

VILLAGE OF MONTGOMERY, ILLINOIS

PROPERTY TAX RATES* - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
VILLAGE DIRECT RATES										
Village of Montgomery										
General Corporate	0.2168	0.2107	0.1984	0.1927	0.1883	0.1999	0.2283	0.2459	0.2573	0.2646
IMRF	0.0430	0.0344	0.0346	0.0345	0.0390	0.0461	0.0527	0.0580	0.0606	0.0623
Garbage Collection	-	-	-	-	-	-	-	-	-	-
Liability Insurance	0.0293	0.0332	0.0367	0.0394	0.0458	0.0461	0.0527	0.0682	0.0714	0.0735
Social Security	0.0635	0.0553	0.0504	0.0493	0.0487	0.0543	0.0621	0.0580	0.0606	0.0623
Police Pension	0.0753	0.0553	0.0472	0.0473	0.0468	0.0691	0.0789	0.1004	0.1227	0.1262
Bond and Interest	-	0.07	-	-	-	-	-	-	-	-
Prior Year Adjustment	(0.0490)	-	-	(0.0040)	-	-	-	-	-	0.0100
Total Direct Rates	0.3789	0.4586	0.3673	0.3592	0.3686	0.4155	0.4747	0.5305	0.5726	0.5989
OVERLAPPING RATES (REPRESENTATIVE)										
Kane County	0.3367	0.3452	0.3322	0.3428	0.3398	0.3730	0.3990	0.4336	0.4623	0.4684
Kane County Forest Preserve District	0.1905	0.1747	0.1974	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3126
Aurora Township	0.1559	0.1501	0.1449	0.1450	0.1486	0.1664	0.1882	0.2162	0.2517	0.2602
Aurora Township Road District	0.0743	0.0715	0.0690	0.0691	0.0703	0.0764	0.0860	0.0978	0.1104	0.1141
Montgomery Fire District	0.6522	0.6242	0.6061	0.6015	0.6207	0.6769	0.7000	0.7000	0.8000	0.8461
Oswego Library	0.1483	0.1826	0.2082	0.2002	0.2018	0.2207	0.2453	0.2726	0.2999	0.3029
Fox Valley Park District	0.3846	0.3746	0.4037	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307
Unit School District Number 129	3.6786	3.5635	4.1252	4.1724	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578
Community College District Number 516	0.3933	0.3984	0.3950	0.4322	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954
Total Overlapping Rates	6.0144	5.8848	6.4817	6.5578	6.5809	6.8948	8.0393	8.9983	10.1036	10.3882
TOTAL ALL RATES (REPRESENTATIVE)	6.7730	6.8020	7.2163	7.2758	6.9495	7.3103	8.5140	9.5288	10.6762	10.9871

* Property tax rates are per $100 of assessed valuation.

Data Source

Office of the Kane County Clerk (Code AU013 represents 10.9% of equalized assessed value)

VILLAGE OF MONTGOMERY, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS (1)

Last Year and Nine Years Ago

2014				2005			
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Village Taxable Assessed Valuation**	**Taxpayer**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Village Taxable Assessed Valuation**
United Facilities, Inc.	$ 9,768,159	1	2.72%	United Facilities	$ 6,682,041	1	2.11%
Wal-Mart Stores, Inc.	4,331,378	2	1.21%	Centerpoint Properties	3,336,748	2	1.05%
Menards, Inc.	3,187,856	3	0.89%	Williamette Industries, Inc.	2,627,193	3	0.83%
Fox River Foods, Inc.	2,780,275	4	0.78%	Meritex Developments, Inc.	2,552,942	4	0.81%
Stag Montgomery, LLC	2,709,745	5	0.76%	Settlers Land Mall Association	2,025,448	5	0.64%
IP Eat Five	2,467,202	6	0.69%	Freeport Farm & Fleet Inc.	1,970,578	6	0.62%
Centerpoint Properties	2,610,898	7	0.73%	Hunt Midwest Illinois, Inc.	1,730,485	7	0.55%
Monmouth Capital Corporation	2,192,881	8	0.61%	Kmart Corp.	1,590,207	8	0.50%
JC Penny Properties, Inc.	2,188,961	9	0.61%	Inland Commercial Property Management Inc.	1,393,898	9	0.44%
Victorian Apartments LLC	1,916,377	10	0.53%	Gusto Packaging	1,369,837	10	0.43%
TOTAL	$ 34,153,732		9.53%	TOTAL	$ 25,279,377		7.98%
2014 EAV = $358,484,415				2005 EAV = $316,662,162			

(1) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2014 EAV is the most current.

