



Village of Itasca Lead Service Line Replacement Public Water Supply Loan Program

PROJECT PLAN

Submitted September 2020

REL Project Number: 20-R0354



Village of Itasca Project Plan

Table of Contents

1.0	Background Information.....	1
1.1	Location.....	1
1.2	Population.....	1
1.3	Current Service Area.....	1
1.4	Future Service Area.....	1
2.0	Water Usage	2
2.1	Current Water Usage	2
2.2	Projected 20-Year Water Usage	2
3.0	Existing Water Facilities.....	2
3.1	Existing Public Water Supply.....	2
3.2	Existing Storage Facilities.....	2
3.3	Existing Water Distribution System	2
3.4	Identification of Water Supply Violations.....	2
4.0	Selected Alternative	4
4.1	Description of Selected Alternative	4
4.2	Correction of System Deficiencies	4
4.3	Regulatory Compliance	4
4.4	Basis of Design	4
4.5	Environmental Inventory	4
4.6	Cost Estimate	4
5.0	Implementation Plan.....	8
5.1	Financial Schedule.....	8
5.2	Residential Rate Structure	8
5.3	Project Schedule	8

Appendices

1. **Project Location Map**
2. **IEPA – Funding Nominations for Loan Assistance for Drinking Water Loan Projects**
3. **IEPA – Project Planning Submittal Checklist**
4. **IEPA – Loan Applicant Environmental Checklist**
5. **Detailed Cost Estimate**
6. **Safe Drinking Water Information System (SDWIS) Violation Report**
7. **An Ordinance Amending Chapter 54 of the Itasca Code of Ordinances to Establish Water and Sewer Rates**
8. **Annual Financial Report**

Village of Itasca Project Plan

1.0 Background Information

1.1 Location

The Village of Itasca is located in DuPage County in northeastern Illinois. It is bordered by Elk Grove Village to the north, Roselle to the west, Addison to the south, and Wood Dale to the east.

1.2 Population

The population of Itasca is 8,649 per the 2010 census and is comprised of 3,463 households. At the time of the most recent American Community Survey, the population was 89.4% White, 2.3% Black or African American, 0.9% some other race alone, 5.2% Asian, 0.1% American Indian, and 2.2% two or more races. Of these 8,649 people, 20.5% were under the age of 18, 59.8% from 18 to 64, and 20.7% are 65 and over.

1.3 Current Service Area

The current service area within the Village of Itasca measures approximately 5.14 square miles and consists of 2,984 billed customers. The Village provides water to 2,598 residential customers, 335 commercial customers, 4 industrial customers, and 47 municipal or public customers within its corporate limits.

1.4 Future Service Area

The Village of Itasca's corporate boundaries have been generally settled for many years. Due to established corporate boundaries of neighboring municipalities, the prospect of further geographic expansion is severely limited.

The Village's population in 2010 was 8,649 and the CMAP projected population for Itasca in the year 2040 is 11,945.

2.0 Water Usage

2.1 Current Water Usage

Typically, average daily flow is 1,224,000 gallons per day. The average peak daily flow is 2,304,000 gallons per day.

2.2 Projected 20-Year Water Usage

Chicago Metropolitan Agency for Planning (CMAP) has projected Itasca's population for 2040 to be 11,945 which is a 38.1% increase from 2010. Therefore, the projected 2040 average daily use is projected to be 1,690,000 gallons per day and peak daily flow is projected to be 3,182,000 gallons per day.

3.0 Existing Water Facilities

3.1 Existing Public Water Supply

The Village of Itasca receives City of Chicago water via the DuPage Water Commission. The Village owns and operates two (2) elevated water tanks, two (2) ground storage water tanks, and two (2) emergency wells. Each of the storage tanks has a booster pump. The wells have a capacity of 500 gallons per minute and 400 gallons per minute.

3.2 Existing Storage Facilities

The Village of Itasca owns and operates two (2) elevated water storage tanks and two (2) ground storage water tanks. There is an elevated spheroid 1,000,000 gallon storage tank on Prospect Avenue, an elevated spheroid 500,000 gallon storage tank on Ardmore Avenue, a 650,000 cementitious tank on Rohlwing Road and a 750,000 steel tank on Industrial Drive.

3.3 Existing Water Distribution System

The Village of Itasca owns and operates approximately 21 miles of 12-inch, 4 miles of 10-inch, 17 miles of 8-inch, 14 miles of 6-inch, and 1 mile of 4-inch mains. For the two (2) most recent calendar years, the Village experienced 12.98% and 10.89% of unaccounted flow.

3.4 Identification of Water Supply Violations

Information supplied below is from the Illinois Environmental Protection Agency, Bureau of Water, and Drinking Water Watch. The Village does not anticipate any future violations.

Group Violations

Violation No.	Status	Violation Type	Violation Name	Analyte Group Code	Analyte Group Name	Water System Facility State Asgn ID	Water System Facility Name
2018-55149	V	27	MONITORING, ROUTINE (DBP), MAJOR	<u>V</u>	STAGE2 DBPR SUPART V	DISTRIBUTION	ITASCA

Total Number of Records Fetched = 1

Individual Violations

Violation No.	Status	Violation Type	Violation Name	Analyte Code	Analyte Name	Water System Facility State Asgn ID	Water System Facility Name
2011-7118282	V	22	MCL (TCR), MONTHLY	3100	COLIFORM (TCR)	null	null
2007-7118281	V	24	MONITORING (TCR), ROUTINE MINOR	3100	COLIFORM (TCR)	null	null
1992-1729292	V	51	INITIAL TAP SAMPLING (LCR)	5000	LEAD & COPPER RULE	null	null
1992-1551992	V	22	MCL (TCR), MONTHLY	3100	COLIFORM (TCR)	null	null
1990-1160290	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1989-1087689	V	02	MCL, AVERAGE	3000	COLIFORM (PRE-TCR)	null	null
1985-185	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1984-184	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1982-182	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1980-7118280	V	03	MONITORING, ROUTINE MINOR	4000	GROSS ALPHA, EXCL. RADON & U	null	null
1980-1093380	V	03	MONITORING, ROUTINE MAJOR	3000	COLIFORM (PRE-TCR)	null	null

Total Number of Records Fetched = 11

4.0 Selected Alternative

4.1 Description of Selected Alternative

This project includes removal and replacement of 360 full lead service lines and 314 partial lead service lines based off historical knowledge, past service excavations, and water main replacements.

4.2 Correction of System Deficiencies

The corrosion of lead service lines may result in lead entering the water system and over time pose a health risk to the consumer. The proposed removal and replacement of lead service lines will reduce current health risk for residents.

4.3 Regulatory Compliance

The proposed lead service line replacements will achieve compliance with the IEPA's requirements and will be designed and operated in accordance with 35 Ill. Administrative Code Subpart G: Lead and Copper, Section 611.350 – Section 611.361 and AWWA C810-17 – Replacement and Flushing of Lead Service Lines. This project will not require an IEPA construction permit.

All portions of this project will also follow all local, County, and State regulations.

4.4 Basis of Design

The primary goals for the project are to remove and replace existing lead service lines and upgrade water meters throughout the Village.

Over time lead service lines pose a health risk to consumers. The replacement of approximately 674 lead service lines will improve the quality of water and reduce potential health risk for residents.

4.5 Environmental Inventory

All proposed improvements are contained within the existing distribution system and there are no environmental impacts associated with the proposed improvements. No special measures are required during the installation to mitigate or minimize any negative environmental impacts. The appropriate documentation has been submitted to IHPA, DuPage County, and IDNR for their concurrence in accordance with the IEPA Environmental Checklist.

4.6 Cost Estimate

Below is an Engineer's opinion of probable costs for the proposed improvements per year.

Overall Construction Cost Summary

<u>Item</u>	<u>Cost Estimate</u>
Lead Service Line Replacement	\$4,899,000
Contingency (10%)	\$489,900
Total Construction	\$5,388,900

Overall Project Cost Summary

<u>Item</u>	<u>Cost Estimate</u>
Construction Costs	\$5,388,900
Design Engineering	\$247,000
Construction Engineering	\$500,000
Total Construction, Engineering, & Contingencies	\$6,135,900
Total Construction, Engineering, & Contingencies Rounded Up	\$6,140,000

Overall Loan Summary

<u>Item</u>	<u>Cost Estimate</u>
Principal Loan Amount	\$6,140,000
Lead Service Line Replacement Principal Forgiveness	\$6,140,000
Adjusted Loan Amount	\$0

First Year Construction Cost Summary

<u>Item</u>	<u>Cost Estimate</u>
Lead Service Line Replacement	\$3,130,000
Subtotal	\$3,130,000
Contingency (10%)	\$313,000
Total Construction	\$3,443,000

First Year Project Cost Summary

<u>Item</u>	<u>Cost Estimate</u>
Construction Costs	\$3,443,000
Design Engineering	\$247,000
Construction Engineering	\$310,000
Total Construction, Engineering, & Contingencies	\$4,000,000
Total Construction, Engineering, & Contingencies Rounded Up	\$4,000,000

First Year Loan Summary

<u>Item</u>	<u>Cost Estimate</u>
Principal Loan Amount	\$4,000,000
Lead Service Line Replacement Principal Forgiveness	\$4,000,000
Adjusted Loan Amount	\$0

Second Year Construction Cost Summary

<u>Item</u>	<u>Cost Estimate</u>
Lead Service Line Replacement	\$1,768,560
Subtotal Rounded Up	\$1,769,000
Contingency (10%)	\$176,900
Total Construction	\$1,945,900

Second Year Project Cost Summary

<u>Item</u>	<u>Cost Estimate</u>
Construction Costs	\$1,945,900
Design Engineering	\$0
Construction Engineering	\$200,000
Total Construction, Engineering, & Contingencies	\$2,135,900
Total Construction, Engineering, & Contingencies Rounded Up	\$2,140,000

Second Year Loan Summary

<u>Item</u>	<u>Cost Estimate</u>
Principal Loan Amount	\$2,140,000
Lead Service Line Replacement Principal Forgiveness	\$2,140,000
Adjusted Loan Amount	\$0

5.0 Implementation Plan

5.1 Financial Schedule

The Village intends to utilize the IEPA Lead Service Line Replacement Principal Forgiveness as the entire funding source for this multi-year project. Itasca qualifies for a total principle forgiveness of \$4,000,000 in the first year and \$2,140,000 in the second year of the lead service line replacement work under the current Intended Use Plan.

