



V I L L A G E *of*  
ROSCOE

ILLINOIS

Annual Financial Report

Together with Independent  
Auditor's Report

For the Fiscal Year Ended  
December 31, 2017

# **VILLAGE OF ROSCOE, ILLINOIS**

Financial Statements

Together with Independent  
Auditor's Report

For The Year Ended December 31, 2017

Prepared by:

Village of Roscoe Treasurer's office

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Village of Roscoe  
Roscoe, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Roscoe, Illinois (Village) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Board of Trustees  
Village of Roscoe

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### **OPINIONS**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Roscoe, Illinois as of December 31, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Board of Trustees  
Village of Roscoe

## **OTHER MATTERS**

### **REQUIRED SUPPLEMENTARY INFORMATION**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, on pages 5-15 and 57-58 and for major funds and the schedules of changes in net position, employer contributions, and funding progress for pensions and other post-retirement benefits, on pages 59-68, as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

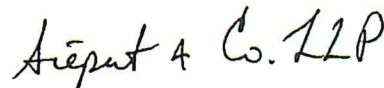
### **OTHER INFORMATION**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Roscoe, Illinois' basic financial statements. The combining and individual non-major fund financial schedules and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial schedules and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic

Board of Trustees  
Village of Roscoe

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial schedules and other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Siefert & Co. LLP". The signature is written in a cursive, flowing style.

SIEPERT & CO., LLP

Certified Public Accountants

Beloit, Wisconsin  
June 27, 2018

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VILLAGE OF ROSCOE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2017  
(Unaudited)

This section of the Village of Roscoe's Annual Financial Report presents our discussion and analysis of the Village's financial activities during the year ended December 31, 2017.

<b>FINANCIAL HIGHLIGHTS</b>
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-Net asset position and performance in total – The Village's total net Position at December 31, 2017 was \$10,109,299

-Governmental activity summary – Net position for governmental activities increased by \$731,546 during the year.

-General Fund summary – The Village's General Fund balance increased \$234,564.

-Budget vs. actual – The Village's actual revenues for the General Fund were more than total budgeted revenues by \$167,490 and the actual expenditures were less than total budgeted expenditures by \$277,025.

-Net capital – Net capital and infrastructure assets increased by \$1,079,546.

<b>OVERVIEW OF THE FINANCIAL STATEMENTS</b>
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The basic financial statements include two kinds of statements which present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of the Village government, reporting Village operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section which further explains and supports the information in the financial statements.

In addition to all of the required financial statement elements, the Village has provided sections for combining statements to provide detail on non-major funds and additional supplementary information.

The following table summarizes the major features of the Village's financial statements.

	GOVERNMENT- WIDE STATEMENTS	FUND STATEMENTS	
		Governmental Funds	Fiduciary Funds
Scope	Entire Village government (except Fiduciary funds)	Activities of the Village that are not fiduciary such as public safety	Activities in which the Village is trustee or agent of another's resources such as pension plans
Required financial statements	-Statement of net position -Statement of activities	-Balance sheet -Statement of revenues, expenditures and changes in fund balances	-Statement of fiduciary net position -Statement of changes in fiduciary net position
Accounting basis	Accrual	Modified accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources
Type of assets & liability information	All assets and liabilities; both financial and capital, short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities. Does not contain capital assets or long-term liabilities.
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods and services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless of when cash is received or paid. Does not include deferred inflows/outflows

### **GOVERNMENT-WIDE STATEMENTS**

The government-wide financial statements are designed to be corporate-like in that all governmental activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to disclose bottom line results for the Village and its governmental activities.

This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.



The Statement of Activities is focused on both the gross and net cost of various activities, which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services. The governmental activities reflect the Village's basic services including administration, financial services, police, and public works. Property taxes, telecommunication taxes, and shared state tax distributions finance the majority of these services.

### **FUND FINANCIAL STATEMENTS**

Traditional users of governmental financial statements will find the fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

Governmental Funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental Funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Fiduciary Funds are presented for certain activities when the Village's role is that of trustee (i.e. Police Pension) or agent. While Fiduciary Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

The Governmental Funds statements require reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual) which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds, proceeds from sales of capital asset disposals, and interfund transfers as other financial sources as well as capital outlay expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the Government-Wide Statements.

### **INFRASTRUCTURE ASSETS**

Historically, a government's largest group of assets (infrastructure – streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB-34 requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity.

If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its costs of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance - a recurring cost that does not extend the asset's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE
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In accordance with GASB Statement No. 34, a comparative analysis of government-wide information is presented.

## NET POSITION

### STATEMENT OF NET POSITION

The following table reflects the condensed Statement of Net Position:

**Table 1**  
**Statement of Net Position**  
**As of December 31, 2017 and 2016**

Governmental Activities		
	2017	2016
Current and other assets	\$ 7,842,017	\$ 6,941,539
Capital assets	10,647,523	9,567,977
Deferred outflows - pension asset	661,858	349,272
<b>Total assets</b>	<b>19,151,398</b>	<b>16,858,788</b>
Current liabilities	487,612	202,002
Noncurrent liabilities	6,548,804	5,678,989
Deferred inflows of resources	2,005,683	1,600,044
<b>Total liabilities</b>	<b>9,042,099</b>	<b>7,481,035</b>
Net assets:		
Invested in capital assets		
net of related debt	7,552,523	7,402,977
Restricted	2,515,714	1,755,932
Unrestricted	41,062	218,844
<b>Total net position</b>	<b>\$ 10,109,299</b>	<b>\$ 9,377,753</b>

### NORMAL IMPACTS-NET POSITION

There are six common (basic) types of transactions that will generally affect the comparability of the Statements of Net Position summary presentation.

Net Results Of Activities – Impacts (increases/decreases) current assets and unrestricted net assets.

Borrowing For Capital – Increases current assets and long-term debt.

Spending Borrowed Proceeds On New Capital – Reduces current assets and increases capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt will not change the invested in capital assets, net of debt.

Spending Of Non-borrowed Current Assets On New Capital – (a) Reduces current assets and increases capital assets; and (b) reduces unrestricted net assets and increases invested in capital assets, net of debt.

Principal Payment On Debt – (a) Reduces current assets and reduces long-term debt; and, (b) reduces unrestricted net assets and increases invested in capital assets, net of debt.

Reduction Of Capital Assets Through Depreciation – Reduces capital assets and invested in capital assets, net of debt.

### CURRENT YEAR IMPACTS-NET POSITION

The Village's total net position at December 31, 2017 was \$10,109,299. This is a increase of \$731,546 from the 2016 ending amount of \$9,377,753. This change in net position was due to higher than anticipated general revenues and positive results for both the IMRF pension asset and the police pension liability. Total assets and deferred outflows of resources increased from \$16,858,788 to \$19,151,398, an increase of \$2,292,610. Cash and investments increased by \$1,105,090 or 25% from 2016. A large portion of this increase is due to the construction bond proceeds not spent at year-end and payables on the related construction projects. Capital assets increased by \$1,079,546 or about 11% from 2016. This increase in capital assets was a result of the construction of the new police addition to Village Hall.

The total liabilities and deferred inflows of resources increased \$1,561,064 as a result of the 2017 GOBA \$1,100,000 bond issue and increases to deferred inflows for the pensions. Accounts payable, accrued liabilities and other current liabilities increased by \$285,610, a result of payable for construction projects. Deferred inflows of resources increased by \$405,639. The non-current liabilities increased by \$869,815.

The total net position at December 31, 2017 was \$10,109,299. Nearly 75% of this amount is the investment in capital assets, net of the related debt, another 25% is restricted for capital projects, community development, debt service and maintenance of roads and bridges. This leaves less than 1% or \$41,062 available for any purpose.



## CHANGES IN NET POSITION

The following table reflects the condensed Statement of Activities:

**Table 2**  
**Changes in Net Position**  
**For the Years Ended December 31, 2017 and 2016**

Governmental Activities		
	2017	2016
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 343,787	\$ 328,183
Operating grants & contributions	293,620	296,803
Capital grants & contributions	-	38,001
General revenues:		
Property taxes	1,336,037	1,312,162
Other taxes	3,653,154	3,442,017
Interest	29,918	10,978
Miscellaneous	50,325	64,780
Total revenues	5,706,841	5,492,924
<b>Expenses</b>		
Government activities:		
General government	1,063,124	1,151,814
Public safety	2,043,868	1,649,065
Highway and streets	1,572,297	1,920,792
Parks and recreation	211,281	206,777
Interest on long-term debt	84,725	89,252
Total expenses	4,975,295	5,017,700
Change in net position	731,546	475,224
Net position, beginning	9,377,753	11,270,330
Prior period change	-	(2,367,801)
Net position, ending	\$ 10,109,299	\$ 9,377,753

Overall, the financial condition of the Village improved during the current year as measured by the fact that net position increased \$731,546 or 7.8%.

For more detailed information, see the Statement of Activities.

## NORMAL IMPACT-CHANGES IN NET POSITION

Reflected below are eight common (basic) impacts on revenues and expense.

### Revenues:

Economic Condition – Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Increase/Decrease In Village Approval Rates – While certain tax rates are set by statutes, the Village Board has authority to impose and periodically increase/decrease rates (building permit fees, etc.). The Village's property taxes are subject to tax caps, which generally limit Village increases to the lesser of the change in the Consumer Price Index for the period December 2016 to December 2017 or 5.0%.

Changing Patterns In Intergovernmental And Grant Revenue (both recurring and non-recurring) – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts On Investment Income – The Village's investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities up to one year for term investments, and diversity of investments. Market conditions may cause investment income to fluctuate more than would occur with more short-term composition.

### Expenses:

Changes In Programs – Within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted, or expanded to meet changing community needs

Changes In Authorized Personnel – Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and step increases) – The Village strives to maintain a competitive salary range position in the marketplace.

Inflation – While overall inflation appears to be modest (the CPI was 2.7% at December 31, 2017), the Village is a major consumer of certain commodities and services, which typically experience inflation at a rate that can be significantly different from the CPI. Examples of such items include health insurance, fuel, electricity and operating supplies.

## **CURRENT YEAR IMPACTS-CHANGES IN NET POSITION**

### **GOVERNMENTAL ACTIVITIES**

#### **Revenues:**

Revenues from governmental activities total \$5,706,841, an increase of \$213,917 or 3.9 percent over 2016. Sales tax was the largest source of revenues for the year at \$1,670,027, an increase of \$191,131. The next highest source of revenue was property tax revenue at \$1,336,037. The revenues from these two sources represent 52.7% of the governmental activity revenues.

#### **Expenses:**

The Village's total governmental activity expenses were \$4,975,295. The three major functional areas were general government \$1,063,124 or 21% of the total; public safety \$2,043,868 or 41% of the total; and public works of \$1,572,297 or 32%. These three functional areas account for 94% of the total expenses of the Village.

Personnel costs including wages, health & life insurance, and retirement benefits were \$2,498,274 or just over 50% of the total governmental expenses. This was an increase of \$211,215 from 2016. Other major expenses were garbage collection of \$448,164.04.

<b>FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS</b>
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At December 31, 2017, the governmental funds reported a combined fund balance of \$5,713,125; an increase of \$750,972 from the prior year. Capital Projects increased by \$287,928, the result of bond issue proceeds of \$1,100,000 over related construction cost at year-end of \$758,891. The Motor Fuel Tax fund balance increase of \$211,767 as there were no capital projects scheduled from during 2017, All other governmental funds increased by \$251,277.

The Village's cash and investments increased by \$1,105,090 or 25% from 2016. A large portion of this increase is due to the construction bond proceeds not spent at year-end and payables on the related construction projects. Capital assets increased by \$1,079,546 or about 11% from 2016. Accounts payable and accrued liabilities increased by \$287,877.

Total revenues and other financing sources as reported in the governmental funds statements were \$6,806,841 an increase from 2016 of \$1,313,917. Total expenditures were \$6,055,868, an increase from 2016 of \$913,738. These increases were related primarily to the capital project fund with bond proceeds of \$1,100,000 and an increase in project expenditures of \$1,047,738.