Data Source

Kane and Kendall Counties Assessor

VILLAGE OF MONTGOMERY, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years		
		Amount	Levy	Amount	Total Collected	Percentage
2005	$ 1,279,445	$ 1,279,562	100.01%	$ 4,839	$ 1,284,401	100.39%
2006	1,684,986	1,667,661	98.97%	-	1,667,661	98.97%
2007	1,735,855	1,735,135	99.96%	1,073	1,736,208	100.02%
2008	1,834,151	1,830,130	99.78%	-	1,830,130	99.78%
2009	1,881,028	1,878,698	99.88%	-	1,878,698	99.88%
2010	1,952,586	1,951,512	99.94%	-	1,951,512	99.94%
2011	1,999,478	1,995,607	99.81%	-	1,995,607	99.81%
2012	2,059,447	2,052,971	99.69%	-	2,052,971	99.69%
2013	2,096,375	2,093,262	99.85%	2,020	2,095,282	99.95%
2014	2,116,190	N/A	N/A	N/A	N/A	N/A

Note: The percentage collected may exceed 100% due to the use of a weighted average of taxes levied by two counties.

<u>Data Sources</u>

Village Records

VILLAGE OF MONTGOMERY, ILLINOIS

TOTAL SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
General Merchandise	$ 161,920	$ 156,861	$ 355,410	$ 729,003	$ 727,772	$ 758,004	$ 624,501	$ 751,216	$ 731,581	$ 884,321
Food	167,787	173,279	160,131	194,116	175,861	156,322	172,562	186,712	179,076	161,385
Drinking and Eating Places	152,032	155,338	157,769	147,971	166,372	188,509	166,753	177,489	174,763	171,217
Apparel	6,276	2,260	1,448	72	-	-	4,210	14,541	14,019	15,067
Furniture & H.H. & Radio	32,198	30,670	32,733	28,375	14,894	16,054	17,684	2,374	22,547	9,446
Lumber, Building Hardware	114,295	109,827	195,045	323,201	282,213	265,305	293,067	337,541	381,898	121,382
Automobile and Filling Stations	258,240	374,027	407,522	429,644	259,857	301,975	427,877	371,747	439,511	416,930
Drugs and Miscellaneous Retail	186,622	230,921	278,838	250,920	277,069	301,107	287,564	299,006	329,801	354,712
Agriculture and All Others	300,209	325,596	327,456	331,207	329,266	380,789	375,008	376,804	385,633	360,361
Manufacturers	156,084	186,235	216,569	161,464	112,243	108,189	131,142	138,385	170,761	208,833
Censored	50,376	19,959	27,482	24,762	21,247	30,842	150,838	24,506	8,346	322,245
TOTAL	$ 1,586,039	$ 1,764,973	$ 2,160,403	$ 2,620,735	$ 2,366,794	$ 2,507,096	$ 2,651,206	$ 2,680,321	$ 2,837,936	$ 3,025,899
VILLAGE PORTION OF STATE SALES TAX	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

The above numbers are the total sales tax dollars received by the Village before applicable sales tax rebates.
Censored - The State will not release data if 4 or fewer businesses are included in a particular cateogry for each County.

Data Source

Illinois Department of Revenue SIC Reporting
Village Records

VILLAGE OF MONTGOMERY, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES (1)

Last Ten Fiscal Years

	General Merchandise				
Fiscal Year	**Village Portion of State Rate**	**State and Other Rates (Kane County)**	**State and Other Rates (Kendall County)**	**Total Rate Village (Kane County)**	**Total Rate Village (Kendall County)**
2006	1.0%	5.50%	5.75%	6.50%	6.75%
2007	1.0%	5.50%	5.75%	6.50%	6.75%
2008	1.0%	5.50%	6.25%	6.50%	7.25%
2009	1.0%	6.00%	6.25%	7.00%	7.25%
2010	1.0%	6.00%	6.25%	7.00%	7.25%
2011	1.0%	6.00%	6.25%	7.00%	7.25%
2012	1.0%	6.00%	6.25%	7.00%	7.25%
2013	1.0%	6.00%	6.25%	7.00%	7.25%
2014	1.0%	6.00%	6.25%	7.00%	7.25%
2015	1.0%	6.00%	6.25%	7.00%	7.25%

(1) The rates listed in this table apply to sales of general merchandise. Sales of food not prepared for immediate consumption, drugs and titled vehicles are subject to a different tax rate. This rate is 1.75% for sales of food and 7.00% for sales of titled vehicles.