5.2 Residential Rate Structure

The Village of Itasca's water/sewer/refuse fund is based on the amount of water each resident uses for each monthly period and is measured by individual water meters.

The Village's residential water user rate effective January 2020 is as follows. The minimum monthly billing for residential users within the corporate limits is \$14.31 for a 1" or less service. The monthly billing rate for costs in excess of the minimum is \$11.73 per 1,000 gallons. Rates are established as part of Village Code Section 54.03. Rates will increase 5% each year moving forward, as established by Ordinance 1930-19.

The Village's residential sewer water user rate is similar to the water rate. The minimum monthly billing for residential users within the corporate limits is \$16.79 for a 1" or less service. The monthly billing rate for costs in excess of the minimum is \$11.21 per 1,000 gallons. Rates are established as part of Village Code Section 54.04. Rates will increase 5% each year moving forward, as established by Ordinance 1930-19.

A copy of the Village's Water Rate Ordinance and current user rates is in Appendix 7.

5.3 Project Schedule

The proposed project schedule is envisioned to take place as follows:

TASK	DATE
Project Plan Submittal	September 2020
IEPA Loan Application Submittal	February 2021
Advertise for Bids	July 2021
Bid Opening / Contract Award	August 2021
Start Construction	November 2021
Completion of Construction	July 2023

APPENDIX 1
PROJECT LOCATION MAP

Project Plan

Public Water Supply Loan Program

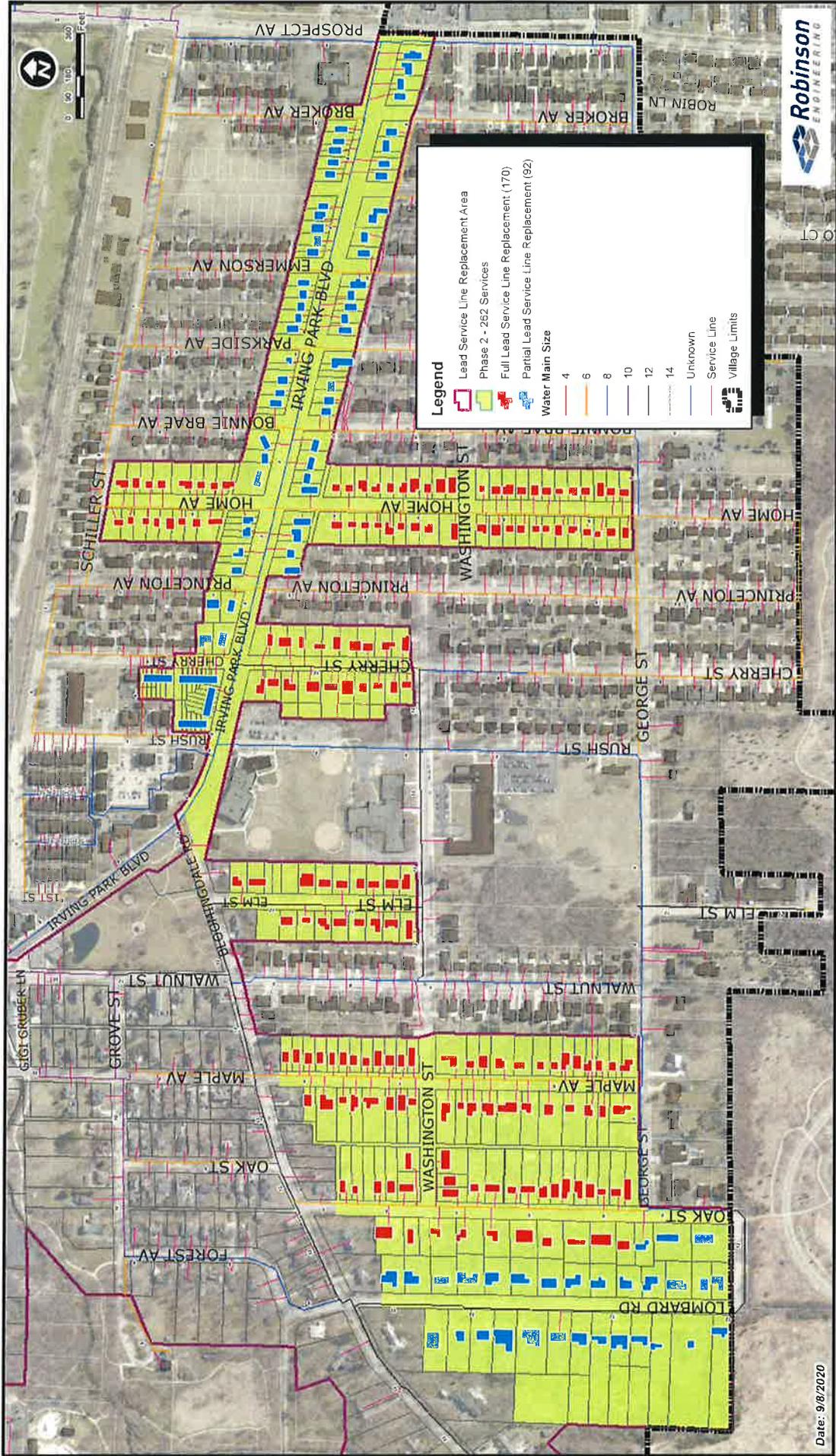
Lead Service Line Replacement

Village of Itasca

Village of Itasca Lead Service Line Replacement Program 2020



Village of Itasca Lead Service Line Replacement Program 2020 - Phase II



Date: 9/8/2020



APPENDIX 2

IEPA – FUNDING NOMINATION FOR LOAN ASSISTANCE FOR DRINKING WATER LOAN PROJECTS

Project Plan

Public Water Supply Loan Program

Lead Service Line Replacement

Village of Itasca



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Funding Nomination Form for Public Water Supply Loan Program Instructions

Funding Nomination Forms must be received by the Agency on or before March 31st preceding the fiscal year for which assistance is requested. To appear on the Agency's Project Priority List, a loan applicant must submit a Funding Nomination Form each year prior to March 31st. To be eligible for the annual Intended Funding List, a Project Plan must be approved by March 31st. A separate form is needed for each loan.

Mail completed forms to: IFAS, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, IL 62794-9276.

1. Legal name of the loan applicant that will own the facilities to be constructed.
2. Provide the mailing address of the loan applicant.
3. Check the box that describes your organization. Units of Local Government include cities, villages, towns, townships, water districts, etc. Choose OTHER for a type of organization that is not listed.
4. The county and legislative districts should be consistent with the mailing address. The Public Water Supply Identification Number is a unique 7-digit number which identifies the water system.
5. The authorized representative must be the person or officer within the loan applicant's organization that will be responsible to execute loan documents.
6. The name of the architectural/engineering consultant or other individual that will be responsible for the facility planning, design and construction of the loan project.
7. Provide a brief description of the proposed project along with the total estimated cost. Unless the loan is only funding a portion of the project, the cost should include construction, planning, design, legal services, construction oversight, and a 10% contingency. If the loan is only financing a portion, do not include costs which will be paid by other funding sources or local funds. For example, if IEPA is only funding construction, insert the estimated cost of construction plus a 10% contingency.
8. Briefly explain why the project is necessary. If the project is compliance related, indicate as such. Compliance will be verified by the Agency. For loan program purposes, compliance projects are those projects that meet the one of the criteria listed below.
 - a. Project will remedy an acute MCL violation or health hazard determination that required the loan applicant to issue a Tier 1 public notice. Examples include an MCL exceedance for e. coli; MCL exceedance for nitrite; waterborne disease outbreak; or other emergency with significant potential for adverse health effects.
 - b. Project will resolve a chronic MCL or treatment technique violation that required the loan applicant to issue a Tier 2 or Tier 3 public notice. These violations require extended exposure before adverse health effects occur. An example is naturally occurring radium.
 - c. Project that will correct a design, operation or maintenance issue which resulted in the loan applicant being placed on the Agency's restricted status list or critical review list.
 - d. Project is necessary to comply with a secondary MCL. In general, these non-enforceable standards are related to smell, taste, odor, corrosion, or cosmetic effects. Some causes include iron, manganese, sodium, aluminum, foaming agents, chloride, pH, high levels of naturally occurring fluoride, sulfate, zinc, copper, silver, and total dissolved solids.