**Table 3**  
**General Fund Budgetary Highlights**

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Taxes	\$ 2,738,000	\$ 2,738,000	\$ 2,971,061
Intergovernmental	1,528,000	1,528,000	1,364,265
Licenses & permits	106,300	106,300	136,397
Fines & fees	284,800	284,800	294,897
Reimbursements	2,700	2,700	15,891
Interest	3,000	3,000	24,919
Miscellaneous	40,000	40,000	62,860
<b>Total</b>	<b>4,702,800</b>	<b>4,702,800</b>	<b>4,870,289</b>
<b>Expenditures</b>			
Expenditures and transfers out	4,702,800	4,914,125	4,635,725
<b>Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (211,325)</b>	<b>\$ 234,564</b>

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

At December 31, 2017, the Village's Governmental Funds had invested \$14,094,510 (see Notes to Financial Statements # 7) in a variety of capital assets, as reflected in the following schedule.

**Table 4**  
**Governmental Funds**  
**Change in Net Capital Assets**

	Beginning Balance	Net Additions/ Deletions	Ending Balance
<b>Non-depreciable assets</b>			
Land	\$ 1,411,226	\$ -	\$ 1,411,226
Construction in progress	133,842	758,891	892,733
<b>Depreciable capital assets</b>			
Land improvements	900,803	-	900,803
Infrastructure	5,317,600	429,377	5,746,977
Building & building improvements	3,030,696	25,710	3,056,406
Equipment & vehicles	1,992,427	93,938	2,086,365
	<u>12,786,594</u>	<u>1,307,916</u>	<u>14,094,510</u>
<b>Accumulated depreciation on capital assets</b>	<u>(3,218,617)</u>	<u>(228,370)</u>	<u>(3,446,987)</u>
<b>Total</b>	<b>\$ 9,567,977</b>	<b>\$ 1,079,546</b>	<b>\$ 10,647,523</b>



As allowed by GASB-34, the Village has elected to capitalize its infrastructure assets prospectively. During the current year, the Village expended \$429,377 of Village funds on infrastructure assets.

The Village often expends Village funds for water or sewer projects in some of the older sections of the Village. Once completed, these additions are turned over to North Park Water District or to Rock River Water Reclamation District as per intergovernmental agreements with these two agencies. The Village does not directly provide water or sewer services.

### **Long-term Debt**

At December 31, 2017 the Village owed \$6,548,804 in long-term debt. This debt consists of \$3,095,000 in general obligation alternate revenue bonds, \$313,195 in compensated absences, \$195,312 in post-employment benefits and \$2,929,860 for the Police Pension Trust Fund liability. See Notes to Financial Statement 8 for more details.

In connection with the issuance of \$3,500,000 in bonds in calendar year 2008, the Village received the credit rating of A2 from Moody's.

State statutes limit the amount of general obligation debt the Village may issue up to 8.625% of its total assessed valuation. The current debt limitation based upon the 2016 assessed valuation is \$199,176,067 leaving a debt margin of \$17,178,936.

<b>ECONOMIC FACTORS</b>
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The Village of Roscoe has continued to see a pattern of moderate residential and commercial growth throughout 2017 and early 2018, and all indication are for this trend to extend throughout 2018 and 2019. Single family residential construction has continued throughout the Shepherd Hills and Denali Heights Subdivisions, with over 80 permits being issued in 2017. The Village has issued permits for the entirety of Denali Height Plat One, and we understand that permits for Plat Two, another 70 parcels, will be submitted over the coming year.

Commercial growth continues to develop at the Rockton Road Interstate 90 exit. There are currently three large scale commercial developments approved for the intersection of Rockton and Willowbrook Roads, representing a collective twenty two million dollars in constructions and a likely \$250,000 in potential sales tax revenue generation. There are in excess of 120 acres now suitable for development along that Rockton Road corridor, and a recent willingness by property owners to solicit development opportunities, coupled with the Village Board's willingness to entertain development incentives points to continued growth.

New ownership of and investment in the Roscoe Village Shopping Center will likely spur new leasing opportunities, and a commitment to improvements throughout the Main Street Square shopping center by the exiting ownership and property managers has already resulted in establishment of two new businesses. Vacancy rates in existing commercial real estate are still of concern throughout the Village however, with almost 150,000 sf of available inventory. The Village will continue to work with property owners to facilitate the filling of open storefronts, and is committed to being a business-friendly municipality.

## **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 and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Mark D. Olson CPA, Treasurer, Village of Roscoe, P.O. Box 283, Roscoe, Illinois, 61073-0283.

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Net Position  
As of December 31, 2017

	<b>Governmental Activities</b>
<b><u>ASSETS</u></b>	
Cash & equivalents:	
Pooled	\$ 4,428,567
Non-pooled	841,586
Investments - pooled	250,000
Receivables:	
Taxes	1,359,214
Other	76,368
Due from other governments	696,940
Prepaid expenses	89,653
Note receivable - due in more than one year	99,689
Net pension asset - IMRF	325,421
Capital assets:	
Non-depreciable	2,303,959
Depreciable, net of accumulated depreciation	8,343,564
Total assets	18,814,961
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred outflows - pension liability	336,437
Total assets, net of deferred outflows of resources	19,151,398
<b><u>LIABILITIES</u></b>	
Accounts payable	361,014
Accrued payroll	49,510
Accrued interest	4,795
Deposits payable	72,293
Noncurrent liabilities:	
Due within one year	604,082
Due in more than one year	5,944,722
Total liabilities	7,036,416
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Deferred inflows - pension liability	359,608
Unearned taxes	1,546,650
Unearned license fees	99,425
Total deferred inflows	2,005,683
Total liabilities and deferred inflows of resources	9,042,099
Total Assets, Net of Liabilities and Deferred Inflows	\$ 10,109,299
Invested in capital assets, net of related debt	\$ 7,552,523
Restricted for:	
Capital projects	1,112,581
Community development	99,689
Debt service	393,968
Maintenance of road and bridges	909,476
Unrestricted	41,062
<b>Total Net Position</b>	<b>\$ 10,109,299</b>

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Activities  
For the Year Ended December 31, 2017

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants & Contributions	Capital Grants & Contributions
<b>Governmental activities:</b>				
General government	\$ 1,063,124	\$ 139,997	\$ -	\$ -
Public safety	2,043,868	171,758	8,779	-
Public works	1,572,297	3,606	284,841	-
Parks & recreation	211,281	28,426	-	-
Interest on long-term debt	84,725	-	-	-
Total	<u>\$ 4,975,295</u>	<u>\$ 343,787</u>	<u>\$ 293,620</u>	<u>\$ -</u>

General revenues:

Property taxes  
Sales tax  
Income tax  
Local use tax  
Telecommunications tax  
Personal property replacement tax  
Franchise taxes  
Video game tax  
Interest  
Other

Total general revenues

Change in net position

**Net position:**

Beginning of year

End of year

The accompanying notes are an integral part of this statement.

<b>Net (Expense) Revenue and Changes in Net Position</b>	
\$	(923,127)
	(1,863,330)
	(1,283,850)
	(182,855)
	(84,725)
	<u>(4,337,888)</u>
	1,336,037
	1,670,027
	979,813
	278,627
	205,069
	97,046
	115,932
	306,639
	29,918
	50,325
	<u>5,069,433</u>
	731,546
	<u>9,377,753</u>
\$	<u><u>10,109,299</u></u>

**VILLAGE OF ROSCOE, ILLINOIS**

Balance Sheet  
Governmental Funds  
As of December 31, 2017

	<u>Major Funds</u>		<u>(Nonmajor)</u>	
	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>				
Cash & equivalents:				
Pooled	\$ 2,758,163	\$ 1,107,731	\$ 562,673	\$ 4,428,567
Non-pooled	3,721	152,690	685,175	841,586
Investments - pooled	155,701	62,534	31,765	250,000
Receivables:				
Taxes	1,359,214	-	-	1,359,214
Notes	-	-	99,689	99,689
Other	76,368	-	-	76,368
Due from other funds	66,278	-	-	66,278
Due from other governments	644,880	28,229	23,831	696,940
Prepaid expenses	89,653	-	-	89,653
Total Assets	<u>\$ 5,153,977</u>	<u>\$ 1,351,184</u>	<u>\$ 1,403,133</u>	<u>\$ 7,908,294</u>
<b><u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u></b>				
Liabilities:				
Accounts payable	\$ 122,411	\$ 238,603	\$ -	\$ 361,014
Accrued wages	49,509	-	-	49,509
Other payables	72,293	-	-	72,293
Due to other funds	-	-	66,278	66,278
Total liabilities	<u>244,213</u>	<u>238,603</u>	<u>66,278</u>	<u>549,094</u>
Deferred Inflows of Resources:				
Unavailable licenses and taxes	<u>1,646,075</u>	<u>-</u>	<u>-</u>	<u>1,646,075</u>
Total liabilities and deferred inflows of resources	<u>1,890,288</u>	<u>238,603</u>	<u>66,278</u>	<u>2,195,169</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable:				
Note receivable and prepaids	89,653	-	99,689	189,342
Restricted:				
Highways, streets & bridges	-	-	909,476	909,476
Community development	-	-	-	-
Other capital projects	-	1,112,581	-	1,112,581
Debt service	-	-	393,968	393,968
Assigned				
Fund balance reserve	2,418,075	-	-	2,418,075
Unassigned:	<u>755,961</u>	<u>-</u>	<u>(66,278)</u>	<u>689,683</u>
Total fund balances	<u>3,263,689</u>	<u>1,112,581</u>	<u>1,336,855</u>	<u>5,713,125</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u><u>\$ 5,153,977</u></u>	<u><u>\$ 1,351,184</u></u>	<u><u>\$ 1,403,133</u></u>	<u><u>\$ 7,908,294</u></u>

The accompanying notes are an integral part of this statement.



**VILLAGE OF ROSCOE, ILLINOIS**  
Reconciliation of Fund Balances of Governmental Funds to the  
Governmental Activities in the Statement of Net Position  
As of December 31, 2017

<b>Fund Balance of Governmental Funds</b>	\$ 5,713,125
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Net pension asset does not require current financial resources therefore not recorded in the governmental funds	325,421
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Capital assets	\$ 14,094,510
Accumulated depreciation	<u>(3,446,987)</u>
	10,647,523
Interest on long-term debt is not accrued in governmental funds, but is recognized as an expenditure when due. All liabilities, both current and long-term, are reported on the Statement of Net Position.	(4,795)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Alternate revenue bonds, net of unamortized bond premium	(3,110,437)
Post employment benefits	(195,312)
Compensated absences	<u>(313,195)</u>
	(3,618,944)
Net pension liability for the Police Pension Trust Fund is shown as a noncurrent liability on the statement of net position.	(2,929,860)
Net differences between expected and actual experiences, assumption changes, between projected and actual earnings for the Police Pension Trust Fund are recognized as deferred outflows (inflows) of resources on the statement of net position.	56,413
Net differences between expected and actual experiences, assumption changes, between projected and actual earnings for the IMRF Pension Fund are recognized as deferred outflows of resources on the statement of net position.	<u>(79,584)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 10,109,299</u></u>

The accompanying notes are an integral part of this statement.



**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2017

	<b>Major Funds</b>		<b>(Nonmajor)</b>	
	<b>General</b>	<b>Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>				
Taxes	\$ 2,971,061	\$ -	\$ 240,072	\$ 3,211,133
Intergovernmental	1,364,265	-	284,841	1,649,106
Connection fees	-	-	-	-
Licenses and permits	136,397	-	-	136,397
Fines & fees	294,897	306,639	-	601,536
Reimbursements	15,891	-	-	15,891
Interest	24,919	-	4,999	29,918
Other	62,860	-	-	62,860
<b>Total revenues</b>	<b>4,870,290</b>	<b>306,639</b>	<b>529,912</b>	<b>5,706,841</b>
<b>Expenditures:</b>				
Current:				
General government	991,156	-	2,415	993,571
Public works	1,234,951	-	78,467	1,313,418
Police/public safety	1,816,076	57,417	-	1,873,493
Parks & recreation	161,872	-	-	161,872
<b>Total current</b>	<b>4,204,054</b>	<b>57,417</b>	<b>80,882</b>	<b>4,342,353</b>
Capital outlay	242,772	1,213,978	-	1,456,750
Debt service:	-	-	256,765	256,765
<b>Total expenditures</b>	<b>4,446,826</b>	<b>1,271,395</b>	<b>337,647</b>	<b>6,055,868</b>
Excess (Deficiency) of Revenues Over Expenditures	423,463	(964,756)	192,265	(349,028)
<b>Other Financing Sources (Uses):</b>				
Debt issue proceeds	-	1,100,000	-	1,100,000
Transfers in	-	152,684	188,899	341,583
Transfers out	(188,899)	-	(152,684)	(341,583)
<b>Total other financing sources</b>	<b>(188,899)</b>	<b>1,252,684</b>	<b>36,215</b>	<b>1,100,000</b>
Net change in fund balance	234,564	287,928	228,480	750,972
<b>Fund Balances:</b>				
Beginning, as previously Stated	3,277,494	824,653	860,006	4,962,153
Prior period adjustment	(248,369)	-	248,369	-
Beginning, as restated	3,029,125	824,653	1,108,375	4,962,153
<b>Ending</b>	<b>\$ 3,263,689</b>	<b>\$ 1,112,581</b>	<b>\$ 1,336,855</b>	<b>\$ 5,713,125</b>

The accompanying notes are an integral part of this statement.