Data Source

Village and State Records

VILLAGE OF MONTGOMERY, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities		Business-Type Activities				
Fiscal Year Ended	**General Obligation Alternate Revenue Source Bonds**	**Capital Lease Payable**	**General Obligation Alternate Revenue Source Bonds**	**Installment Loans**	**Total Primary Government**	**Percentage of Personal Income***	**Per Capita***
2006	$ 15,785,000	$ -	$ 4,030,000	$ 1,016,141	$ 20,831,141	8.07%	$ 1,962.79
2007	14,520,000	-	3,795,000	968,218	19,283,218	5.50%	1,338.46
2008	13,990,000	-	3,295,000	919,003	18,204,003	5.20%	1,263.55
2009	15,410,000	-	3,015,000	868,464	19,293,464	4.65%	1,130.79
2010	14,800,000	-	2,770,000	816,563	3,586,563	0.86%	210.21
2011	13,985,000	-	2,515,000	763,245	17,263,245	3.85%	936.29
2012	13,115,000	-	2,245,000	4,825,560	20,185,560	4.50%	1,094.78
2013	12,325,300	-	1,973,909	4,774,966	19,074,175	4.00%	1,034.50
2014	11,336,945	201,467	6,431,249	4,627,334	22,596,995	4.73%	1,225.57
2015	10,655,742	103,071	5,995,585	6,759,592	23,513,990	4.30%	1,275.30

* Information on personal income and population can be found on page 140.

Data Source

Village Records

VILLAGE OF MONTGOMERY, ILLINOIS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Alternate Revenue Source Bonds	Less: Amounts Available in Debt Service Fund	Net Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2006	$ 19,815,000	$ 38,432	$ 19,776,568	6.25%	$ 1,863.43
2007	18,315,000	39,732	18,275,268	4.49%	1,268.50
2008	17,285,000	41,040	17,243,960	3.66%	1,196.92
2009	18,425,000	-	18,425,000	3.62%	1,079.89
2010	17,570,000	-	17,570,000	3.43%	1,029.77
2011	16,500,000	33,063	16,466,937	3.50%	893.10
2012	15,360,000	33,063	15,326,937	3.64%	831.27
2013	14,299,209	56,089	14,243,120	3.67%	772.49
2014	17,768,194	59,033	17,709,161	4.88%	960.47
2015	16,651,327	56,089	16,595,238	4.63%	900.06

Data Sources

Audited Financial Statements

VILLAGE OF MONTGOMERY, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2015

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village	Village Share of Debt
Total Direct Governmental Activities Bonded Debt	$ 16,651,328	100.00%	$ 16,651,328
Less: Self-Supported Debt	(16,651,328)	100.00%	(16,651,328)
NET DIRECT BONDED DEBT	-		-
School District #115	79,165,866	7.87%	6,230,354
School District #129	78,980,000	4.48%	3,538,304
School District #131	78,417,444	4.27%	3,348,425
School District #302	101,482,587	4.43%	4,495,679
School District #308	351,853,034	10.66%	37,507,533
Community College District #516	71,050,000	4.28%	3,040,940
Total Schools	760,948,931		58,161,235
Kane County	49,955,000	1.13%	564,492
Kendall County	35,913,762	8.15%	2,926,972
Kane County Forest Preserve District	168,865,866	1.13%	1,908,184
Kendall County Forest Preserve District	46,650,000	8.15%	3,801,975
Fox Valley Park District	48,035,000	8.03%	3,857,211
Oswegoland Park District	5,680,000	4.58%	260,144
Oswego Library District	7,705,000	19.53%	1,504,787
Sugar Grove Library District	5,735,000	12.58%	721,463
Total Other Governments	368,539,628		15,545,228
TOTAL OVERLAPPING BONDED DEBT	1,129,488,559		73,706,463
TOTAL DIRECT AND OVERLAPPING BONDED DEBT	$ 1,129,488,559		$ 73,706,463

Overlapping and bonded debt percentages based on 2014 EAV, the most current available.