9. Project location refers to the construction location. Do NOT use the loan applicant's mailing address. If the project involves multiple locations, describe each. Examples are below.
- An address or addresses when available.
 - For pipe projects, a description such as Grand Avenue between 9 th St. and 11 th St., or 500 feet northwest of the intersection of County Road 6 and Rural Drive. Descriptions may be used for other circumstances: wells fields, intakes, etc. without addresses.
 - For large or citywide pipe projects, the center point of construction may be used. An address at the center of construction may be used. This method could be utilized if all mains in a specific ward or area were being replaced.
 - Latitude and Longitude may be used.
10. Provide the total service population of the loan applicant. If the loan applicant serves multiple municipalities, include the service population for each. If the loan applicant serves unincorporated areas, include the service population for those areas as well. Service population is not service connections or billed units: it is the number of people served by the water system.
11. The Loan Applicant has implemented or is currently developing a system-wide Asset Management Plan (AMP) or equivalent. An AMP is any system-wide plan that contains information on asset conditions, service levels, customer needs, and financial resources. This plan will ensure the loan applicant can conduct planned maintenance and repair, replace and upgrade capital assets to reliably provide quality service for the foreseeable future.

Equivalent plans include systemwide Fiscal Sustainability Plans (FSP), certain Capital Improvements Plans, etc. Loans funds can be used to develop and implement a system-wide AMP. If YES is selected, IEPA may request a copy of the applicant's AMP.

12. Provide answers regarding the how the project implements or utilizes conservation practices, resiliency components, green infrastructure, or reduces lead levels in drinking water.
- Water Audit: answer YES if the project includes or is the result of a system-wide water audit.
 - The project involves the use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation, reuse and water loss reduction. Answer YES if the project includes quantifiable water conservation and/or efficiency measures including metering.
 - Answer YES if the utility rate structuring promotes water conservation (e.g., increasing block rates). For example, first 10,000 gallons cost \$5 per 1,000 gallons, but consumption greater than 10,000 gallons costs \$10 per 1,000 gallons.
 - Answer YES if the project involves the use of improved technologies and practices to reduce energy consumption or uses energy in a more efficient way. This includes projects that utilize renewable energy to reduce water system expenditures or produces renewable energy through measures such as incorporating solar panels or wind turbines.
 - Answer YES if the project includes resiliency components including facilities built for redundancy. A water utility's resiliency is the ability to provide an uninterrupted supply of safe drinking water, and this can be affected by manmade or natural occurrences such as earthquakes, drought, flooding, climate change and water quality conditions.
 - Answer YES if the project includes other types of "Green Infrastructure" including, but not limited to, LEED certified buildings, green roofs, rainwater harvesting, cisterns, gray water use, sustainable landscaping, constructed wetlands to treat residuals, or pervious pavement.
 - Answer YES if the proposed project will reduce the risk of lead exposure by removing lead service lines or other methods used to reduce lead levels in drinking water.
13. Provide an estimated schedule of the events listed. When planning is approved, IEPA sends a letter to the applicant. Planning approval is effective for five years.



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Funding Nomination Form for Public Water Supply Loan Program

Annual Filing Deadline: March 31

Agency Use Only:	Date Received: _____	<input type="radio"/> New Application
	Project Number: _____	<input type="radio"/> Renewal Application

1. Legal Name of Applicant: Village of Itasca 2. Address: 550 W. Irving Park Road
Itasca, IL 60143

3. Organizational Type:

Unit of Local Government

Investor Owned Water Utility

Not for Profit Water Corporation

Mutually or Cooperatively Owned Water System

Other: _____

4. Location Information:

a) County: DuPage

b) U.S. Congressional District #: 8

c) Illinois House District #: 45, 46

d) Illinois Senate District #: 23

e) Public Water Supply ID #: IL0430500

5. Authorized Representative:

Name: Jeff Pruyn

Title: Village President

Phone: 630-773-0835

Email: jpruyn@itasca.com

6. Engineer:

Name: Jonathan Flowers

Firm: Robinson Engineering

Address: 127 N. Walnut St. #200
Itasca, IL 60143

Phone: 815-412-2015

Email: jflowers@reltd.com

7. Brief Description of Proposed Project Including Cost Estimate
(Attach additional pages if necessary)

Estimated Cost: \$4,000,000.00

This project involves replacement of lead service lines to residents at various locations. Service line replacement will include full water service replacement from the water main to the residential water meter.

8. Reason for Project: Will eliminate concerns for lead in drinking water.

If this project is compliance-related, or will resolve water quality issues such as taste, odor, or color, indicate above.

9. Project Location(s): Village of Itasca east of I-290 and south of North Ave. and north of Bloomingdale Rd. Extended.

(May be address, address start & end points, latitude/longitude, or brief description)

10. Population Served by the Loan Applicant: 8,694

11. Protection of Assets (using an AMP or Equivalent)

- a. Has the loan applicant implemented a system-wide Asset Management Plan (AMP)? Yes No
- b. Is the loan applicant currently developing a system-wide Asset Management Plan? Yes No
- c. Will the loan be used to develop a system-wide Asset Management Plan? Yes No

12. Additional Questions regarding this Project

- a. Is the project based upon the completion of a system-wide water audit (water loss accounting) Yes No
- b. Does the project involve quantifiable water conservation or efficiency measures, such as metering or reuse? Yes No
- c. Does the applicant utilize a conservation promoting rate structure? Yes No
- d. Does the project include improved technologies or practices to reduce energy consumption, or add renewable energy sources, such as solar panels & wind turbines? Yes No
- e. Does the project include resiliency components, including facilities built for redundancy? Yes No
- f. Does the project implement green infrastructure, such as green roofs or LEED buildings? Yes No
- g. Does this project involve the removal of lead service lines? Yes No

13. Proposed Project Schedule

- a. Project Plan Approval Date: 3/31/2021
- b. Advertise for Bids: 7/15/2021
- c. Construction Start Date: 10/30/2021
- d. Completion of Construction: 10/31/2022

Authorized Representative: _____ **Date:** _____



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Funding Nomination Form for Public Water Supply Loan Program Instructions

Funding Nomination Forms must be received by the Agency on or before March 31st preceding the fiscal year for which assistance is requested. To appear on the Agency's Project Priority List, a loan applicant must submit a Funding Nomination Form each year prior to March 31st. To be eligible for the annual Intended Funding List, a Project Plan must be approved by March 31st. A separate form is needed for each loan.

Mail completed forms to: IFAS, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, IL 62794-9276.

1. Legal name of the loan applicant that will own the facilities to be constructed.
2. Provide the mailing address of the loan applicant.
3. Check the box that describes your organization. Units of Local Government include cities, villages, towns, townships, water districts, etc. Choose OTHER for a type of organization that is not listed.
4. The county and legislative districts should be consistent with the mailing address. The Public Water Supply Identification Number is a unique 7-digit number which identifies the water system.
5. The authorized representative must be the person or officer within the loan applicant's organization that will be responsible to execute loan documents.
6. The name of the architectural/engineering consultant or other individual that will be responsible for the facility planning, design and construction of the loan project.
7. Provide a brief description of the proposed project along with the total estimated cost. Unless the loan is only funding a portion of the project, the cost should include construction, planning, design, legal services, construction oversight, and a 10% contingency. If the loan is only financing a portion, do not include costs which will be paid by other funding sources or local funds. For example, if IEPA is only funding construction, insert the estimated cost of construction plus a 10% contingency.
8. Briefly explain why the project is necessary. If the project is compliance related, indicate as such. Compliance will be verified by the Agency. For loan program purposes, compliance projects are those projects that meet the one of the criteria listed below.
 - a. Project will remedy an acute MCL violation or health hazard determination that required the loan applicant to issue a Tier 1 public notice. Examples include an MCL exceedance for e. coli; MCL exceedance for nitrite; waterborne disease outbreak; or other emergency with significant potential for adverse health effects.
 - b. Project will resolve a chronic MCL or treatment technique violation that required the loan applicant to issue a Tier 2 or Tier 3 public notice. These violations require extended exposure before adverse health effects occur. An example is naturally occurring radium.
 - c. Project that will correct a design, operation or maintenance issue which resulted in the loan applicant being placed on the Agency's restricted status list or critical review list.
 - d. Project is necessary to comply with a secondary MCL. In general, these non-enforceable standards are related to smell, taste, odor, corrosion, or cosmetic effects. Some causes include iron, manganese, sodium, aluminum, foaming agents, chloride, pH, high levels of naturally occurring fluoride, sulfate, zinc, copper, silver, and total dissolved solids.

9. Project location refers to the construction location. Do NOT use the loan applicant's mailing address. If the project involves multiple locations, describe each. Examples are below.
 - a. An address or addresses when available.
 - b. For pipe projects, a description such as Grand Avenue between 9 th St. and 11 th St., or 500 feet northwest of the intersection of County Road 6 and Rural Drive. Descriptions may be used for other circumstances: wells fields, intakes, etc. without addresses.
 - c. For large or citywide pipe projects, the center point of construction may be used. An address at the center of construction may be used. This method could be utilized if all mains in a specific ward or area were being replaced.
 - d. Latitude and Longitude may be used.
10. Provide the total service population of the loan applicant. If the loan applicant serves multiple municipalities, include the service population for each. If the loan applicant serves unincorporated areas, include the service population for those areas as well. Service population is not service connections or billed units: it is the number of people served by the water system.
11. The Loan Applicant has implemented or is currently developing a system-wide Asset Management Plan (AMP) or equivalent. An AMP is any system-wide plan that contains information on asset conditions, service levels, customer needs, and financial resources. This plan will ensure the loan applicant can conduct planned maintenance and repair, replace and upgrade capital assets to reliably provide quality service for the foreseeable future.