**VILLAGE OF ROSCOE, 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 December 31, 2017

**Net Change in Fund Balances - Total Governmental Funds** \$ 750,972

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

Governmental funds report capital outlays as expenditures. However, only certain items  
according to policy are capitalized and depreciated in the Statement of Activities:

Capital asset purchases capitalized	\$	1,456,750	
Depreciation expense		(377,204)	
Disposals - Cost		(148,834)	
Disposals - Accumulated Depreciation		148,834	
			1,079,546

Bond proceeds are reported as other financing sources in the governmental funds and contribute  
to the change in fund balance. In the statement of net assets, however, issuing debt increases  
increases long-term liabilities and does not affect the statement of activities. (1,100,000)

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. 170,000

The change in net pension asset for the Illinois Municipal Retirement Fund is  
reported only in the statement of activities. 144,288

The change in deferred inflows and outflows of resources for the Illinois Municipal  
Retirement Fund is reported only in the statement of activities. (178,983)

The change in net pension liability for the Police Pension Trust Fund is  
reported only in the statement of activities. 104,502

The change in deferred inflows and outflows of resources for the Police Pension  
Trust Fund is reported only in the statement of activities. (193,460)

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.

Net change in interest expense	(1,002)		
Amortization of bond premium		3,042	
Increase in post employment benefits		(15,954)	
Increase in compensated absences		(31,405)	
			(45,319)

**Change in Net Position of Governmental Activities** \$ 731,546

The accompanying notes are an integral part of this statement.

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Fiduciary Net Position  
Police Pension Fund  
As of December 31, 2017

**ASSETS**

Cash & equivalents:	
Non-pooled	\$ 171,207
Investments	3,509,671
Interest receivable	6,643
Due from General Fund	4,366
	<hr/>
Total assets	3,691,887

**LIABILITIES**

Refund due to members	22,238
	<hr/>
Total liabilities	22,238

**NET POSITION**

Net position restricted for police pension benefits	\$ 3,669,649
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Changes in Fiduciary Net Position  
Police Pension Fund  
For the Year Ended December 31, 2017

**Additions:**

Contributions	
Plan members	\$ 97,946
Employer	260,286
Investment earnings	
Interest	33,357
Investment income, net	140,911
Unrealized gain	181,954
Total additions	<u>714,454</u>

**Deductions:**

Benefits	193,142
Investment administration	6,771
Dues	2,925
Travel	4,378
Miscellaneous	581
Total deductions	<u>207,797</u>

Change in net position	<u>506,657</u>
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**Net Position:**

Beginning of year	3,162,992
End of year	<u>\$ 3,669,649</u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF ROSCOE, ILLINOIS**  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. INCORPORATION**

The Village was incorporated in 1965. The Village operates under a President-Trustee form of government and provides the following services as authorized by statute: public safety (police), streets, public improvements, planning and zoning, financial, and general administrative services.

**B. FINANCIAL REPORTING ENTITY**

GAAP requires that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Village is a municipal corporation governed by a Board of Trustees, which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The Village has the statutory authority to adopt its own budget, to levy taxes and to issue bonded debt without the approval of another government. It has the right to sue and be sued and has the right to buy, sell, lease or mortgage property in its own name. Based on these criteria, the Village is considered a primary government. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with the standards established by GASB.

**POLICE PENSION EMPLOYEES RETIREMENT SYSTEM**

The Village's sworn police employees participate in the Police Pension Fund ("PPF"). The PPF functions for the benefit of these employees and is governed by a five-member pension board. Funding for the PPF comes from the following sources: participant contributions as required by state statute, PPF investment returns, and contributions from the Village as determined by an independent actuarial study. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the PPF is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn police employees. The PPF is reported as a pension trust fund considered a primary government. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with the standards established by GASB.



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**C. FUND ACCOUNTING**

The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Village 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 and fiduciary. Each category, in turn, is divided into separate funds.

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

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 Village. The Village utilizes pension trust funds and agency funds which are generally used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

**D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements Statement of Net Position and the Statement of Activities report information on all of the activities of the Village and is reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The effect of material inter-fund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

**VILLAGE OF ROSCOE, ILLINOIS**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2017**

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

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

**THE VILLAGE REPORTS THE FOLLOWING MAJOR GOVERNMENTAL FUNDS:**

The General Fund accounts for the resources devoted to finance the services traditionally associated with local government. Included in these services are general administration of the Village, financial management, police, inspection services, streets, public works, and building maintenance. Any other activity for which a special fund has not been created is accounted for in the General Fund.

The Capital Projects Fund accounts for the major capital expenditures either financed through the issuance of bonds or the receipt of grants.

**E. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

**MEASUREMENT FOCUS**

The Government-Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. 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, contributions, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**BASIS OF ACCOUNTING**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally considered to be within 60 days after year-end. For this purpose, the Village considers revenues to be available if they are collected within 60 days after year-end. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, income taxes, franchise taxes, utility taxes, licenses, interest revenue and charges for services. Sales tax and telecommunication tax owed to the state at year-end on behalf of the Village are also recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines.



**VILLAGE OF ROSCOE, ILLINOIS**  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**E. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)**

**BASIS OF ACCOUNTING (Continued)**

Monies that are virtually unrestricted as to purpose of expenditure, and which are usually revocable only for failure to comply with prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

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

**F. CASH AND CASH EQUIVALENTS**

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

The Illinois Funds, a money-market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer, is reported at a \$1 per share value, which equals the Village's fair value in the pool.

**G. INVESTMENTS**

Investments with a maturity of one year or less and all non-negotiable certificates of deposits are recorded at cost or amortized cost, which approximates fair value. All other investments and all investments of the pension trust funds are recorded at fair value. Fair value is determined based primarily on the basis of quoted market prices or cost plus accumulated interest.

Payments made to vendors for services that will benefit periods beyond the date of this year-end are recorded as prepaid items/expenses.

**H. PROPERTY TAXES**

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by the Village Board. Property taxes are recognized as a receivable at the time they are levied. Revenue from property taxes is recognized as the taxes are collected in the year intended to finance operations or when they become available to be used to pay liabilities of the current period, generally considered to be within sixty days after year end. Revenue from those taxes which are not considered available is deferred.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**H. PROPERTY TAXES (Continued)**

The property tax calendar for the 2016 tax levy to finance 2017 operations was as follows:

Lien Date	January 1, 2017
Levy Date	December 5, 2016
First Installment Due	June 7, 2017
Second Installment Due	September 2, 2017

Tax bills were mailed at least 30 days prior to the first installment due date. Property taxes are billed and collected by the County Treasurer of Winnebago County, Illinois.

The Village's 2017 tax rates per \$100 of assessed valuation together with the related maximum tax rates are as follows:

Type of Levy	Rates Per \$100 of Assessed Valuation	
	2017 Rate	Legal Maximum
Village:		
Corporate	0.2874	0.4375
Police Protection	0.1963	0.6000
Police Pension	0.1534	None
Social Security	0.0050	None
Liability Insurance	0.0246	None
Total Village	0.6667	

The 2017 tax levy, which attached as an enforceable lien on property as of January 1, 2017, has been recorded as a receivable and as a deferred revenue as of December 31, 2017 as the tax had been levied by the Village but would not be extended or collected until calendar year 2017.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**I. CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental 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 \$5,000 and an estimated useful life in excess of one year. As a result, certain capital outlay disbursements may not be recorded as a capital asset on the Statement of Net Position (e.g. water mains and sewer mains are considered capital assets but are capitalized by the respective special district and not by the Village). Capital assets are recorded at historical cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value.

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

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

Assets:	
Building	50
Improvements	10-45
Equipment & Vehicle	3-15
Infrastructure	4-40

Infrastructure assets normally can be preserved for a significantly greater number of years than other capital assets because they normally (a) can be maintained in a condition that will allow them to be used longer than most other capital assets and (b) are stationary in nature. The Village elected to capitalize its infrastructure assets prospectively as provided by GASB criteria. During the year ended December 31, 2017 the Village acquired \$758,891 in construction in progress and \$697,859 in infrastructure and equipment and vehicles through purchases.

**J. COMPENSATED ABSENCES**

The Village employees are allowed to accumulate earned but not used vacation, sick and compensatory time benefits, subject to cap limits. All unused vacation, sick and compensatory time leave is accrued when incurred in the Government-Wide Financial Statements. A liability for these amounts is reported in the governmental funds only if it has matured (for example, as a result of employee resignation or retirement).



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**K. SHORT-TERM INTER-FUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from other funds" or "Due to other funds" on the Balance Sheet and are eliminated in the Government-Wide Financial Statements.

**L. LONG-TERM OBLIGATIONS**

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities financial statements. Bond premiums are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental funds recognize bond premiums and bond 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. Debt issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the Statement of Net 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.

In addition to liabilities, the Statement of Net 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 resource (revenue) until that time.

**N. FUND EQUITY/NET POSITION**

In the fund financial statements GASB Statement No. 54 defined and requires the fund balance amounts to be reported within one of the following fund balance categories:

1. **Non-spendable** – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
2. **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributions, or the laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**N. FUND EQUITY/NET POSITION (Continued)**

3. **Committed** – amounts that can be used only for specified purposes determined by a formal action of the Village Board. The Village Board is the highest level of decision-making authority for the Village. Commitments may be modified, or rescinded only through the same type of action it employed to previously commit those amounts.
4. **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Village's adopted policy, the Village Board may assign amounts for specific purposes.
5. **Unassigned** – all other spendable amounts.

In the Government-Wide Financial Statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets. All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt" are classified as unrestricted net assets.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**LEGAL COMPLIANCE AND ACCOUNTABILITY**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for the General Fund and Special Revenue – Street & Bridge, Motor Fuel, Debt Service and Capital Projects Funds on the modified accrual basis with a line items basis by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year-end.

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

- A. The Village Finance Committee submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to January 1, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- D. The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the Village Board as a supplemental appropriation ordinance.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**LEGAL COMPLIANCE AND ACCOUNTABILITY (Continued)**

- E. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for General Fund, Special Revenue Funds – Street & Bridge, Motor Fuel, Debt Service Fund and Capital Projects Fund.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year-end.
- H. State law requires that “expenditures be made in conformity with appropriations/ budget”. As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

**3. DEPOSITS AND INVESTMENTS**

Permitted Deposits and Investments - Statutes authorize the Village to make deposits in commercial banks and savings and loan institutions and to invest in obligations of the U.S.

Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans and life insurance company contracts, and in certain instances mutual funds and equity securities.

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 Fund's share price, the price, which approximate 100% of deposits held. The Illinois Funds are rated AAAM by Standard & Poor's.



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

The following is a summary of deposits and investments:

	Book	Bank
Primary Government:		
Cash and cash Equivalents	\$ 2,396,888	\$ 2,513,750
Cash & demand deposits Illinois Funds	2,873,265	2,873,265
Total cash primary government	\$ 5,270,153	\$ 5,387,015
Investments:		
Time deposits	\$ 250,000	\$ 250,000
Fiduciary (Police Pension Fund):		
Cash and cash equivalents	\$ 170,544	\$ 170,544
Cash & demand deposits Illinois Funds	663	663
Total cash fiduciary	\$ 171,207	\$ 171,207
Investments:		
Time deposits	\$ 197,461	\$ 195,800
Equity	1,428,314	1,428,314
Fixed annuity	834,578	834,578
Fixed incomes	1,049,318	1,049,318
	3,312,210	3,312,210
Total investments fiduciary	\$ 3,509,671	\$ 3,508,010

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Village's deposits may not be returned. The Village's policy requires that funds on deposit in excess of FDIC insurance must be secured by 110% of the fair value of the net amount of funds secured.