Data Sources

Kane and Kendall Clerks

VILLAGE OF MONTGOMERY, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Debt Limit	$ 27,312,111	$ 35,122,639	$ 40,630,104	$ 43,842,393	$ 44,192,914	$ 40,558,785	$ 36,332,967	$ 33,483,187	$ 31,298,447	$ 30,919,281
Total Net Debt Applicable to Limit	775,000	775,000	275,000	-	-	-	-	-	-	-
Legal Debt Margin	$ 26,537,111	$ 34,347,639	$ 40,355,104	$ 43,842,393	$ 44,192,914	$ 40,558,785	$ 36,332,967	$ 33,483,187	$ 31,298,447	$ 30,919,281
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.838%	2.256%	0.681%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

Legal Debt Margin Calculation for Fiscal 2015

Assessed Value	$ 358,484,415
Legal Debt Margin	8.625%
Debt Limit	30,919,281
Debt Applicable to Limit	-
LEGAL DEBT MARGIN	$ 30,919,281

Data Sources

Audited Financial Statements

VILLAGE OF MONTGOMERY, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

	General Obligation Alternate Revenue Source Bonds and IEPA Loans					
	Water	Less:	Net			
Fiscal	Charges	Operating	Available	Debt Service		
Year	and Other	Expenses [1]	Revenue	Principal	Interest	Coverage
2006	$ 4,536,564	$ 3,384,702	$ 1,151,862	$ 258,489	$ 208,838	$ 2.46479
2007	3,647,287	2,682,873	964,414	287,924	196,419	1.99118
2008	3,921,224	2,245,278	1,675,946	500,000	195,774	2.40875
2009	2,900,870	2,323,735	577,135	330,539	172,271	1.14782
2010	3,315,100	2,263,878	1,051,222	296,901	141,983	2.39522
2011	3,582,980	2,499,547	1,083,433	308,298	131,614	2.46284
2012	3,690,830	3,476,530	214,300	324,734	119,749	0.48213
2013	4,010,153	3,127,373	882,780	419,238	183,683	1.46417
2014	4,115,879	2,864,628	1,251,251	533,228	227,090	1.64569
2015	4,572,131	3,204,017	1,368,114	685,374	302,158	1.38539

[1] Excludes Depreciation and Amortization

<u>Data Source</u>

Village Records

VILLAGE OF MONTGOMERY, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income (1)	Unemployment Rate (2)
2006	10,613	$ 258,055,095	$ 24,315	4.18%
2007	14,407	350,306,205	24,315	4.68%
2008	14,407	350,306,205	24,315	6.13%
2009	17,062	414,862,530	24,315	10.18%
2010	17,062	414,862,530	24,315	10.27%
2011	18,438	448,319,970	24,315	9.62%
2012	18,438	448,319,970	24,315	8.72%
2013	18,438	477,212,316	25,882	8.50%
2014 (3)	18,438	477,783,894	25,913	6.65%
2015	18,438	546,981,708	29,666	5.00%

Data Source

(1) US Census Bureau, 2009-2013 American Community Survey 5-Year Estimates.

(2) Illinois Department of Employment Security, Kane and Kendall Counties

(3) Illinois Department of Employment Security, Kane and Kendall Counties, May 2015

VILLAGE OF MONTGOMERY, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2015				2006			
Employer	**Employee**	**Rank**	**Percentage of Total Village Population**	**Employer**	**Employee**	**Rank**	**Percentage of Total Village Population**
Caterpillar, Inc.	3,100	1	16.81%	L & D Group	800	1	7.54%
Butterball	530	2	2.87%	Eby-Brown Co., LLC	400	2	3.77%
Performance Food Service	456	3	2.47%	The Dial Corporation	400	3	3.77%
VVF Illinois Services	350	4	1.90%	Fox River Foods, Inc.	340	4	3.20%
Eby-Brown Co., LLC	329	5	1.78%	Processed Plastic Co.	300	5	2.83%
Wal-Mart	286	6	1.55%	General American Door Company	200	6	1.88%
Aurora Bearing Co.	251	7	1.36%	Weyerhauser Co.	150	7	1.41%
ComEd	200	8	1.08%	CMT, Inc.	120	8	1.13%
Hormann, LLC	200	9	1.08%	Aurora Metals Division, LLC	112	9	1.06%
Sam's Club	170	10	0.92%	ComEd	110	10	1.04%
TOTAL	5,872		31.82%	TOTAL	2,932		27.63%

Data Source

Montgomery Economic Development Corporation
2015 Illinois Manufacturers Directory, 2015 Illinois Services Directory, Selective telephone survey.
2006 Illinois Manufacturers Directory, 2006 Illinois Services Directory, Selective telephone survey.