Equivalent plans include systemwide Fiscal Sustainability Plans (FSP), certain Capital Improvements Plans, etc. Loans funds can be used to develop and implement a system-wide AMP. If YES is selected, IEPA may request a copy of the applicant's AMP.

12. Provide answers regarding the how the project implements or utilizes conservation practices, resiliency components, green infrastructure, or reduces lead levels in drinking water.
 - a. Water Audit: answer YES if the project includes or is the result of a system-wide water audit.
 - b. The project involves the use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation, reuse and water loss reduction. Answer YES if the project includes quantifiable water conservation and/or efficiency measures including metering.
 - c. Answer YES if the utility rate structuring promotes water conservation (e.g., increasing block rates). For example, first 10,000 gallons cost \$5 per 1,000 gallons, but consumption greater than 10,000 gallons costs \$10 per 1,000 gallons.
 - d. Answer YES if the project involves the use of improved technologies and practices to reduce energy consumption or uses energy in a more efficient way. This includes projects that utilize renewable energy to reduce water system expenditures or produces renewable energy through measures such as incorporating solar panels or wind turbines.
 - e. Answer YES if the project includes resiliency components including facilities built for redundancy. A water utility's resiliency is the ability to provide an uninterrupted supply of safe drinking water, and this can be affected by manmade or natural occurrences such as earthquakes, drought, flooding, climate change and water quality conditions.
 - f. Answer YES if the project includes other types of "Green Infrastructure" including, but not limited to, LEED certified buildings, green roofs, rainwater harvesting, cisterns, gray water use, sustainable landscaping, constructed wetlands to treat residuals, or pervious pavement.
 - g. Answer YES if the proposed project will reduce the risk of lead exposure by removing lead service lines or other methods used to reduce lead levels in drinking water.
13. Provide an estimated schedule of the events listed. When planning is approved, IEPA sends a letter to the applicant. Planning approval is effective for five years.



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Funding Nomination Form for Public Water Supply Loan Program

Annual Filing Deadline: March 31

Agency Use Only:	Date Received: _____	<input type="radio"/> New Application
	Project Number: _____	<input type="radio"/> Renewal Application

1. Legal Name of Applicant: Village of Itasca 2. Address: 550 W. Irving Park Road
Itasca, IL 60143

3. Organizational Type:

Unit of Local Government

Investor Owned Water Utility

Not for Profit Water Corporation

Mutually or Cooperatively Owned Water System

Other: _____

4. Location Information:

a) County: DuPage

b) U.S. Congressional District #: 8

c) Illinois House District #: 45, 46

d) Illinois Senate District #: 23

e) Public Water Supply ID #: IL0430500

5. Authorized Representative:

Name: Jeff Pruyn

Title: Village President

Phone: 630-773-0835

Email: jpruyn@itasca.com

6. Engineer:

Name: Jonathan Flowers

Firm: Robinson Engineering

Address: 127 N. Walnut St. #200
Itasca, IL 60143

Phone: 815-412-2015

Email: jflowers@reltd.com

7. Brief Description of Proposed Project Including Cost Estimate
(Attach additional pages if necessary)

Estimated Cost: \$2,700,000.00

This project involves replacement of lead service lines to residents at various locations. Service line replacement will include full water service replacement from the water main to the residential water meter.

8. Reason for Project: Will eliminate concerns for lead in drinking water.

If this project is compliance-related, or will resolve water quality issues such as taste, odor, or color, indicate above.

9. Project Location(s): Village of Itasca east of I-290 and south of Bloomingdale Rd. and Bloomingdale Rd. extended.

(May be address, address start & end points, latitude/longitude, or brief description)

10. Population Served by the Loan Applicant: 8,694

11. Protection of Assets (using an AMP or Equivalent)

- a. Has the loan applicant implemented a system-wide Asset Management Plan (AMP)? Yes No
- b. Is the loan applicant currently developing a system-wide Asset Management Plan? Yes No
- c. Will the loan be used to develop a system-wide Asset Management Plan? Yes No

12. Additional Questions regarding this Project

- a. Is the project based upon the completion of a system-wide water audit (water loss accounting) Yes No
- b. Does the project involve quantifiable water conservation or efficiency measures, such as metering or reuse? Yes No
- c. Does the applicant utilize a conservation promoting rate structure? Yes No
- d. Does the project include improved technologies or practices to reduce energy consumption, or add renewable energy sources, such as solar panels & wind turbines? Yes No
- e. Does the project include resiliency components, including facilities built for redundancy? Yes No
- f. Does the project implement green infrastructure, such as green roofs or LEED buildings? Yes No
- g. Does this project involve the removal of lead service lines? Yes No

13. Proposed Project Schedule

- a. Project Plan Approval Date: 3/31/2021
- b. Advertise for Bids: 7/15/2022
- c. Construction Start Date: 10/30/2022
- d. Completion of Construction: 7/31/2023

Authorized Representative: _____ **Date:** _____

APPENDIX 3
IEPA – PROJECT PLANNING SUBMITTAL CHECKLIST

Project Plan

Public Water Supply Loan Program

Lead Service Line Replacement

Village of Itasca



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Drinking Water Project Planning Submittal Checklist **Planning File**

Before the Agency will begin review of a Project Plan, all of the items below comprising the basic minimum requirements of a Project Plan must be included and the page number(s) of all items noted. Project planning must contain all pertinent information detailed in Ill. Adm. Code 35 Section 662.320(e). The loan applicant should be familiar with their planning responsibilities as detailed in Sections 662.320 and 662.330.

Complete this form online using Adobe Acrobat Reader, save it to your computer, then print and sign it.

Loan Applicant: Village of Itasca

Consulting Engineer: Robinson Engineering

Phone Number: 815-412-2015

Project Description:

Replacement of existing lead service lines with new service lines from the water main to the residence.

Fill in the blank with the page(s) where each item below is found in the project plan. Additional information and/or examples for each item number are provided by corresponding numbers contained in the attached instructions.

No.	Page(s) or Comment	Information
1.	Page 1, Appendix 1	Loan applicant's background, total population served by the applicant, customer base, and project location information.
2.	Page 2	Detailed description of the EXISTING public water supply source(s), treatment facilities, water storage facilities, and distribution system.
3.	Pages 4	Project description that explains the need and justification of the proposed project, including the benefits of the project.
4.	Page 4	Discussion of the system's compliance with all applicable laws and regulations governing public water systems.
5.	Pages 4	Basis of design for chosen alternative.
6.	Page 4, Appendix 4	Inventory of environmental impacts of selected alternative, a discussion of the required mitigation measures, and a completed IEPA Loan Applicant Environmental Checklist form with sign-off documentation.
7.	Appendix 1	Reproducible 8.5 X 11 inch map(s) showing the project(s) location(s) relative to the community.
8.	Page 5-8, Appendix 5	An estimate of the total project costs and a detailed estimate of construction item costs.
9.	Page 5-8	Estimated loan terms, including: IEPA loan amount, interest rate, repayment period in years, and the annual loan repayment.
10.	Page 8	Financial arrangements for assuring adequate annual debt service and O, M, and R coverage, a description of the dedicated source of revenue necessary for loan repayment, and any other funding involved in the project.

No.	Page(s) or Comment	Information
11.	Page 8	Detailed description of the existing residential rate structure, water consumption, any proposed rate changes, and an example of the existing and the proposed average monthly residential bill because of the project(s).
12.	Appx. 3	One copy of completed Existing User Charge and O, M, and R Certification Sheet found on page 3 (attached) should be submitted with the Project Plan.
13.	N/A	Discussion of any "green" project components that are part of the proposed project.
14.	Page 8	Schedule for project implementation.
15.	N/A	Copies of inter-governmental and/or service agreements.
16.	N/A	IEPA construction permit status.
17.	To be provided	Name and address of the local newspaper(s).

Three (3) copies of the Project Plan and related documents should be submitted along with one (1) copy of this completed checklist (pages 1 through 3) to:

Infrastructure Financial Assistance Section (IFAS)
 Illinois Environmental Protection Agency
 1021 North Grand Avenue East
 P.O. Box 19276
 Springfield, IL 62794-9276

IFAS will distribute the planning documents to the appropriate Agency staff for review, comment, and approval. IFAS will contact the loan applicant if further information is needed. Please use the box below for any special instructions or notes.



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Existing User Charge and O, M, and R Certification Sheet

2,598 Number of current residential customers served by the system.
5750 Actual average residential water use per customer per month (based on historical billing data)
\$81.75 Current average monthly residential bill

Provide details that apply to your specific user rate charges:

Water use charges: \$11.73 per 1,000 gallons
 _____ per _____ cubic feet

Flat Fee or Monthly User Charge: _____

Debt Service Charge: _____

Capital Improvement Charge: _____

Wholesale Charge: _____

Meter Service Fee (average-sized meter): _____

Other Charge: _____ Explain: _____

Other Charge: _____ Explain: _____

1. Is the water/sewer fund annually operating in a positive or negative balance at this time? (select one)

Positive Negative

2. Based upon your most recent annual budget please indicate the net operating income for your water/sewer fund:

\$1,116,175.00

- **Net Operating Income = Total Revenue - Total Cost of Providing Service**
- **Total Revenue = Revenue from user charges, commercial, residential, or wholesale, plus any other dedicated water/sewer fund revenue**
- **Total Cost of Providing Service = All Operation and Maintenance costs (including replacement fund) plus dedicated water/sewer fund debt**

3. Will a rate increase or other revenue generating action be necessary to pay for this project? (select one)

Yes No

4. If a rate increase (or other cost increase) is necessary, please provide the proposed user rate charges and proposed average monthly residential water bill as an attachment.