Pledged collateral is to be held by an independent third party depository. At December 31, 2017, the Village's cash deposits in the amount of \$10,443 were uninsured, which is a violation of their policy.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**INTEREST RATE RISK**

The Police Pension Fund's investment policy does not specifically address interest rate risks. At December 31, 2017 the Police Pension Fund had the following investments and maturities:

	Fair value	2018 Less than 1 year	2019-2023 1-5 years	2024-2028 6-10 years	Over 10 years
<b>Primary Government:</b>					
Fixed annuity	\$ 834,578	\$ -	\$ 834,578	\$ -	\$ -
Equity	1,428,314	1,428,314	-	-	-
Municipal Bonds	112,972	10,138	102,834	-	-
U.S. Treasuries	225,326	49,965	145,328	30,033	-
U.S. Agency Obligations	711,020	39,852	210,353	460,815	-
<b>Total investments</b>	<b>\$ 3,312,210</b>	<b>\$ 1,528,269</b>	<b>\$ 1,293,093</b>	<b>\$ 490,848</b>	<b>\$ -</b>

**FAIR MARKET VALUE MEASUREMENT**

The Village categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**Police Pension Fund Investments**

	12/31/2017	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
<b>Investments by fair value level</b>				
Debt Securities				
U.S. Treasury Securities	\$ 225,326	\$ 225,326	\$ -	\$ -
U.S. Government Agencies	711,020	-	711,020	-
Municipal Bonds	112,972	-	112,972	-
Total debt securities	1,049,318	225,326	823,992	-
Equity securities				
Mutual Funds	1,428,314	1,428,314	-	-
Annuity	834,578	-	-	834,578
Total securities	\$ 3,312,210	\$ 1,653,640	\$ 823,992	\$ 834,578

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**CONCENTRATION OF CREDIT RISK**

The Government's Police Pension Fund's investment policy does not specifically address concentration of credit risk. However, at December 31, 2017 the Police Pension Fund had 23.8% of its assets invested in a Life Insurance annuity contract.

**4. DEFERRED REVENUE**

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

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable –			
General Fund	\$ 1,357,950	\$ -	\$ 1,357,950
Other governmental units:			
General Fund	188,700	99,425	288,125
Total deferred revenue	\$ <u>1,546,650</u>	\$ <u>99,425</u>	\$ <u>1,646,075</u>

**5. NOTE RECEIVABLE**

The Village has been the recipient of Community Development (CDAP) grants, proceeds of which were loaned to corporations who require help in financing the cost of expansion or starting up a business within Village boundaries as follows:

	<u>Balance December 31, 2017</u>	<u>Current Portion</u>
\$99,689 infrastructure benefit loan to be repaid in 10 years. No specific repayment schedule. Interest at 2%.	\$ 99,689	\$ -

There were no changes in note receivable balance from 2016 to 2017.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**6. INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Transfers between funds for the year ended December 31, 2017 are as follows:

		Transfers In		Transfers Out
General Fund	*	\$	-	\$ 188,899
Special Revenue Funds:				
Debt Service Fund		188,899		-
CDAP Fund				152,684
Capital projects	*	152,684		
		\$ 341,583	\$	341,583

\* Denotes major fund

Receivable	Payable	Purpose	Amount
General	Tax Increment Financing Fund	Interfund cash advance	66,278

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the fund collecting the receipts to the Debt Service Fund as debt service payments become due.



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**7. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities:</b>				
Capital assets not being – depreciated:				
Land	\$ 1,411,226	\$ -	\$ -	\$ 1,411,226
Construction in progress	133,842	758,891		892,733
	<u>1,545,068</u>	<u>758,891</u>	<u>-</u>	<u>2,303,959</u>
Capital assets being depreciated –				
Land improvements	900,803	-	-	900,803
Infrastructure	5,317,600	429,377	-	5,746,977
Building and improvements	3,030,696	25,710	-	3,056,406
Equipment and vehicles	1,992,427	242,772	(148,834)	2,086,365
Total capital assets being depreciated	<u>11,241,526</u>	<u>697,859</u>	<u>(148,834)</u>	<u>11,790,551</u>
Accumulated depreciation	<u>(3,218,617)</u>	<u>(377,204)</u>	<u>148,834</u>	<u>(3,446,987)</u>
Total capital assets being depreciated, net	<u>8,022,909</u>	<u>320,655</u>	<u>-</u>	<u>8,343,564</u>
Governmental activities capital assets, net	<u>\$ 9,567,977</u>	<u>\$ 1,079,546</u>	<u>\$ -</u>	<u>\$ 10,647,523</u>

Depreciation expense was charged to the following functions/ programs of the primary government:

<b>Governmental activities:</b>	
General government	\$ 44,992
Public safety	49,833
Highway and streets	236,924
Parks & recreation	45,455
Total governmental activities, depreciation expense	<u>\$ 377,204</u>

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**8. LONG-TERM OBLIGATIONS**

The outstanding obligations as of December 31, 2017 consist of the following:

	Balance December 31, 2017	Current Portion
\$3,500,000 General Obligation Alternative Revenue Bonds, Series 2008 (Telecommunication Tax Alternative Revenue Source). Annual principal payments ranging from \$135,000 to \$245,000 due through 2027. Interest rates vary from 3.25% to 4.18% due June 15 and December 15.	\$ 1,995,000	\$ 180,000
\$1,100,000 General Obligation Alternative Revenue Bonds, Series 2017 (Sales Tax Alternate Revenue Source). Annual principal payments ranging from \$105,000 to \$135,000 due through 2026. Interest rate is 2.125% due June 15 and December 15.	1,100,000	105,000
Bond premium, related to debt	15,437	2,802
Compensated absences	313,195	104,398
Post employment benefits	195,312	15,954
Police pension liability	2,929,860	195,928
	<u>\$ 6,548,804</u>	<u>\$ 604,082</u>

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

Year ending December 31:	Principal	Interest	Total Payment
2018	\$ 285,000	\$ 108,968	\$ 393,968
2019	300,000	93,434	393,434
2020	310,000	83,590	393,590
2021	320,000	73,346	393,346
2022	335,000	62,796	397,796
2021-2027	<u>1,545,000</u>	<u>142,989</u>	<u>1,687,989</u>
Total	<u>\$ 3,095,000</u>	<u>\$ 565,123</u>	<u>\$ 3,660,123</u>

**VILLAGE OF ROSCOE, ILLINOIS**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2017**

**8. LONG-TERM OBLIGATIONS (Continued)**

The bonds payable, loan payable, unamortized loan payable discounts, compensated absences, and post-employment benefits are paid from General Fund revenues. Alternate revenue bonds are paid from the telecommunications taxes.

Long-term liability activity for the year ended December 31, 2017, was as follows:

Governmental	Beginning Balance	New Issues	Retired	Ending Balance
General Fund:				
Alternative Revenue Bonds	\$ 2,165,000	\$1,100,000	\$ 170,000	\$ 3,095,000
Bond premium, related to debt	18,479	-	3,042	15,437
Compensated absences	281,790	313,195	281,790	313,195
Post employment benefits	179,358	15,954	-	195,312
Police Pension liability	3,034,362	-	104,502	2,929,860
Total	<u>\$ 5,678,989</u>	<u>\$ 1,429,149</u>	<u>\$ 559,334</u>	<u>\$ 6,548,804</u>

**LEGAL DEBT MARGIN**

The Village's aggregate indebtedness is subject to a statutory limitation by the State of Illinois of 8.625% of its equalized assessed value. At December 31, 2017, the statutory limit of the Village was \$17,178,936.

**9. CONTINGENT LIABILITIES**

**A. LITIGATION**

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

**B. GRANTS**

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



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**10. EMPLOYEE RETIREMENT SYSTEMS**

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 the two plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. 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 at [www.imrf.org](http://www.imrf.org).

**A. ILLINOIS MUNICIPAL RETIREMENT FUND**

**PLAN DESCRIPTION**

The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

**BENEFITS PROVIDED**

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

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

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



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**A. ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

**BENEFITS PROVIDED (CONTINUED)**

Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

**EMPLOYEES COVERED BY BENEFIT TERMS**

As of December 31, 2017, the following employees were covered by the benefit terms:

	IMRF
	Regular
Retirees and beneficiaries	
currently receiving benefits	9
Inactive plan members entitled	
to but not yet receiving benefits	4
Active plan members	10
Total	23

**CONTRIBUTIONS**

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2017 was 6.33%. For the fiscal year ended December 31, 2017, the Village contributed \$32,900 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**PENSION LIABILITY**

The Village's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**A. ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

**ACTUARIAL ASSUMPTIONS**

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**A. ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

**ACTUARIAL ASSUMPTIONS (Continued)**

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

**SINGLE DISCOUNT RATE**

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**A. ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

**CHANGES IN THE NET PENSION LIABILITY**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Net Pension Liability (Asset) at December 31, 2016	\$ 1,376,600	\$ 1,557,733	\$ (181,133)
Changes for the year:			
Service cost	59,727	-	59,727
Interest on the total pension liability	102,806	-	102,806
Differences between expected and actual experience of the total pension liability	49,926	-	49,926
Changes of assumptions	(52,939)	-	(52,939)
Contributions – employer	-	32,900	(32,900)
Contributions – employees	-	23,389	(23,389)
Net investment income	-	279,639	(279,639)
Benefit payments, including refunds of employee contributions	(71,430)	(71,430)	-
Other (net transfer)	-	(32,120)	32,120
Net changes	88,090	232,378	(144,288)
Net Pension Liability (Asset) at December 31, 2017	\$ 1,464,690	\$ 1,790,111	\$ (325,421)

**SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	Single Discount Rate Assumption		
	1% Decrease 6.50%	Current 7.50%	1% Increase 8.50%
Total pension liability	\$ 1,642,435	\$ 1,464,690	\$ 1,318,033
Plan fiduciary net position	1,790,111	1,790,111	1,790,111
Net pension liability (Asset)	\$ (147,676)	\$ (325,421)	\$ (472,078)

Total Net Pension Asset for the IMRF plan is \$325,421 at December 31, 2017.

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended December 31, 2017, the Village recognized pension expense of \$66,316. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows)/ Resources	Total
Deferred amounts to be recognized in pension expense in future periods:			
Differences between expected and actual experience	\$ 39,782	\$ -	\$ 39,782
Changes of assumptions	-	38,232	(38,232)
Net difference between projected and actual earnings on pension plan investments	50,531	131,665	(81,134)
Total deferred amounts to be recognized in pension expense in future periods	90,313	169,897	(79,584)
Pension contributions made subsequent to the measurement date	-	-	-
	\$ 90,313	\$ 169,897	\$ (79,584)

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

Year Ending December 31	Regular Plan Net Deferred Outflows of Resources	Total
2018	\$ (5,722)	\$ (5,722)
2019	(10,105)	(10,105)
2020	(30,840)	(30,840)
2021	(32,917)	(32,917)
	\$ (79,584)	\$ (79,584)

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**Police Pension Plan**

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 ILLCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a Pension Trust Fund. At January 1, 2017, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	12
	<hr/>
Total	20
	<hr/> <hr/>

**BENEFITS PROVIDED**

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2012) 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired 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 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2012) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of 50% of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., .5% of each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or 50% of the change in the Consumer Price Index for the proceeding calendar year.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**Police Pension Plan (Continued)**

**CONTRIBUTIONS**

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. The Village made a contribution of \$260,286 for the year ended December 31, 2017, which was approximately 26.34% of covered payroll.

**NET PENSION LIABILITY**

The Village's net pension liability was measured at December 31, 2017. The measurement period for pension expense was January 1, 2017 to December 31, 2017. The reporting period is January 1, 2017 to December 31, 2017. The Sponsor's Net Pension Liability was measured as of December 31, 2017. The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

**ACTUARIAL ASSUMPTIONS**

The following are the methods and assumptions used to determine total pension liability at December 31, 2017.

Inflation	2.50%
Salary Increases	Service based
Discount Rate	6.25%
Investment Rate of Return	6.25%

**Mortality Rate:** RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date.

**Disabled Mortality Rate:** RP-2000 Disabled Retiree Mortality.

The date of the most recent experience study for which significant assumptions are based upon is not available.

The Long-Term Expected Rate of Return on Pension Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**Police Pension Plan (Continued)**

**ACTUARIAL ASSUMPTIONS (Continued)**

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of December 31, 2017 are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	28%	6.40%
Small Cap Domestic Equity	8%	8.40%
International Equity	4%	6.70%
Fixed income	60%	1.20%
Total	100%	

**Discount Rate:** The Discount Rate used to measure the Total Pension Liability was 6.25 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

For purpose of this valuation, the expected rate of return on pension plan investments is 6.25 percent; the municipal bond rate is 3.31 percent (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve); and the resulting single discount rate is 6.25 percent.