VILLAGE OF MONTGOMERY, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL GOVERNMENT										
Administration	2.75	3.50	3.50	3.00	3.00	4.00	3.00	3.88	2.38	1.88
Finance	5.75	5.75	5.75	5.75	4.50	4.50	4.50	5.50	5.50	6.00
Building	6.00	5.00	5.00	-	-	-	-	-	-	-
Community Development	2.00	3.75	3.75	5.00	5.00	5.00	3.50	3.50	4.70	5.00
PUBLIC SAFETY										
Police										
Sworn Officers	22.00	25.00	25.00	23.00	23.00	23.00	23.00	23.00	25.00	25.00
Civilians/Other	10.00	10.00	10.00	11.00	11.00	11.00	11.00	3.00	3.00	3.00
PUBLIC WORKS										
Administration	2.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Street Maintenance	8.00	8.00	8.00	7.00	7.00	7.00	8.00	7.00	8.50	8.50
Water Operations	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Building Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	-	1.00	1.00	1.00
Fleet Maintenance	1.00	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.00	1.00
TOTAL	62.50	68.50	68.50	61.25	60.00	61.00	58.00	52.88	56.08	56.38

N/A - Not available

Data Sources

Village Records

VILLAGE OF MONTGOMERY, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
POLICE										
Physical Arrests	239	508	565	703	845	930	912	2,221	994	1,505
Parking Violations	392	621	547	597	670	826	786	1,316	1,273	1,184
Traffic Violations	3,030	3,243	2,978	4,715	4,314	3,940	4,023	4,141	2,474	2,758
PUBLIC WORKS										
Street Resurfacing (miles) or	-	-	-	-	-	-	1.50	0.60	1.14	0.93
Street Reconstruction (miles)	2.41	0.53	1.75	1.50	1.25	-	-	-	-	-
WATER										
New Connections	1,429	636	782	251	49	85	63	60	30	50
Water Main Breaks	44	60	56	55	67	55	57	53	56	43
Average Daily Consumption	2,255,232	2,389,921	2,459,795	2,642,000	2,583,000	2,694,800	2,721,750	2,441,000	2,156,394	2,443,000
Peak Daily Consumption	4,150,000	4,596,000	4,332,000	4,539,000	4,120,000	4,159,000	4,200,590	3,907,000	3,563,800	3,732,300

Data Sources

Village Records

VILLAGE OF MONTGOMERY, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Calendar Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area Patrols	3	3	3	3	3	4	4	4	4	4
Patrol Units	12	13	15	15	15	15	15	19	19	19
PUBLIC WORKS										
Residential Streets (miles)	53	53	53	53	58	74.3	76	76	76	76
WATER										
Water Mains (miles)	95	95	95	95	98	110	114	114	117	117
Fire Hydrants	N/A	N/A	N/A	N/A	N/A	1,050	1,372	1,372	1,680	1,680
Storage Capacity (millions of gallons)	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	5.8	5.8

N/A - Not available

Data Sources

Village Records

COMPLIANCE SECTION

Sikich®

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Naperville, Illinois 60563

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

REPORT OF INDEPENDENT ACCOUNTANT ON COMPLIANCE WITH PUBLIC ACT 85-1142

The Honorable President
Members of the Board of Trustees
Village of Montgomery
Montgomery, Illinois

We have examined management's assertion that the Village of Montgomery, Illinois, complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the fiscal year ended April 30, 2015 for Tax Increment Financing District #1. As discussed in that representation letter, management is responsible for the Village of Montgomery, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village of Montgomery, Illinois' compliance based on our examination.

Our examination was made in accordance with the standards established by the American Institute of Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village of Montgomery, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village of Montgomery, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the Village of Montgomery, Illinois complied with the aforementioned requirements for the fiscal year ended April 30, 2015, is fairly stated in all material respects.

Sikich LLP

Naperville, Illinois
August 14, 2015