Any person who knowingly makes a false, fictitious, or fraudulent material statement, orally or in writing, to the Illinois EPA commits a Class 4 felony. A second or subsequent offense after conviction is a Class 3 felony. (415 ILCS 5/44(h))

Jeff Pruyn

Village President

Authorized Representative (Printed)

Title

Signature

Date

Instructions for Drinking Water Project Planning Submittal Checklist

- Item 1. Provide general loan applicant background information including: County the loan applicant and project are located in; location of the proposed project by street address, or a written description if the project includes several addresses (example: along main street, between 2nd and 9th street); ownership of the property where the proposed project is located; the existing and historical population served by the system; the estimated future population served at the end of the loan repayment period (usually 20 years); the population that will be directly served by the proposed project; the makeup of the project area population and/or customer base, conditions affecting growth and any other information that will verify the correct sizing of the proposed project; and any other community background information that may be relevant to the proposed project. Note: If available, please also provide the latitude and longitude of the project location or the center point for large project areas. This will assist the IEPA with federal program reporting requirements. As noted above, the project location street address and/or large area description must be provided for the public notification summary.
- Item 2. Provide a detailed description of the existing water source, treatment facilities owned by the applicant, storage facilities, and distribution system including: the age; construction materials; amount/lengths of the different pipe diameters present in the distribution system; type of treatment system; the existing daily average and maximum water usage; equipment; structures; current conditions; a discussion of the problems and system deficiencies, such as water supply issues, excessive system water loss, water main breaks, customer complaints, low water pressure, hydraulic conveyance/capacity problems, treatment plant performance deficiencies; etc.
- Item 3. Provide a project description that clearly identifies the need and provides justification for the proposed project. This section should verify the proposed project will correct and address the noted problems. Also describe the benefits of the project, for example: better quality drinking water, reduced water main breaks, reduced operation and maintenance costs, replace and update equipment that has reached the end of its design life, provide public water to private systems or well users, allow continued safe and efficient public water supply; etc.
- Section 662.130 of the Public Water Supply Loan Program regulations lists Projects and Activities Available for Assistance from the PWSLP and provides eligible and ineligible project categories. Section 662.130 d) 4) and 5) of the Public Water Supply Loan Program regulations states that the costs of projects whose main purpose is fire protection or serviceing future growth are ineligible to utilize IEPA loan funding.
- Item 4. Provide an explanation whether there are any current violations of State or Federal laws and if the project will address these and future compliance issues. Provide an assessment of the chosen alternative's capability to maintain compliance with all applicable laws and regulations. If compliance issues are being addressed by the project, include a copy of the violation notice, compliance commitment agreement, or similar documentation regarding enforcement action.
- Item 5. The basis of design for the chosen alternative should provide preliminary engineering data including to the extent appropriate, flow diagrams, unit process descriptions, detention times, flow rates, unit capacities, etc. to demonstrate that the proposed project will be designed in accordance with 35 Ill. Adm. Code 651 through 654.

Item 6. The loan applicant must determine whether any of the following environmental conditions are present at or near the proposed project construction areas, including at a minimum: rare and endangered species, historic and cultural resources, prime agricultural land, air and water quality concerns, recreational areas, river and stream crossings, wetlands, floodplains and other sensitive environmental areas. Provide a complete list of these areas and a map that shows their location in relation to the proposed project. Submit project information to the applicable regulating entities listed on the IEPA Loan Applicant Environmental Checklist. Provide a copy of all correspondence between the loan applicant and the regulating entity, including all permits, conditions, recommendations and certifications that are required during design and construction to mitigate or minimize negative environmental impacts. The loan applicant must provide written verification that they intend to comply with all required environmental impact conditions and recommendations and that they will be incorporated into the project construction bidding and contract specifications.

Note: the IEPA Loan Applicant Environmental Checklist must be signed by the loan applicant's authorized representative and submitted to the Agency with all applicable sign-offs before a final Planning approval can be issued. The IEPA Loan Applicant Environmental Checklist and complete instructions are available at the IEPA web site at this link: www.epa.illinois.gov/Assets/iepa/forms/water-quality/financial-assurance/loan-applicant-environmental-checklist.pdf

Item 7. Provide an 8.5 x 11-inch map(s) that shows the project(s) location(s) relative to the community. A copy of the provided project location map will be included in the project summary document that is written by the IEPA to assist the loan applicant comply with the public notice requirement for planning approval. Black and white is preferred.

Item 8. Provide a complete project cost estimate for the alternative selected in the following format:

- 1) Design Engineering (including planning and form preparation): \$ _____
- 2) Construction Engineering (including bidding): \$ _____
- 3) Other Professional Services (separate legal, loan admin, etc.): \$ _____
- 4) Construction: \$ _____
- 5) Contingency (at 10% of estimated construction costs): \$ _____
- 6) Total Estimated Project Costs: \$ _____

For planning purposes we use 10% of the estimated construction costs for contingency to be conservative and slightly over estimate the construction costs. After bids are opened and the actual construction costs are known, the contingency allowed in the loan agreement is reduced to 3% of the as-bid construction costs.

Also, provide a separate detailed estimate of construction cost items that includes project item quantities and unit costs for materials, pipes, structures, equipment, etc. based on the anticipated project. This is a preliminary cost estimate and not based on final design. Be advised that all projects, funded in full or part by SRF loan funds, are subject to the Federal Use of American Iron and Steel (AIS) requirements.

Item 9. Estimated loan terms: Provide the estimated IEPA loan amount, current base interest rate, twenty-year (20) repayment period, and the calculated approximate annual loan repayment. The loan amount requested can be for the total estimated project costs listed in Item 8 above or less if the loan applicant intends to pay for part of the project with local or other funding. The current base interest rate for the fiscal year is listed on the IEPA website. The estimated annual loan repayment amount can be determined by any loan calculator on the internet by inputting the estimated loan interest rate, loan repayment period and amount to be borrowed. IEPA loans are repaid with semi-annual repayments, but for planning purposes, the annual repayment amount does not have to be exact.

All loans are subject to the interest rate in effect at the time a loan agreement is issued. The loan program rules include provisions for incentives such as reduced interest rates, partial principal forgiveness, and extended repayment periods for qualifying applicants. The criteria used to determine incentive qualifications are found in Section 662.210 and 662.250 of the Procedures for Issuing Loans from the PWSLP, which is available on the Agency's website. The final decision for incentive qualifications will be determined at the time a loan agreement is issued using updated Census Bureau and Department of Labor data. The Agency adjusts qualifying criteria annually on July 1st and the community specific information is also subject to change. The amount of principal forgiveness available annually is determined and limited by USEPA and cannot be exceeded. Applicants that qualify for principal forgiveness will not have a repayment obligation for a portion of their loan. Principal forgiveness and/or a reduced interest rate will reduce the loan payment amount and possibly the associated increases to the user charges. Principal forgiveness is not guaranteed until a loan agreement is issued.

If the loan applicant believes they will be eligible for principal forgiveness and/or reduced interest rates, they can explain why and provide a second description of the estimated loan terms that includes principal forgiveness, reduced interest rates, and/or extended repayment periods, to compare to the full loan amount terms. However, we first want to know the estimated annual loan repayment that has been calculated with the full loan amount, base interest rate, and the standard 20-year repayment period, as explained above. Please note that the approvals for reduced interest rates, extended loan terms, and principal forgiveness are made by IEPA and are not finalized until a loan agreement is issued.

Item 10. Explain the financial arrangements for assuring adequate annual debt service, O, M & R coverage requirements, and a description of the dedicated source of revenue necessary for loan repayment and any other funding involved in the project. A basic demonstration must be made that shows system revenue and any proposed rate increase will be adequate to cover system operation, maintenance and replacement costs and that the annual loan repayment has been included in the budget. This should include a summary that compares the existing and anticipated annual water system expenses to the annual revenue generated by the current and projected user charges and explains any other revenue used to operate the system. For planning purposes, this can be a basic budget summary.

The planning financial information is different than the detailed financial review, although some of this information will also be needed for the detailed demonstration for loan repayment. The detailed financial review is based on information requested in the IEPA loan application form and includes review of the debt ordinance and the demonstration for loan repayment, which must be approved by the IEPA loan program attorney and loan program finance manager.

Item 11. Provide a description of the following: the existing user charge system and rate structure; the basis for billing; the average residential customer's water consumption per billing period; the total number of bill paying customers in the system and a breakdown that provides the number of residential, industrial, commercial, etc. customers; an example that shows the current costs for an average residential customer per billing period; any proposed user charge or rate changes; and an example of the projected costs for an average residential customer per billing period after any proposed user charge or rate increases are added.

We want to verify that any proposed rate increase and/or existing revenue will generate at least the annual loan repayment amount identified in item 10 above. The project summary that is prepared by the IEPA as part of the public notification requirements needs to explain the financial impact on the customers. The loan applicant must decide how they want to adjust their user charges. Some loan applicants may add a fixed monthly loan repayment fee that is determined by dividing the loan repayment amount equally between the customers. Others may add a per gallon rate increase based on the usage by dividing the annual loan repayment amount into the annual gallons billed. A rate increase is not always required, for example, if existing revenue is adequate to cover loan repayment. Some loan applicants have dedicated other sources of revenue for loan repayment, such as creating special service area property taxes that apply only to the properties that benefit from the proposed project. See pages 9 and 10 for an example of a financial impact explanation from a public notice document.