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**Police Pension Plan (Continued)**

**ACTUARIAL ASSUMPTIONS (Continued)**

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 6,197,354	\$ 3,162,992	\$ 3,034,362
Changes for the year:			
Service cost	224,283	—	224,283
Interest on the total pension liability	411,129	—	411,129
Differences between expected and actual experience of the total pension liability	(145,420)	—	(145,420)
Changes of assumptions	105,305	—	105,305
Contributions – employer	-	260,286	(260,286)
Contributions – employees	-	97,946	(97,946)
Net investment income	-	349,835	(349,835)
Benefit payments, including refunds of employee contributions	(193,142)	(193,142)	—
Administrative expenses	-	(8,268)	8,268
Net changes	402,155	506,657	(104,502)
Balances at December 31, 2017	\$ 6,599,509	\$ 3,669,649	\$ 2,929,860

**SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE**

The following presents the plan's net pension liability calculated using the Single Discount Rate of 6.25% as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	Single Discount Rate Assumption		
	1% Decrease 5.50%	Current 6.50%	1% Increase 7.50%
Sponsor's Net Pension Liability	\$ 4,125,777	\$ 2,929,860	\$ 1,973,235

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

**Police Pension Plan (Continued)**

**PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended December 31, 2017, the Sponsor will recognize a Pension Expense of \$349,244. On December 31, 2017, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Deferred amounts to be recognized in pension expense in future periods:			
Differences between expected and actual experience	\$ 152,516	\$ 129,264	\$ 23,252
Changes of assumptions	93,608	-	93,608
Net difference between projected and actual earnings on pension plan investments	-	60,447	(60,447)
Total deferred amounts to be recognized in pension expense in future periods	\$ 246,124	\$ 189,711	\$ 56,413

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year Ending December 31	Regular Plan Net Deferred Outflows of Resources
2018	\$ 14,203
2019	14,203
2020	(9,031)
2021	(10,498)
2022	17,331
Thereafter	30,205
	<u>\$ 56,413</u>

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**11. POSTEMPLOYMENT Benefits Other Than Pension Benefits**

The Village provides Pre-65 retiree medical (including prescription drugs) and mental health coverage to all eligible retirees and their eligible dependents. Additionally, lifetime "line-of-duty" disability retiree medical (including prescription drugs) and mental health coverage is provided for all eligible police officers who are totally and permanently disabled in the line of duty. Dependents of disabled police officers receive lifetime coverage also. The Village is governed by the Public Safety Employee Benefits Act (PSEBA). Coverage is provided on a fully insured basis under the Village's health insurance plan.

Coverage to non-disabled retirees is available on a 100% contributory basis until age 65, when coverage ends. Lifetime line-of-duty disability retirement benefits are provided on a non-contributory basis. Retiree contributions for non-disabled retirees prior to age 65 are set annually to equal the renewal premium rates. The Village intends to fund the plan on a pay-as-you-go basis.

**PARTICIPANT INFORMATION**

At December 31, 2017, the participant's in the plan consisted of:

Active not yet at full attribution age	24
Retirees and beneficiaries currently receiving benefits	-
Total	24

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost of each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

	Total OPEB Liability
Annual required contribution	\$ 14,758
Interest on the total OPEB liability	7,174
Adjustment to annual required contribution	(5,978)
Annual OPEB cost (expense)	15,954
Contributions made	-
Increase in net OPEB obligation	15,954
Net changes	179,358
Balance at December 31, 2017	\$ 195,312



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**11. POSTEMPLOYMENT Benefits Other Than Pension Benefits (Continued)**

**PARTICIPANT INFORMATION (Continued)**

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed and the Net OPEB Obligation follows:

	2017	2016	2015
Annual OPEB costs	\$ 15,954	\$ 15,848	\$ 11,944
Employer contributions	\$ -	\$ -	\$ 6,255
Percentage of Annual OPEB Cost Contributed	0.00%	0.00%	52.40%
Net OPEB Obligation	\$ 195,312	\$ 179,358	\$ 163,510

Actuarial valuations of an on going 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 required contributions of the employer are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as RSI that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits actuarial methods and assumptions – projected unit credit method. Under this cost method, the costs attributable to past service and the current year's service are determined by prorating over all years of service the benefits expected to be paid from the plan. The normal cost for any year is determined equal to the present value of the current year's portion of the employee's expected postretirement medical benefit. The current year's portion is equal to the expected postretirement medical benefit divided by the total credited service at the anticipated retirement date. The accrued liability is determined equal to the present value of the past year's portion of the employee's expected postretirement medical benefit. The past year's portion is equal to the expected postretirement medical benefit times the ratio of the participant's credited service to the total credited service at the anticipated retirement date. The sum of these values for all employees determines the normal cost and the accrued liability for the plan.

In the December 31, 2017, actuarial valuation, the actuarial assumptions included a valuation date of January 1, 2017, discount rate of 4% and an initial healthcare cost trend rate of 8%. 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 over 30 years.

**12. PLEDGED TAXES**

The Village pledged the revenue from its telecommunications tax for the payment of the bond principal and interest on the \$3,500,000 general obligation alternate revenue bonds series 2008 that were issued to fund the expansion and renovation of Village Hall and various water and sewer projects. During 2017, the Village reported \$205,069 in revenue from the telecommunications tax and \$54,421 in transfers from other general fund sources. Funds for payment of the 2018 principal of \$180,000 and interest of \$79,490 have been deposited in the debt service fund prior to the end of the 2017 fiscal year. The expected payments from this



VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**12. PLEDGED TAXES**

source of revenue are approximately \$257,540 per year or approximately 128% of the expected revenue from this source through 2026. The remaining amounts due will be covered by other general fund sources.

The Village pledged the revenue from its sales tax for the payment of the bond principal and interest on the \$1,100,000 general obligation alternate revenue bonds series 2017 that were issued to fund the expansion and renovation of Village Hall/Police Department. At the end of 2017, the Village Transferred \$134,478 of sales tax revenue for principal and interest payments due in fiscal year 2018. The expected payments from this source of revenue are approximately \$136,000 per year or approximately 8% of the expected revenue from sales tax.

**13. RISK MANAGEMENT**

**LIABILITY INSURANCE**

The Village is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The Village has purchased commercial insurance to provide for any expenses that may result from claims related to the aforementioned risks of loss.

The amounts of settlements have not exceeded insurance coverage in each of the past three years.

**14. AGREEMENTS**

The Village has approved an agreement for Trunk Sewer Extension Cost Sharing and Reimbursement of McCurry Road Trunk Sewer Phase 3. The agreement would provide that the Village would be obligated for 1/3 of the total project costs estimated not to exceed \$960,000. The Village contributed \$320,000 during 2009; however, this project is currently on hold with no scheduled construction commencement date. After completion of the project, the Village expects to recover its costs through future connection fees. The Rock River Water Reclamation District is expected to be the owner of the sewer system upon completion of the project.

The Village has entered into an annexation agreement with a developer. The agreement provides for a rebate of 50% of the sales tax generated by businesses located in the development up to a maximum of \$1,500,000. This rebate was in exchange for infrastructure improvements made by the developer. At December 31, 2017, the Village had rebated \$1,423,889 leaving a balance of \$76,111 to be rebated from future tax receipts.

The Village has entered into an agreement with another developer where the Village, in exchange for the developer completing improvements that would enhance future economic growth in the area that would normally be paid by the Village, the Village would rebate 50% of the Municipal Retailer's Occupation Tax for a period of 11 years commencing with sales made on December 17, 2008 and thereafter. The Village has rebated \$250,044 to date under this agreement.

VILLAGE OF ROSCOE, ILLINOIS  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**15. OTHER REQUIRED FUND DISCLOSURES**

The Tax Increment Financing Fund had a deficit fund balance at December 31, 2017 of \$66,278. The Village incurred preliminary planning and legal expenditures for the creation of the tax increment financing district created in 2010. It is anticipated that funding the above deficit will come from future revenues and tax levies of the fund.

**16. SUBSEQUENT EVENTS**

The Village has evaluated subsequent events through July 17, 2017, which was the date that these financial statements were available for issuance, and determined that there were no significant unrecognized subsequent events through that date.

**17. PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was recorded in the Statement of Revenues, Expenditures, and Changes in Fund Balance to correctly classify the amount needed for the next year principal and interest payments on the General Obligation Alternate Bonds Series 2008. The effect of this restatement decreased beginning fund balance in the General Fund by \$248,369 and increased beginning fund balance in the Debt Service Fund by \$248,369. There was no net effect to the total governmental funds as this restatement transferred funds from the general fund to the debt service fund.

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**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
General Fund  
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Under/ Over
<b>Revenues:</b>				
Taxes	\$ 2,738,000	\$ 2,738,000	\$ 2,971,061	\$ 233,061
Intergovernmental	1,528,000	1,528,000	1,364,265	(163,735)
Licenses & permits	106,300	106,300	136,397	30,097
Fines & fees	284,800	284,800	294,897	10,097
Reimbursements	2,700	2,700	15,891	13,191
Interest	3,000	3,000	24,919	21,919
Other	40,000	40,000	62,860	22,860
Total revenues	<u>4,702,800</u>	<u>4,702,800</u>	<u>4,870,290</u>	<u>167,490</u>
<b>Expenditures:</b>				
Current:				
General government	1,262,388	1,092,814	991,156	101,658
Public works	1,352,076	1,349,076	1,234,951	114,125
Police/public safety	1,846,238	1,846,238	1,816,076	30,162
Parks & recreation	187,098	187,098	161,872	25,226
Total current	<u>4,647,800</u>	<u>4,475,226</u>	<u>4,204,054</u>	<u>271,172</u>
Capital outlay	<u>55,000</u>	<u>248,625</u>	<u>242,772</u>	<u>5,853</u>
Total expenditures	<u>4,702,800</u>	<u>4,723,851</u>	<u>4,446,826</u>	<u>277,025</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>(21,051)</u>	<u>423,463</u>	<u>444,514</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>-</u>	<u>(190,274)</u>	<u>(188,899)</u>	<u>1,375</u>
Total other financing sources	<u>-</u>	<u>(190,274)</u>	<u>(188,899)</u>	<u>1,375</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (211,325)</u>	<u>234,564</u>	<u>\$ 445,889</u>
<b>Fund Balance:</b>				
Beginning, as previously stated			3,277,494	
Prior period adjustment			<u>(248,369)</u>	
Beginning, as restated			<u>3,029,125</u>	
<b>Ending</b>			<u>\$ 3,263,689</u>	



**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects Fund  
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Under/ Over</u>
<b>Revenues:</b>				
Video game tax	\$ 230,000	\$ 230,000	\$ 306,639	\$ 76,639
Total revenues	<u>230,000</u>	<u>230,000</u>	<u>306,639</u>	<u>76,639</u>
<b>Expenditures:</b>				
Current:				
Police Department	-	-	57,417	(57,417)
Capital outlay				-
Police Department	-	534,000	758,491	(224,491)
Other infrastructure projects	<u>20,000</u>	<u>719,000</u>	<u>455,487</u>	<u>263,513</u>
Total expenditures	<u>20,000</u>	<u>1,253,000</u>	<u>1,271,395</u>	<u>(18,395)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(1,023,000)</u>	<u>(964,756)</u>	<u>58,244</u>
<b>Other financing sources (uses):</b>				
Debt issue proceeds			1,100,000	1,100,000
Transfers in	<u>-</u>	<u>-</u>	<u>152,684</u>	<u>152,684</u>
			<u>1,252,684</u>	<u>1,252,684</u>
Net change in fund balance	<u>\$ 210,000</u>	<u>\$ (1,023,000)</u>	287,928	<u>\$ 1,310,928</u>
<b>Fund Balance:</b>				
Beginning			<u>824,653</u>	
Ending			<u>\$ 1,112,581</u>	

**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Changes in Net Pension  
Liability and Related Ratios  
Illinois Municipal Retirement Fund - Regular Plan  
As of December 31, 2017  
Last 10 Calendar Years\*

Calendar year ending December 31,	2017	2016	2015	2014
<b>Total Pension Liability</b>				
Service cost	\$ 59,727	\$ 65,303	\$ 60,724	\$ 50,580
Interest on the total pension liability	102,806	95,079	87,364	75,226
Difference between expected and actual experience	49,926	6,722	1,973	29,600
Assumption changes	(52,939)	-	-	50,357
Benefit payments and refunds	(71,430)	(51,157)	(47,803)	(50,190)
Net change in total pension liability	88,090	115,947	102,258	155,573
Total Pension Liability - Beginning	1,376,600	1,260,653	1,158,395	1,002,822
Total Pension Liability - Ending (a)	<u>\$ 1,464,690</u>	<u>\$ 1,376,600</u>	<u>\$ 1,260,653</u>	<u>\$ 1,158,395</u>
<b>Plan Fiduciary Net Position</b>				
Employer contributions	\$ 32,900	\$ 31,695	\$ 31,816	\$ 25,029
Employee contributions	23,389	24,762	25,340	20,006
Pension plan net investment income	279,639	93,262	7,172	81,762
Benefit payments and refunds	(71,430)	(51,157)	(47,803)	(50,190)
Other	(32,120)	92,815	(79,867)	10,147
Net change in plan fiduciary net position	232,378	191,377	(63,342)	86,754
Plan Fiduciary Net Position - Beginning	1,557,733	1,366,356	1,429,698	1,342,944
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,790,111</u>	<u>\$ 1,557,733</u>	<u>\$ 1,366,356</u>	<u>\$ 1,429,698</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ (325,421)</u>	<u>\$ (181,133)</u>	<u>\$ (105,703)</u>	<u>\$ (271,303)</u>
Plan fiduciary net position as a percentage of total pension liability	122.22%	113.16%	108.38%	123.42%
Covered valuation payroll	\$ 519,753	\$ 550,266	\$ 563,120	\$ 524,230
Net pension liability as a percentage of covered valuation payroll	-62.61%	-32.92%	-18.77%	-51.75%

\* - Fiscal year 2014 was the first year of implementation, therefore only four years are shown.

**VILLAGE OF ROSCOE, ILLINOIS**  
 Required Supplementary Information  
 Schedule of Employer Contributions  
 Illinois Municipal Retirement Fund - Regular Plan  
 As of December 31, 2017  
 Last 10 Calendar Years\*

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 29,514	\$ 25,029	\$ 4,485	\$ 524,230	4.77 %
2015	31,816	31,816	-	563,120	5.65
2016	31,695	31,695	-	550,266	5.76
2017	32,900	32,900	-	519,753	6.33

\* - Fiscal year 2015 was the first year of GASB 68 implementation for the Village, however four years of data was available and have been included for additional analysis.

**Notes to Schedule:**

**Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate.**

**Valuation Date:**

**Notes**

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2017 Contribution Rates:**

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	26-year closed period until remaining period reaches 15 years (then 15year rolling).
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.5%
Price Inflation:	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases:	3.75% to 14.5%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study for the 2011-2013.

**Mortality:**

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

**Notes:**

There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Changes in Net Pension  
Liability and Related Ratios  
Illinois Municipal Retirement Fund - SLEP  
As of December 31, 2017  
Last 10 Calendar Years\*

Calendar year ending December 31,	2017	2016	2015	2014
<b>Total Pension Liability</b>				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest on the total pension liability	-	5,653	6,474	6,291
Benefit changes	-	-	-	-
Difference between expected and actual experience	-	(81,023)	(17,430)	(5,844)
Assumption changes	-	-	-	1,995
Benefit payments and refunds	-	-	-	-
Net change in total pension liability	-	(75,370)	(10,956)	2,442
Total Pension Liability - Beginning	-	75,370	86,326	83,884
Total Pension Liability - Ending (a)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,370</u>	<u>\$ 86,326</u>
<b>Plan Fiduciary Net Position</b>				
Employer contributions	\$ -	\$ -	\$ -	\$ -
Employee contributions	-	-	-	-
Pension plan net investment income	-	5,653	419	5,117
Benefit payments and refunds	-	-	-	-
Other	-	(81,035)	(8,745)	(5,293)
Net change in plan fiduciary net position	-	(75,382)	(8,326)	(176)
Plan Fiduciary Net Position - Beginning	-	75,382	83,708	83,884
Plan Fiduciary Net Position - Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,382</u>	<u>\$ 83,708</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12)</u>	<u>\$ 2,618</u>
Plan fiduciary net position as a percentage of total pension liability	0.00%	0.00%	100.02%	96.97%
Covered valuation payroll	-	-	-	-
Net pension liability as a percentage of covered valuation payroll	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%

\* - Fiscal year 2014 was the first year of implementation, therefore only four years are shown.

Note: Covered valuation payroll is zero because employee covered under SLEP is inactive.



**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Employer Contributions  
Illinois Municipal Retirement Fund - SLEP  
As of December 31, 2017  
Last 10 Calendar Years\*

<b>Calendar Year Ended December 31,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Valuation Payroll</b>	<b>Actual Contribution as a Percentage of Covered Valuation Payroll</b>
2014	\$ -	\$ -	\$ -	\$ -	0.00 %
2015	-	-	-	-	0.00
2016	-	-	-	-	0.00
2017	-	-	-	-	0.00

\* - Fiscal year 2015 was the first year of GASB 68 implementation for the Village, however three years of data was available and have been included for additional analysis.

**Notes to Schedule:**

**Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate\***

**Valuation Date:**

Notes Employee covered under SLEP is not active, therefore, there are no payroll costs.

**Methods and Assumptions Used to Determine 2017 Contribution Rates:**

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	27-year closed period until remaining period reaches 15 years (then 15year rolling).
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.5%
Price Inflation:	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases:	3.75% to 14.5%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study for the 2011-2013.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes: There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2014, actuarial valuation.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Changes in Net Pension  
Liability and Related Ratios  
Police Pension Fund  
As of December 31, 2017  
Last 10 Calendar Years\*

Calendar year ending December 31,	2017	2016	2015
Total Pension Liability			
Service cost	\$ 224,283	\$ 224,625	\$ 199,079
Interest on the total pension liability	411,129	372,564	347,949
Difference between expected and actual experience	(145,420)	196,092	-
Assumption changes	105,305	-	-
Contributions - Buy back	-	-	3,045
Benefit payments and refunds	(193,142)	(206,097)	(187,770)
Net change in total pension liability	402,155	587,184	362,303
Total Pension Liability - Beginning	6,197,354	5,610,170	5,247,867
Total Pension Liability - Ending (a)	<u>\$ 6,599,509</u>	<u>\$ 6,197,354</u>	<u>\$ 5,610,170</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 260,286	\$ 234,355	\$ 233,182
Employee contributions	97,946	75,226	88,743
Contributions - Buy back	-	-	3,045
Pension plan net investment income	349,835	183,154	62,882
Benefit payments and refunds	(193,142)	(206,097)	(187,770)
Other - administrative expense	(8,268)	(7,008)	(5,581)
Net change in plan fiduciary net position	506,657	279,630	194,501
Plan Fiduciary Net Position - Beginning	3,162,992	2,883,362	2,688,861
Plan Fiduciary Net Position - Ending (b)	<u>\$ 3,669,649</u>	<u>\$ 3,162,992</u>	<u>\$ 2,883,362</u>
Net Pension Liability - Ending (a) - (b)	<u>2,929,860</u>	<u>3,034,362</u>	<u>\$ 2,726,808</u>
Plan fiduciary net position as a percentage of total pension liability	55.60%	51.04%	51.40%
Covered valuation payroll	\$ 988,355	\$ 759,092	\$ 895,489
Net pension liability as a percentage of covered valuation payroll	296.44%	399.74%	304.50%

\* - Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Changes of Assumptions:

For measurement date 12/31/2017, amounts reported as changes of assumptions include the following changes:

Updated discount rate from 6.50% to 6.25

In addition the following changes resulted from the 2017 Department of Insurance experience study:

Updated retirement, termination and disability rate tables.

Updated assumed salary increase rates.

Updated the percentage of disabilities assumed to be in the line of duty from 70% to 60%.

Updated the percentage of deaths assumed to be in the line of duty from 5% to 10%.

**VILLAGE OF ROSCOE, ILLINOIS**  
 Required Supplementary Information  
 Schedule of Employer Contributions  
 Police Pension Fund  
 As of December 31, 2017  
 Last 10 Calendar Years\*

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 276,837	\$ 233,182	\$ 43,655	\$ 895,489	26.04 %
2016	276,837	234,355	42,482	759,092	30.87
2017	312,450	260,286	52,164	988,355	26.34

\* - Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

**Notes to Schedule:**

**Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate.**

**Valuation Date:** 1/1/2017

Notes Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the year in which contributions are reported.

**Methods and Assumptions Used to Determine 2017 Contribution Rates:**

Funding Method: Projected Unit Credit  
 Amortization Method: Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040.

Mortality Rate: RP-2000 Combined Healthy Mortality with a blue collar adjustment.  
 Disabled Mortality Rate: RP-2000 Disabled Retiree Mortality.  
 Interest Rate: 6.50% per year compounded annually, net of investment related expenses.

Retirement Age:

Age	Rate
<=49	0%
50-54	20%
55-59	25%
60-62	33%
63-69	50%
>=70	100%

Termination Rate:

Age	Rate
15-24	10.00%
25	7.50%
26-27	6.25%
28-31	5.00%
32-34	4.00%
35-37	3.00%
38-49	2.00%
>=50	3.50%

**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Employer Contributions  
Police Pension Fund  
As of December 31, 2017  
Last 10 Calendar Years\*

**Methods and Assumptions Used to Determine 2017 Contribution Rates: (Continued)**

Disability Rate:

70% percent of disabilities are assumed to be in the line of duty.

Age	Rate
20	0.05%
25	0.05%
30	0.22%
35	0.26%
40	0.40%
45	0.65%
50	0.95%
55	1.30%
60	1.65%
65	2.00%

Salary Increases:

Rates vary by service from 0 to 30 years, with level increases after 30 years.

Service	Rate
0	11.00%
1	10.00%
2	9.00%
3-4	8.00%
5	6.00%
6	7.00%
7	5.50%
8-14	5.00%
15-29	4.50%
30	4.00%

Payroll Growth:

4.50%

Intlation:

2.5% per year.

Cost-of-Living Adjustments:

Tier 1: 3.00% per year after age 55. Those that retire prior to age 55 receive and increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.

Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.

Marital Status:

85% of officers are assumed to be married.

Spouce's Age:

Males are assumed to be three years older than females.

Actuarial Asset Method:

Investment gains and losses are smoothed over a 5-year period.



**VILLAGE OF ROSCOE, ILLINOIS**  
Required Supplementary Information  
Schedule of Funding Progress  
Post Employment Benefits Other Than Pension  
As of December 31, 2017

For Calendar Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a)/c
12/31/17	\$ -	\$ 108,761	\$ 108,761	-	\$ 1,536,294	7.1%
12/31/16	-	108,761	108,761	-	1,536,294	7.1%
12/31/15	-	108,761	108,761	-	1,536,294	7.1%
12/31/14	-	878,698	878,698	-	-	
12/31/13	-	878,698	878,698	-	-	
12/31/12	-	878,698	878,698	-	-	
12/31/11	-	878,698	878,698	-	-	
12/31/10	-	556,101	556,101	-	-	
12/31/09	-	531,727	531,727	-	-	
12/31/08	-	498,513	498,513	-	-	

Note: An actuarial report was completed at 12/31/15.

The actuarial value of assets is not available since the Village has not advance funded the benefits.

Covered payroll in prior years have not been reported because the information was not available.

**VILLAGE OF ROSCOE, ILLINOIS**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2017

Legal Compliance and Accountability

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for the General Fund and Special Revenue - Street & Bridge, Motor Fuel, Debt Service and Capital Projects Funds on the modified accrual basis with a line items basis by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- A. The Village Finance Committee submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1st. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to January 1st, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- D. The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by Village Board as a supplemental appropriation ordinance.
- E. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for General Fund, Special Revenue Funds - Street & Bridge, Motor Fuel, Debt Service Fund and Capital Projects Fund.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year-end.