Item 12. One copy of completed Existing User Charge and O, M, and R Certification Sheet found on page 3 (attached) should be submitted with the Project Plan. If there is a different billing period besides monthly, you do not need to convert other billing periods to monthly. Please indicate the systems' billing period and provide the user charge information based on your billing period.

Item 13. If this project involves any "green" components such as reducing energy demands of a water system; lowering water demand; removing lead from water mains or service main; or other "green infrastructure components", provide a description detailing how much of the total project is "green". Example: This loan will be used to install water meters throughout the Village. No other work will be funded. We anticipate this will greatly lower water demand.

Item 14. The schedule should include the estimated month and year when the following project activities will occur: 1) obtaining project planning approval, 2) advertising the project for bids, 3) start of construction, and 4) completion of construction. Please note that because IEPA loan program funding is limited, potential projects are scored and prioritized to determine which will have available funds reserved for them during the next fiscal year. The State of Illinois fiscal year starts July 1st and ends June 30th. During the first six months of the fiscal year, starting every July 1st, funding is only available for projects with approved planning that have been scored and are on the intended funding list (IFL). During the second half of the fiscal year, starting every January 1st, IFL projects that are not adhering to their schedule and making progress to meet the requirements of Section 365.350 will be bypassed and the unused money will become available for projects that are ready to proceed. A proposed project must have planning approved by January 31st of the calendar year to be scored and possibly be included in the IFL and have funding reserved for the next fiscal year that starts July 1st. If you have questions on funding availability and scheduling, please contact the IEPA loan program project manager assigned to the project. Planning must be approved before a project can be added to the IFL or receive an IEPA loan.

- Item 15. Explain whether any inter-governmental agreements and/or service agreements are necessary to complete the proposed project. If necessary, copies of final executed intergovernmental agreements and/or service agreements must be provided before a loan is issued. If this item is not applicable to the proposed project, please indicate so.
- Item 16. Will the project require an IEPA construction permit? If yes, provide the status of the IEPA construction permit or provide a copy, if it has been issued. If it is believed the project will not require a construction permit, please explain why. A project planning approval letter can be issued before a construction permit is issued; however, if a construction permit is required for the project, it must be issued before a loan agreement can be processed and issued.
- Item 17. Provide the name and address of the local newspaper(s). Based on the planning information provided, the IEPA will write a project summary document. The summary is part of the necessary project information that is used to comply with the public notice requirements, and obtain planning approval. The project summary document will be sent to the loan applicant with a cover letter that explains the public notice requirements. The loan applicant is required to advertise the proposed project, make the planning information available for public review, and respond to public comments. Projects with significant environmental or financial impacts will also have to conduct a public hearing. The IEPA also sends a copy of the project summary to the local newspaper(s), in case the newspaper wants to do a story on the project. The loan applicant is still required to advertise the project in the local newspaper and solicit public comments.

Example of Financial Impact Explanation from a public notice document

A breakdown of estimated project costs:

Construction	\$1,214,700
Contingency	\$ 121,470
Design Engineering	\$ 74,100
Construction Engineering	<u>\$ 73,400</u>
Total Project	\$1,483,670

The Village intends to finance the proposed project with a loan from the IEPA Public Water Supply Loan Program (PWSLP). A \$1,483,670 loan, with an estimated interest rate of 1.76%, for a twenty (20) year period, would have an annual repayment of approximately \$88,058. If the annual loan repayment amount is divided between the Village's 1,202 customers, each customer would pay \$73.26 per year, which equals \$6.11 per month.

The current loan program interest rate is 1.76%. The interest rate adjusts annually on July 1st. All loans are subject to the interest rate in effect at the time a loan agreement is issued. The loan program rules include provisions for incentives such as reduced interest rates, partial principal forgiveness, and extended repayment periods for qualifying applicants. The criteria used to determine incentive qualifications are found in Section 662.210 and 662.250 of the Procedures for Issuing Loans from the PWSLP, which is available on the Agency's website. The final decision for incentive qualifications will be determined at the time a loan agreement is issued using updated Census Bureau and Department of Labor data. Using current data, the Village of Spring is eligible for 1.0% hardship interest rate, and partial principal forgiveness. The Agency adjusts qualifying criteria annually on July 1st and the community specific information is also subject to change. Applicants that qualify for principal forgiveness will not have a repayment obligation for a portion of their loan. Principal forgiveness and/or a reduced interest rate will reduce the loan payment amount and possibly the associated increases to the user charges. Principal forgiveness is not guaranteed until a loan agreement is issued.

Source of Loan Repayment: The Village of Spring proposes to repay the loan using general revenues of the Village, including pledged taxes, per Ordinance No. 2018-O-003. Due to increased costs for water supply and necessary operation, maintenance and replacement costs, the Village is also increasing the rates charged for water service and establishing connection fees as outlined in Ordinance No. 2018-O-001.

Current Average Monthly Residential Cost of Service: An average residential customer from Spring reportedly uses 6,000 gallons of water per month and would pay \$51.00 per month.

How is the monthly residential rate/cost of service calculated? Effective May 1, 2018, the water rate is based on a volume charge of \$8.50 per 1,000 gallons of water used, and all customers must pay for a minimum of 3,000 gallons per month. For an average 6,000 gallons water user, this calculates to: $\$8.50 \times 6 = \51.00 per month.

Projected Average Monthly Residential Cost of Service: The Village of Spring Ordinance No. 2018-O-001 states that an automatic water rate of three percent (3%) of the prior existing rate will go in effect on May 1st of each year until the year 2040. The future 1,000 gallons water rate for each year from 2018 through 2040 is listed in Ordinance No. 2018-O-001. The 1,000 gallons water rate for the year 2040 is \$16.27. In the year 2040, an average 6,000 gallons water user would pay \$97.62 per month, which is calculated as $\$16.27 \times 6 = \97.62 .

Number of Customers or Service Connections: The Spring water system serves a total population of approximately 4,260. There are reported to be 1,202 water customers billed by the Village, which includes 1,118 residential, 83 commercial, and 1 industrial users.

Median Household Income (MHI): The MHI for Spring is \$44,048.

Financial Impact of the proposed project: To determine the financial impact of the proposed project on the community, a percentage comparison of the MHI to the annual cost for water service is utilized. According to the most recent census information, the average MHI for the Village of Spring is \$44,048. The projected total annual water cost of \$612 is 1.39 percent of the MHI for the area. Any amount less than 2.0 percent is considered to be affordable under State and Federal loan program criteria. If the 3% rate increase through the year 2040 is added, the projected total annual cost would be \$1,171.44, which is 2.66 of the current MHI. However, it can be assumed that the MHI will increase by the year 2040 and the future water costs may also meet the affordability criteria then, as they do now.

APPENDIX 4
IEPA – LOAN APPLICANT ENVIRONMENTAL CHECKLIST

IEPA Loan Applicant Environmental Checklist and Certification Form

Loan Applicant: Village of Itasca

L17#: TBD

This form must be signed by the loan applicant's Authorized Representative (not the consultant). All loan applicants must provide items 1 and 2 below. The information that must be provided for items 3-7 are specific to conditions of the project. See the attached instructions that explain the requirements and provide contact information. If you believe an item is not required for your project, enter N/A instead of the date of response and provide an explanation in the planning report. For checklist items marked as N/A, also indicate the page number of the planning report where the explanation is located.

Provide records of consultation with Illinois Department of Natural Resources (IDNR), State Historic Preservation Office (SHPO) for the National Historic Preservation Act, Section 106 sign-off.

1) Date of IDNR, SHPO response: Letter attached delivered August 26th to SHPO. Awaiting response.

Provide records of consultation with IDNR's Impact Assessment Section for evaluation pursuant to the Illinois Endangered Species Protection Act [520 ILCS 10/11], the Illinois Natural Areas Preservation Act [525 ILCS 30/17], Title 17 Illinois Administrative Code, Part 1075, and Interagency Wetlands Policy Act of 1989 (Illinois Administrative Code, Part 1090). Date of EcoCAT printout: 8/18/2020

2) Date of IDNR follow-up letter (when protected resources are identified): 8/21/20

For projects located within any wetland, river, stream, flood plain, floodway, waterway, any body of water, or construction located within 250 feet of these areas; provide records of consultation from:

3) U.S. Army Corps of Engineers (USACE) Date of USACE response: Attached submitted 9/9/20

For projects located within a flood plain or floodway, or along a jurisdictional river, lake, or stream without a mapped floodway or flood plain, provide records of consultation from:

4) IDNR Office of Water Resources (OWR) Date of IDNR OWR response: Attached submitted 9/9/20

If the project involves conversion of prime agricultural land to other uses, provide records of consultation from:

5) Illinois Department of Agriculture (IDOA). Date of IDOA response: N/A

If the project includes 30% or more reserve capacity for future growth in the existing or proposed service areas, provide records of consultation from all applicable environmental regulatory entities listed on this form for the known growth/development areas associated with the identified secondary/indirect environmental impacts.