**VILLAGE OF ROSCOE, ILLINOIS**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2017

Legal Compliance and Accountability (continued)

- H. State law requires that "expenditures be made in conformity with appropriations/ budget". As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

**VILLAGE OF ROSCOE, ILLINOIS**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
As of December 31, 2017

			Special Revenue	
	Street & Bridge Fund	Motor Fuel Tax Fund	Community Development Assistance Program Fund	Tax Increment Financing Fund
<b><u>ASSETS</u></b>				
Cash & equivalents:				
Pooled	\$ 180,534	\$ 9,223	\$ -	\$ -
Non-pooled	-	685,175	-	-
Pooled	10,192	521	-	-
Notes receivable	-	-	99,689	-
Due from other governments	-	23,831	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 190,726</u>	<u>\$ 718,750</u>	<u>\$ 99,689</u>	<u>\$ -</u>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	66,278
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,278</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable - notes receivable	-	-	99,689	-
Restricted:				
Highways, streets & bridges	190,726	718,750	-	-
Debt service	-	-	-	-
Unrestricted	<u>          </u>	<u>          </u>	<u>          </u>	<u>(66,278)</u>
	<u>190,726</u>	<u>718,750</u>	<u>99,689</u>	<u>(66,278)</u>
Total fund balances (deficit)	<u>190,726</u>	<u>718,750</u>	<u>99,689</u>	<u>(66,278)</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 190,726</u></u>	<u><u>\$ 718,750</u></u>	<u><u>\$ 99,689</u></u>	<u><u>\$ -</u></u>



	<b>Debt Service</b>	
<b>Total</b>	<b>Bond &amp; Interest</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 189,757	\$ 372,916	\$ 562,673
685,175	-	685,175
10,713	21,052	31,765
99,689	-	99,689
23,831	-	23,831
<u>\$ 1,009,165</u>	<u>\$ 393,968</u>	<u>\$ 1,403,133</u>
\$ -	\$ -	\$ -
66,278	-	66,278
<u>66,278</u>	<u>-</u>	<u>66,278</u>
99,689	-	99,689
909,476	-	909,476
-	393,968	393,968
<u>(66,278)</u>	<u>-</u>	<u>(66,278)</u>
<u>942,887</u>	<u>393,968</u>	<u>1,336,855</u>
<u>\$ 1,009,165</u>	<u>\$ 393,968</u>	<u>\$ 1,403,133</u>

VILLAGE OF ROSCOE, ILLINOIS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2017

			Special Revenue	
	Street & Bridge Fund	Motor Fuel Tax Fund	Community Development Assistance Program Fund	Tax Increment Financing Fund
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 27,593	\$ -	\$ -	\$ 7,410
Telecommunications	-	-	-	-
Total taxes	27,593	-	-	7,410
Intergovernmental	-	284,841	-	-
Developer fees	-	-	-	-
Interest	-	4,933	66	-
Total revenues	27,593	289,774	66	7,410
<b>Expenditures:</b>				
Current:				
General government	-	-	-	2,415
Highways and streets	460	78,007	-	-
Total current	460	78,007	-	2,415
Capital outlay:	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal charges	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	460	78,007	-	2,415
Excess (deficiency) of revenues over (under) expenditures	27,133	211,767	66	4,995
<b>Other financing sources (uses):</b>				
transfers in	-	-	-	-
transfers out	-	-	(152,684)	-
	-	-	(152,684)	-
Net change in fund balances	27,133	211,767	(152,618)	4,995
<b>Fund balances (deficit):</b>				
Beginning, as previously stated	163,593	506,983	252,307	(71,273)
Prior period adjustment	-	-	-	-
Beginning, as restated	163,593	506,983	252,307	(71,273)
<b>Ending</b>	<u>\$ 190,726</u>	<u>\$ 718,750</u>	<u>\$ 99,689</u>	<u>\$ (66,278)</u>

	Debt Service	
Total	Bond & Interest	Total Nonmajor Governmental Funds
\$ 35,003	\$ -	\$ 35,003
-	205,069	205,069
35,003	205,069	240,072
284,841	-	284,841
-	-	-
4,999	-	4,999
324,843	205,069	529,912
2,415	-	2,415
78,467	-	78,467
80,882	-	80,882
-	-	-
-	170,000	170,000
-	86,290	86,290
-	475	475
-	256,765	256,765
80,882	256,765	337,647
243,961	(51,696)	192,265
-	188,899	188,899
(152,684)	-	(152,684)
(152,684)	188,899	36,215
91,277	137,203	228,480
851,610	8,396	860,006
-	248,369	248,369
851,610	256,765	1,108,375
\$ 942,887	\$ 393,968	\$ 1,336,855

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
Street & Bridge Fund  
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Under/ Over</u>
<b>Revenues:</b>				
Property taxes	\$ 28,000	\$ 28,000	\$ 27,593	\$ (407)
Interest	100	100	-	(100)
Total revenues	<u>28,100</u>	<u>28,100</u>	<u>27,593</u>	<u>(507)</u>
<b>Expenditures:</b>				
Maintenance & repair	<u>150,000</u>	<u>150,000</u>	<u>460</u>	<u>149,540</u>
Total expenditures	<u>150,000</u>	<u>150,000</u>	<u>460</u>	<u>149,540</u>
Net change in fund balance	<u>\$ (121,900)</u>	<u>\$ (121,900)</u>	27,133	<u>\$ 149,033</u>
<b>Fund balance:</b>				
Beginning			<u>163,593</u>	
Ending			<u>\$ 190,726</u>	



**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
Motor Fuel Tax Fund  
For the Year Ended December 31, 2017

	2017			Variance
	Original Budget	Final Budget	Actual	Under/ Over
<b>Revenues:</b>				
Motor fuel allocations	\$ 265,000	\$ 265,000	\$ 284,841	\$ 19,841
Total intergovernmental	265,000	265,000	284,841	19,841
Interest	500	500	4,933	4,433
Total revenues	265,500	265,500	289,774	24,274
<b>Expenditures:</b>				
Public works				
Maintenance & repair	360,000	360,000	-	360,000
Salt & sand	176,800	176,800	78,007	98,793
Total expenditures	536,800	536,800	78,007	458,793
Net change in fund balance	\$ (271,300)	\$ (271,300)	211,767	\$ 483,067
<b>Fund balance:</b>				
Beginning			506,983	
<b>Ending</b>			\$ 718,750	

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Community Development Assistance Program Fund  
For the Year Ended December 31, 2017

	<u>2017</u>
<b>Revenues:</b>	
Interest	\$ 66
Total revenues	<u>66</u>
<b>Expenditures:</b>	
General government	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	66
<b>Other financing sources and (uses):</b>	
Transfers out	<u>(152,684)</u>
Total other financing sources	<u>(152,684)</u>
Net change in fund balance	(152,618)
<b>Fund balance:</b>	
Beginning	<u>252,307</u>
<b>Ending</b>	<u><u>\$ 99,689</u></u>

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Tax Increment Financing Fund  
For the Year Ended December 31, 2017

	<u>2017</u>
<b>Revenues:</b>	
Property taxes	<u>\$ 7,410</u>
<b>Expenditures:</b>	
General government - consulting	<u>2,415</u>
Net change in fund balance	4,995
<b>Fund balance (deficit):</b>	
Beginning	<u>(71,273)</u>
<b>Ending</b>	<u><u>\$ (66,278)</u></u>

**VILLAGE OF ROSCOE, ILLINOIS**  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
Debt Service Fund  
For the Year Ended December 31, 2017

	2017			Variance
	Original Budget	Final Budget	Actual	Under/ Over
<b>Revenues:</b>				
Telecommunications tax	\$ 257,065	\$ 257,065	\$ 205,069	\$ (51,996)
Interest	100	100	-	(100)
Total revenues	257,165	257,165	205,069	(52,096)
<b>Expenditures:</b>				
Debt service:				
Principal	170,000	170,000	170,000	-
Interest	86,290	86,290	86,290	-
Fiscal charges	550	550	475	75
Total expenditures	256,840	256,840	256,765	75
Excess (deficiency) of revenues over (under) expenditures	325	325	(51,696)	(52,171)
<b>Other financing sources (uses):</b>				
transfers in	-	-	188,899	188,899
Net change in fund balance	\$ 325	\$ 325	137,203	\$ (52,021)
<b>Fund balance:</b>				
Beginning, as previously stated			8,396	
Prior period adjustment			248,369	
Beginning, as restated			256,765	
<b>Ending</b>			\$ 393,968	



**VILLAGE OF ROSCOE, ILLINOIS**  
Schedule of Revenues - Budget and Actual  
General Fund  
For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Under/ Over</b>
<b>Taxes:</b>				
Property	\$ 1,298,000	\$ 1,298,000	\$ 1,301,034	\$ 3,034
Sales	1,440,000	1,440,000	1,670,027	230,027
Total taxes	<u>2,738,000</u>	<u>2,738,000</u>	<u>2,971,061</u>	<u>233,061</u>
<b>Intergovernmental:</b>				
State income tax	1,150,000	1,150,000	979,813	(170,188)
Local use tax	275,000	275,000	278,627	3,627
Personal property replacement	100,000	100,000	97,046	(2,954)
Grants	3,000	3,000	8,779	5,779
Total intergovernmental	<u>1,528,000</u>	<u>1,528,000</u>	<u>1,364,265</u>	<u>(163,735)</u>
<b>Licenses &amp; Permits:</b>				
Liquor licenses	80,000	80,000	99,700	19,700
Employee registration liquor	3,500	3,500	7,545	4,045
Permits	13,800	13,800	25,612	11,812
Other	9,000	9,000	3,540	(5,460)
Total licenses & permits	<u>106,300</u>	<u>106,300</u>	<u>136,397</u>	<u>30,097</u>
<b>Fines &amp; Fees:</b>				
Cable franchise fees	42,000	42,000	43,093	1,093
Gas franchise fees	53,000	53,000	72,840	19,840
Design review fees	3,000	3,000	3,600	600
Traffic fines	90,500	90,500	76,466	(14,034)
DUI fines	300	300	100	(200)
Drug fines	500	500	415	(85)
Police agency vehicles	4,000	4,000	3,577	(423)
Notice of violations	10,000	10,000	22,580	12,580
Sewer hook-up fees	-	-	3,606	3,606
Administrative tow fees	80,000	80,000	66,500	(13,500)
Other	1,500	1,500	2,120	620
Total fines & fees	<u>284,800</u>	<u>284,800</u>	<u>294,897</u>	<u>10,097</u>
<b>Reimbursements:</b>				
Shared sidewalk repairs	2,500	2,500	-	(2,500)
Traffic Signal Maintenance	-	-	1,436	1,436
Other reimbursements	200	200	14,455	14,255
Total reimbursements	<u>2,700</u>	<u>2,700</u>	<u>15,891</u>	<u>13,191</u>
<b>Interest</b>	<u>3,000</u>	<u>3,000</u>	<u>24,919</u>	<u>21,919</u>
<b>Other:</b>				
Rent	13,000	13,000	12,535	(465)
Sale of assets	3,000	3,000	24,064	21,064
Miscellaneous	24,000	24,000	26,261	2,261
Total other	<u>40,000</u>	<u>40,000</u>	<u>62,860</u>	<u>22,860</u>
<b>Total Revenues</b>	<u>\$ 4,702,800</u>	<u>\$ 4,702,800</u>	<u>\$ 4,870,290</u>	<u>\$ 167,490</u>

**VILLAGE OF ROSCOE, ILLINOIS**  
Schedule of Detailed Expenditures - Budget and Actual  
General Fund  
For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Under/ Over</b>
<b><u>GENERAL GOVERNMENT</u></b>				
General/Administration:				
Salary - Village Administrator	\$ 95,000	\$ 70,000	\$ 67,532	\$ 2,468
Wages - Full Time	32,800	32,800	32,605	195
Overtime	-	-	-	-
Code enforcement officer	-	-	-	-
Health insurance	35,773	28,773	28,626	147
Life insurance	171	171	87	84
Disability insurance	1,525	1,525	791	734
Unemployment insurance	-	-	-	-
Social security	9,776	9,776	8,423	1,353
IMRF	8,090	8,090	6,947	1,143
Maintenance & repairs:				
Buildings & grounds	20,000	22,550	23,055	(505)
Auditing and actuary services	23,000	23,000	19,506	3,494
Engineering	122,400	122,400	118,025	4,375
Legal - retainer	82,800	86,409	87,909	(1,500)
Public transportation	25,000	25,000	25,000	-
Telephone	10,000	10,000	7,113	2,887
Printing & publishing	4,000	4,000	2,581	1,419
Utilities	5,000	5,000	4,133	867
Training	3,500	3,500	3,693	(193)
Liability insurance	164,500	164,500	143,752	20,748
Sales tax rebate	158,000	81,500	80,892	608
Economic development	10,000	5,000	3,487	1,513
Rentals/leases	2,500	2,500	-	2,500
Liquor Commission expense	2,000	2,000	1,720	280
Information technology	40,000	30,000	20,576	9,424
Office supplies	9,000	9,000	6,434	2,566
Computer software	5,000	5,000	2,290	2,710
Equipment	5,000	5,000	2,123	2,877
Special events	6,500	6,500	4,187	2,313
Miscellaneous	4,000	4,970	4,456	514
Contingency	36,829	12,926	12,841	85
Total general administration	922,164	781,890	718,784	63,106
Village Clerk:				
Salary - Clerk	18,160	18,160	16,173	1,987
Wages - Part Time	12,600	2,600	1,901	700
Social security	2,353	2,353	1,419	934
Dues	200	200	55	145
Training	1,000	1,000	-	1,000
Codification	5,000	5,000	1,515	3,485
Information technology	1,200	1,200	-	1,200
Office supplies	655	655	43	612
Total village clerk department	41,168	31,168	21,105	10,063