6) Secondary impacts list of applicable regulatory entities and date of their responses: N/A

If any project with secondary impacts is located in a county under the jurisdiction of a Designated Water Quality Management Agency (DWQMA), which are the Greater Egypt Regional Planning & Development Commission (GERPDC), the Southwestern Illinois Metropolitan and Regional Planning Commission (SIMAPC), and the Chicago Metropolitan Agency for Planning (CMAP), provide records of consultation from:

7) Date of DWQMA response: N/A

Certification: By signing this form, the Loan Applicant is certifying that the applicable environmental evaluations were conducted for the proposed project locations, and if the review results for any of these environmental evaluations include recommendations, conditions, certifications, and/or permits, the Loan Applicant agrees to comply with them and include them within the bidding and construction contract documents.

Signed: Loan Applicant's Authorized Representative

Date:

IEPA Loan Applicant Environmental Checklist and Certification Form Instructions

To obtain Project Plan approval, a loan applicant must satisfy the IEPA that the project will comply with various State and Federal enactments for protection of historical/cultural resources, recreational areas, rivers, streams wetlands, any body of water, floodplains, river and stream banks, rare and endangered species, prime agricultural land, air and water quality and other sensitive environmental areas. These required evaluations are intended to ensure compliance with Section II, Environmental Authorities, of the USEPA Handbook for Cross-cutting Federal Authorities. Please note that in Illinois, the Wild and Scenic Rivers Act requirements only apply to a designated 17.1-mile part of the middle fork of the Vermilion River, which is located west of Danville, Illinois, in Vermilion County.

These requirements can be satisfied by providing the information noted on this checklist. This checklist itemizes the project conditions that determine which environmental evaluations are required. The loan applicant must ask the identified regulating entities to evaluate their proposed project and then provide records of consultation to the IEPA. Records of consultation consist of copies of the loan applicants request for consultation; all correspondence to document the evaluation of the project; and the final review results. If the final environmental review results include recommendations, conditions, certifications, or if permits are issued, copies must be provided as part of the records of consultation. The records of consultation for all necessary environmental evaluations must be provided to the IEPA before we can complete the project summary document (Categorical Exclusion or Preliminary Environmental Impacts Determination), which is necessary to comply with the public notification and project planning approval requirements. Depending on the site-specific project conditions, the required environmental evaluations can take two or more months to complete. If your project meets any listed conditions, it is suggested that you submit the project information to the regulating entity as soon as possible.

To determine whether evaluations by USACE (Item 3) and IDNR-OWR (Item 4) are required, all loan applicants must provide the IEPA Loan Program a minimum of two maps that show the project location and the specified environmentally sensitive areas. One map must be an official floodway location map as described in Item 4 to determine whether IDNR-OWR evaluation must be conducted. One or more other maps that show wetlands, rivers, streams and any body of water as described in Item 3 must be provided to determine whether USACE evaluation must be conducted. If the project is located in any one of the specified areas, the loan applicant must submit a joint application form to IDNR-OWR and/or USACE and provide records of consultation to IEPA. If the provided maps demonstrate that project is not located in the specified areas, further evaluation is not required for Items 3 and 4.

By signing the Environmental Checklist and Certification Form, the loan applicant is certifying that the correct environmental evaluations were done for all proposed project construction areas and that they will comply with all environmental requirements. **The checklist and certification form must be signed and dated by the loan applicant's Authorized Representative (not the consulting engineer) and submitted to IEPA.**

Some environmental evaluation results specify a time period that the consultation remains valid. The time period may expire in two or three years or may be project specific and is determined by each regulating entity. The environmental evaluations must be current and in effect when the IEPA approves the project planning. If an environmental consultation expires before IEPA loan project planning approval, the loan applicant must provide new updated records of consultation.

If you have any questions regarding this package, please contact the IEPA Infrastructure Financial Assistance Section (IFAS) in the Bureau of Water at 217/782-2027.

1) Historical/Cultural Resources - National Historic Preservation Act, Section 106

A sign-off from the Illinois Department of Natural Resources State Historic Preservation Office (SHPO) must be provided to IEPA. The request for evaluation must indicate that the project will be funded through the IEPA loan program and therefore will require a federal Section 106 Sign-off (this will also satisfy the State Agency Historic

Preservation Protection Act of 1966). The sign-off may be unconditional, or it may be conditional upon the applicant agreeing to incorporate measures to protect or recover historic or archeological resources.

More information via the internet: <https://www2.illinois.gov/dnrhistoric/Preserve/Pages/Resource-Protection.aspx>

IL Historic Preservation Office phone number: (217) 782-4836

Direct the request for SHPO review to: State Historic Preservation Office -IDNR
Attn: Review & Compliance
1 Old State Capitol Plaza
Springfield, Illinois 62701

2) Threatened & Endangered Species, Natural Areas, Wetlands - Illinois Endangered Species Protection Act, Illinois Natural Areas Preservation Act, Illinois Interagency Wetland Policy Act

All projects, except for equipment only purchases, must be evaluated by the Illinois Department of Natural Resources (IDNR) Impact Assessment Section (IAS) for potential adverse effects to protected natural resources pursuant to the Illinois Endangered Species Protection Act [520 ILCS 10/11], the Illinois Natural Areas Preservation Act [525 ILCS 30/17], Title 17 Illinois Administrative Code, Part 1075, and Interagency Wetlands Policy Act of 1989 (Illinois Administrative Code, Part 1090). Loan applicants should submit the project via IDNR's EcoCAT website at: <https://dnr2.illinois.gov/EcoPublic/>. **Please note, a fee is not applicable to consultations required for State or Federal Government funded projects.** Applicants must then provide copies of the following records of consultation to IEPA:

- An EcoCAT review report which states that consultation under Part 1075 is terminated and that the wetland review under Part 1090 is terminated. If protected resources are identified, also provide;
- A letter from IDNR terminating the Part 1075 consultation and the Part 1090 wetland review because adverse effects are unlikely, or
- A letter from IDNR detailing any recommendations or measures which must be taken to avoid, minimize or mitigate adverse effects. All recommendations or measures must be incorporated into the project bidding and construction contract specifications.

Loan applicants may contact IDNR, IAS in at: Illinois Department of Natural Resources
Office of Realty and Capital Planning
Impact Assessment Section
One Natural Resources Way
Springfield, Illinois 62702-1271
Phone: 217-785-5500
Email: DNR.Ecocat@Illinois.gov

Reminder: Fees are not applicable to consultations required by State or Federal Government projects. If this consultation is for an IEPA funded project, do not pay the fee.

3) U.S. Army Corps of Engineers (USACE) for construction located within a river, stream, wetland, flood plain, floodway, waterway, or any body of water; or construction within 250 feet of these areas.

To demonstrate compliance, all applicants must provide a copy of an area topographic or satellite image map that shows the project location and at least one-quarter mile of surrounding area and identifies all the following areas: rivers, streams, wetlands, flood plains, floodways, waterways, or any body of water or that will verify these areas are not present. The origin of the map must be provided. It is acceptable to provide as many maps as necessary to show the listed environmentally sensitive areas. Please note that an official flood plain/floodway map must be provided separately for item 4 below. If the project is not located in, or within 250 feet of the listed areas, Item 3 of the checklist can be marked N/A and further evaluation by USACE is not necessary.

For all projects located in any of these areas or within 250 feet of these areas, the loan applicant must submit a Joint Application Form and supporting project information to USACE. If the review results obtained from the IDNR Eco-CAT, Part 1090 Wetland Protection Act evaluation identify wetlands within 250 feet of the project location, the loan applicant must submit the project to USACE for evaluation, regardless of whether the Eco-CAT review was terminated. If the project locations are in previously disturbed areas; or directional boring will be used, the USACE evaluation must still be conducted. **The Joint Application Form** is available on the USACE website at this link: <https://www.usace.army.mil/Missions/Civil-Works/Regulatory-Program-and-Permits/Obtain-a-Permit/> Click on Applications and Application Information to see several options for District Specific Permit information. **Attachment A** to this guidance provides a map and addresses to help you determine the appropriate Army Corps of Engineers District Office for your project.

When USACE evaluation is required, the loan applicant must provide IEPA with a copy of the evaluation request and the review results that were obtained from USACE. Acceptable review results must be from the regulating entity and can consist of a letter or email stating that the project is not regulated, and/or a permit is not required. If the review results include recommendations, conditions, and/or permits, the loan applicant must provide IEPA with a copy of all correspondence. If recommendations, conditions and/or permits are issued, the loan applicant must agree to comply. The conditions must be included within the bidding and construction contract documents before a loan is issued.

4) IDNR Office of Water Resources (OWR) for projects located within a flood plain or floodway, or along a jurisdictional river, lake, or stream without a mapped floodway or floodplain

IDNR/OWR has jurisdiction on any river, lake, or stream with a drainage area greater than one square mile in an urban area, or ten square miles in a rural area.

To demonstrate compliance, all applicants must provide a copy of an official floodways area map that shows the project location and at least one-quarter mile of surrounding area. Acceptable floodway location maps can be the Flood Insurance Rate Map for the project location's county or community, or from the Federal Emergency Management Agency (FEMA). The origin of the map must be provided. Some flood plain areas regulated by the IDNR-OWR have not been identified on flood insurance rate or FEMA mapping. If the project is located in an area that is not shown on an official flood insurance rate or FEMA map, the loan applicant must provide a topographic or satellite image map that documents the project is not in the flood plain of any river, lake, or stream with a drainage area greater than one square mile in an urban area or ten square miles in a rural area. A printout report from the U.S. Geological Survey (USGS) StreamStats website that shows the square miles of the drainage area (Parameter Code DRNAREA) can be used to document flood drainage areas in unmapped locations. The StreamStats website is at: <https://water.usgs.gov/osw/streamstats/>. If the project is not located within a flood plain or floodway or jurisdictional area, Item 4 of the checklist form can be marked as N/A and further evaluation by IDNR-OWR is not necessary.