**VILLAGE OF ROSCOE, ILLINOIS**  
Schedule of Detailed Expenditures - Budget and Actual  
General Fund  
For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Under/ Over</b>
Code Enforcement Department				
Wages - full time	18,963	21,516	21,516	0
Pension contribution	9,500	9,500	9,423	77
Health insurance	6,355	6,555	6,555	0
Social security	1,450	1,450	1,447	3
Life insurance	65	65	-	65
Uniforms	300	300	-	300
Vehicle maintenance	2,000	847	-	847
Legal	7,200	9,200	8,954	246
Administrative hearing officer	7,200	3,600	3,600	-
Grass mowing code enforcement	1,500	1,500	1,002	498
Total code enforcement department	54,533	54,533	52,497	2,036
Village Treasurer:				
Contractual services - treasurer	66,000	66,000	66,000	-
Training	3,000	3,000	-	3,000
Total treasurer department	69,000	69,000	66,000	3,000
Planning/Zoning department:				
Planning commission/consulting expense	43,200	23,900	21,300	2,600
WINGIS	4,140	4,140	5,186	(1,046)
Zoning committee expense	8,600	8,600	2,200	6,400
Total planning/zoning department	55,940	36,640	28,686	7,954
Human Resource Department:				
Wages - Full Time	47,150	46,980	46,957	23
Overtime		243	243	0
Health insurance	11,910	11,710	11,677	33
Life insurance	65	65	65	(0)
Disability insurance	430	460	460	(0)
Social security	3,607	3,607	3,466	141
IMRF	2,985	2,999	2,999	0
Dues/Memberships	190	190	179	11
Training	500	583	583	(0)
Travel	225	225	-	225
Total human resource department	67,062	67,062	66,630	432
Village Board				
Wages - trustees	21,500	21,500	17,594	3,906
Salary - Village president	17,000	17,000	15,041	1,959
Social security	2,945	2,945	2,390	555
IMRF	1,076	1,076	626	450
Municipal officials expense	10,000	10,000	1,804	8,196
Total village board	52,521	52,521	37,455	15,066
Total general government	1,262,388	1,092,814	991,156	101,658

**VILLAGE OF ROSCOE, ILLINOIS**  
Schedule of Detailed Expenditures - Budget and Actual  
General Fund  
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Under/ Over
<b><u>PUBLIC WORKS</u></b>				
Highway & Streets:				
Salaries - personnel	\$ 77,900	\$ 77,900	\$ 77,679	\$ 221
Wages - full time	180,385	182,108	182,108	(0)
Wages - overtime	15,375	15,375	6,090	9,285
Wages - part time	65,000	59,162	55,890	3,272
Wages - part time snow plowers	30,000	30,000	8,367	21,633
Health insurance	58,425	62,265	62,265	(0)
Life insurance	650	650	329	322
Disability insurance	2,717	2,717	2,363	354
Social security	28,202	28,202	25,731	2,471
IMRF	17,323	17,323	16,692	631
Other medical/drug testing	2,000	2,275	2,483	(208)
Uniforms	8,300	8,300	5,460	2,840
Maintenance & repairs				
Buildings & grounds	8,500	11,000	10,606	394
Equipment	35,000	35,000	31,081	3,919
Tree maintenance/removal	20,000	20,000	13,985	6,015
Highways & streets	126,000	131,382	131,382	(0)
50-50 Sidewalk program	2,500	2,500	527	1,973
Road materials	10,000	20,239	20,239	(0)
Parts	24,000	27,428	27,555	(127)
Telephone	3,000	3,000	2,183	817
Utilities	6,710	6,710	4,087	2,623
Street lighting	51,664	52,764	52,707	57
Garbage collection	489,555	489,555	448,164	41,391
Information technology	6,670	6,912	7,022	(110)
Rentals/leases	11,300	1,300	858	442
Operating supplies	13,000	13,314	15,141	(1,827)
Training	3,000	3,000	858	2,142
Office supplies	1,900	1,900	1,727	173
Gas & oil	30,000	17,500	14,886	2,614
Signs	2,500	4,151	4,151	0
Land improvements	4,000	4,000	-	4,000
Building improvements	2,500	2,500	-	2,500
Equipment - streets	10,000	7,000	969	6,031
Miscellaneous	4,000	1,644	1,363	281
Total public works	1,352,076	1,349,076	1,234,951	114,125
<b><u>POLICE/PUBLIC SAFETY</u></b>				
Police Department:				
Wages - police chief	98,400	100,457	100,457	0
Wages - patrolmen	417,000	521,719	521,719	(0)
Wages - police secretary	38,873	38,535	38,535	-
Wages - overtime	70,000	109,960	109,960	(0)
Wages - part time	46,125	38,043	38,043	0
Salary - non union supervisors	394,746	301,601	301,601	(0)
Health insurance	164,000	172,984	172,984	(0)
Life insurance	1,150	957	957	0
Disability insurance	8,400	8,127	8,127	(0)
Social security	81,484	82,675	82,675	(0)
IMRF	2,460	2,460	2,432	28
Police pension	275,000	275,000	260,286	14,714
Uniforms	9,000	9,000	8,376	624
Maintenance & Repairs:				
Buildings & grounds	2,400	2,400	10,354	(7,954)
Equipment	25,000	25,000	24,278	722



**VILLAGE OF ROSCOE, ILLINOIS**  
Schedule of Detailed Expenditures - Budget and Actual  
General Fund  
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Under/ Over
<b><u>POLICE/PUBLIC SAFETY (Continued)</u></b>				
Legal	30,000	30,000	26,950	3,050
Telephone	10,000	10,000	9,396	604
Utilities	2,400	2,400	1,142	1,258
Training	8,249	8,249	7,212	1,037
Police Commission	12,660	12,660	19,844	(7,184)
Animal control	13,850	13,850	12,720	1,130
Information Technology	35,000	11,000	8,739	2,261
Office supplies	8,000	8,000	7,029	971
Gas & oil	45,000	25,000	19,024	5,976
Equipment	18,741	7,861	2,137	5,724
Miscellaneous - tobacco sting	300	300	100	200
Miscellaneous	13,000	13,000	9,301	3,699
Total police department	1,831,238	1,831,238	1,804,380	26,858
School Crossing Guards:				
Wages - part time	15,000	15,000	10,869	4,131
Social security	-	-	827	(827)
Total public safety	1,846,238	1,846,238	1,816,076	30,162
<b><u>PARKS &amp; RECREATION</u></b>				
Parks & Recreation:				
Wages - full time	45,613	49,325	49,325	(0)
Wages - part time	34,000	37,959	37,959	(0)
Wages - overtime	3,075	3,075	1,816	1,259
Health insurance	12,095	12,095	8,767	3,328
Life insurance	65	65	65	(0)
Disability insurance	433	471	471	0
Social security	6,325	6,325	4,847	1,478
IMRF	3,082	3,205	3,205	0
Uniforms	1,200	1,302	1,302	0
Drug screening	750	750	163	587
Maintenance & repairs:				
Building & grounds	25,650	25,650	20,286	5,364
Equipment	6,000	6,000	5,398	602
Tree maintenance/removal	15,000	7,066	5,730	1,336
Other	-	-	-	-
Rentals/leases	8,300	8,300	5,030	3,270
Utilities	8,010	8,010	6,497	1,513
Liability insurance	-	-	-	-
Miscellaneous	1,000	1,000	372	628
Gas & oil	3,700	3,700	3,225	475
Land improvements	10,300	10,300	7,414	2,886
grounds	2,500	2,500	-	2,500
Total parks & recreation	187,098	187,098	161,872	25,226
<b><u>CAPITAL OUTLAY</u></b>				
Public Works	-	65,000	64,717	283
Public Safety	55,000	183,625	178,055	5,570
Total capital outlay	55,000	248,625	242,772	5,853
<b><u>OTHER FINANCING SOURCES AND USES</u></b>				
Transfers to other funds	-	190,274	188,899	1,375
<b>Total Expenditures</b>	<b>\$ 4,702,800</b>	<b>\$ 4,914,125</b>	<b>\$ 4,635,726</b>	<b>\$ 278,399</b>

**VILLAGE OF ROSCOE, ILLINOIS**  
Assessed Valuations and Property Tax Rates  
Extensions and Collections

	Tax Years							
	2016		2015		2014		2013	
Assessed Valuations	\$ 199,176,067		\$ 194,208,192		\$ 188,591,123		\$ 192,649,920	
Property tax rates (per \$100 of assessed valuation):	Maximum	Actual	Maximum	Actual	Maximum	Actual	Maximum	Actual
Corporate	0.4375	0.2950	0.4375	0.3016	0.4375	0.3039	0.4375	0.2973
Police Pension		0.1316		0.1208		0.1247		0.1220
Social Security		0.0051		0.0052		0.0054		0.0052
Police Protection	0.6000	0.2009	0.6000	0.2056	0.6000	0.2122	0.6000	0.2077
Liability Insurance		0.0252		0.0257		0.0266		0.0260
Total Tax Rate	0.6578		0.6589		0.6728		0.6582	
Property tax extensions:								
Corporate	\$	587,569	\$	586,919	\$	573,114	\$	572,748
Police Pension		262,116		235,079		235,167		235,033
Social Security		10,158		10,119		10,184		10,017
Police Protection		400,145		400,101		400,180		400,134
Liability Insurance		50,192		50,013		50,164		50,089
Total Taxes Extended	\$	1,310,180	\$	1,282,231	\$	1,268,809	\$	1,268,021
Property tax collections:								
Corporate	\$	583,467	\$	585,112	\$	571,856	\$	576,263
Police Pension		260,286		234,355		234,762		236,065
Social Security		10,087		10,088		10,161		10,061
Police Protection		397,351		398,869		399,301		401,892
Liability Insurance		49,843		49,858		49,546		50,309
Total Levied Taxes Collected	\$	1,301,034	\$	1,278,282	\$	1,265,626	\$	1,274,590
Percentage of Extensions Collected:	99.30 %		99.69 %		99.75 %		100.52 %	
Amounts Transferred From Other Taxing Districts	\$	35,003	\$	33,881	\$	33,072	\$	32,367
Total Taxes Collected	\$	1,336,037	\$	1,312,163	\$	1,298,698	\$	1,306,957

**VILLAGE of ROSCOE, ILLINOIS**  
Schedule of Legal Debt Margin  
December 31, 2017

	2017	2016	December 31, 2015	2014
<b>Assessed Valuations*</b>	<u>\$ 199,176,067</u>	<u>\$ 194,208,192</u>	<u>\$ 188,591,123</u>	<u>\$ 192,649,920</u>
Statutory Debt Limitation (8 5/8 % of Assessed Valuation)	<u>\$ 17,178,936</u>	<u>\$ 16,750,457</u>	<u>\$ 16,265,984</u>	<u>\$ 16,616,056</u>
Bonds payable	-	-	-	75,000
Loan payable (includes unamortized loan payable discount)	-	-	-	21,050
Sewer improvements obligations	-	-	-	-
Total payable	-	-	-	96,050
<b>Legal Debt Margin</b>	<u>\$ 17,178,936</u>	<u>\$ 16,750,457</u>	<u>\$ 16,265,984</u>	<u>\$ 16,520,006</u>

\* Assessed values are for the tax year one year earlier. For example, the assessed value for the year ended December 31, 2016 is the assessed value of tax year 2015.



## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Board of Trustees  
Village of Roscoe  
Roscoe, Illinois

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Roscoe (Village) as of and for the year ended December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the Village of Roscoe, and is not intended to be and should not be used by anyone other than these specified parties.

*Siepert & Co. LLP*  
SIEPERT & CO., LLP  
Certified Public Accountants

Beloit, Wisconsin  
June 27, 2018

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