If the project is located within any area designated as a flood plain or floodway area, or along a jurisdictional river, lake or stream without a mapped floodway or floodplain, the loan applicant must submit a Joint Application Form and supporting project information to IDNR-OWR. If the project locations are in previously disturbed areas; or directional boring will be used, the IDNR-OWR evaluation must still be conducted. **The Joint Application Form** is available on the IDNR website at this link:

<https://www2.illinois.gov/dnr/WaterResources/Pages/PermitApplicationandInstructions.aspx>

When IDNR OWR evaluation is required, the loan applicant must provide IEPA with a copy of the evaluation request and the review results that were obtained from IDNR OWR. Acceptable review results must be from the regulating entity and can consist of a letter or email stating that the project is not regulated, and/or a permit is not required. If the review results include recommendations, conditions, and/or permits, the loan applicant must provide IEPA with a copy of all correspondence and agree to comply. The conditions must be included within the bidding and construction contract documents before a loan is issued.

IDNR OWR contact information: <https://www.dnr.illinois.gov/WaterResources/Pages/ResourceManagement.aspx>

Projects in Cook, Lake, McHenry, DuPage, Kane and Will Counties Illinois Department of Natural Resources – Office of Water Resources phone: 847/608-3100
Division of Resource Management
2050 West Stearns Road
Bartlett, Illinois 60103

Projects in remainder of the State Illinois Department of Natural Resources – Office of Water Resources phone: 217/782-3863
Downstate Regulatory Programs Section
One Natural Resources Way
Springfield, Illinois 62702-1271

5) Conversion of Prime Agricultural Land to Other Uses (Federal Farmland Preservation Policy Act)

If the project involves permanent conversion of prime agricultural land to other uses, a description and map of the area to be converted along with a discussion of the necessity of utilizing prime agricultural land for the project must be provided. A copy of the evaluation request and review results must be provided to IEPA. If prime agricultural land is being converted, comments should be obtained from the IL Department of Agriculture, Bureau of Land & Water Resources: <https://www2.illinois.gov/sites/agr/Resources/LandWater/Documents/agsitereview.pdf>

Or by writing or calling: Illinois Department of Agriculture, Bureau of Land and Water Resources, P.O. Box 19281
State Fairgrounds, Springfield, IL 62794-9281 (217) 785-4389

6) Secondary Environmental Impacts

Projects that include 30% or more reserve capacity for future growth in the existing or proposed service areas, must include a discussion of the potential secondary impacts of the proposed project(s) in the planning documents. The loan applicant must identify reasonably foreseeable secondary/indirect environmental impacts from the project that are likely to occur. Secondary/ indirect impacts can include changes in the rate, density, type of development or use of open space, floodplain, prime agricultural land, impacts to historical/cultural resources, endangered or threatened species, natural areas, wetlands, rivers and streams, floodways, waterways, or any body of water. Provide a map that shows all proposed growth/development areas. The impacts to sensitive ecosystems due to induced growth must be evaluated and appropriate measures for mitigation proposed if necessary.

Projects that have 30% or more reserve growth capacity and know the actual location of growth/development areas, must also submit these known growth/development areas for evaluation to the same regulating entities listed above that evaluate the identified project construction areas. For example: If a WWTP is being expanded to a capacity that is 30% more than the existing capacity for reasons that includes serving a new 40-acre subdivision, the 40-acre property must be evaluated for environmental impacts using the same criteria listed in items 1-5 of this checklist. These secondary environmental impacts evaluations must be identified separately from the project's direct construction impacts. A copy of the evaluation requests and records of consultation must be provided to the IEPA. If recommendations, conditions and/or permits are issued, the loan applicant must agree to the conditions and to include them in the bidding and construction contract documents before a loan is issued.

7) Designated Water Quality Management Agency (DWQMA) Consultation/Sign-off

This evaluation is only applicable to projects that identify secondary impacts as noted in item 6 above and are located in any of the counties covered by a Designated Water Quality Management Agency (DWQMA) that are identified in **Attachment B** and the contact information below. The DWQMA will determine whether the project is consistent with that Agency's goals, future growth service areas, and their Water Quality Management Plans. A copy of the evaluation requests and records of consultation must be provided to the IEPA. If recommendations and/or conditions are issued, the loan applicant must agree to the conditions and to include them in the bidding and construction contract documents before a loan is issued. See Item No. 6 for a list of secondary impacts. Contact information for DWQMAs is below.

Chicago Metropolitan Agency for Planning (CMAP)
233 South Wacker Drive
Suite 800
Chicago, Illinois 60606
(312) 454-0400
<https://www.cmap.illinois.gov/>

Counties: Cook, DuPage, Kane,
Kendall, Lake, McHenry, Will

Greater Egypt Regional Planning & Development Commission
3000 West DeYoung St.
Suite 800B-3
Marion, Illinois 62959
(618) 997-9351
<http://greateregypt.org/>

Counties: Franklin,
Jefferson, Jackson,
Perry, Williamson

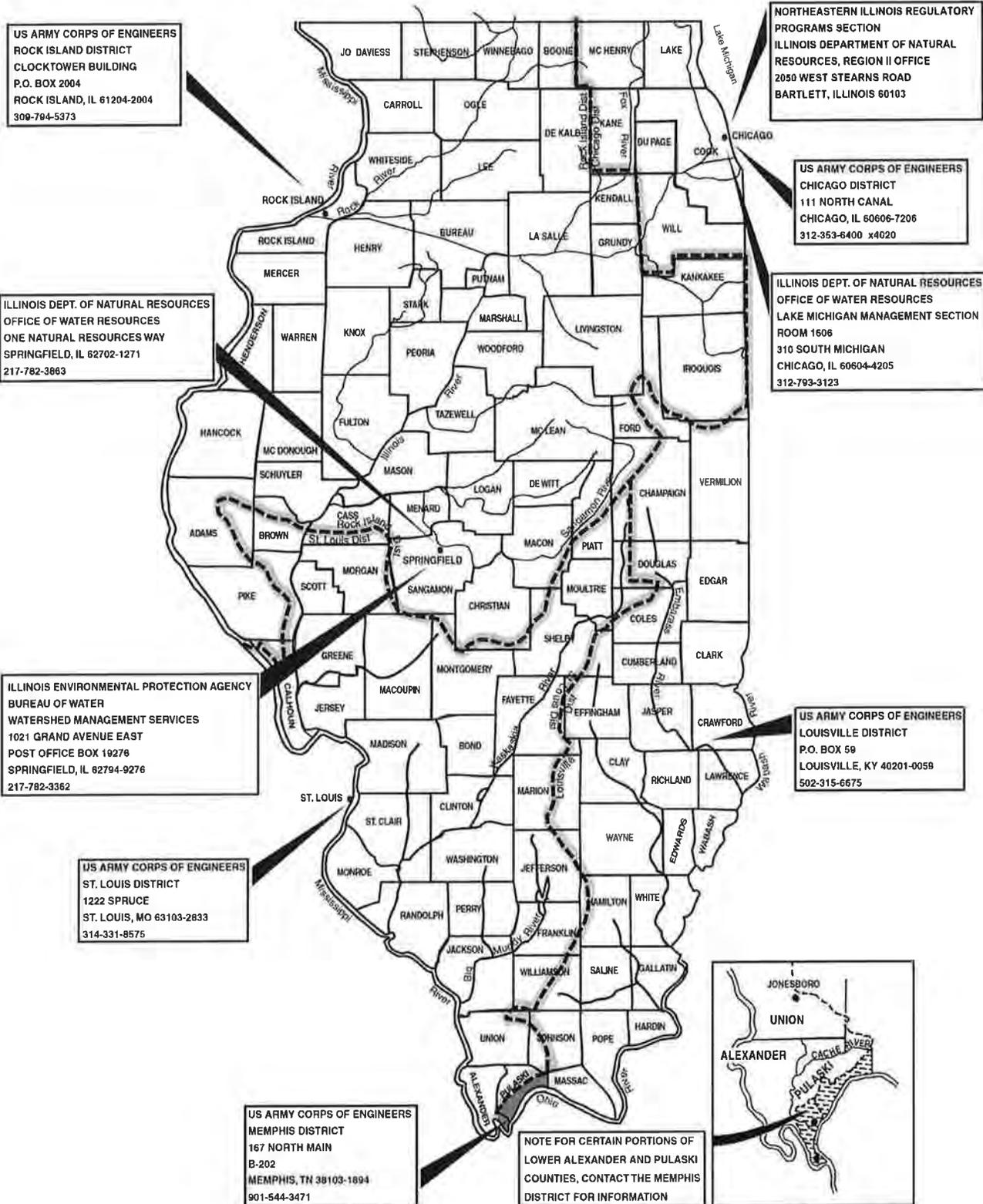
Southwestern Illinois Metropolitan and Regional Planning
Commission
10025 Bunkum Road, #201
Fairview Heights, Illinois 62208
(618) 344-4250
<https://simapc.org/>

Counties: Bond, Clinton, Madison
Monroe, Randolph, St. Clair,
Washington

The remainder of this page is blank. Continue to following pages for Attachment A maps.

Attachment A

REGULATORY JURISDICTIONAL BOUNDARIES



ATTACHMENT B

**Chicago Metropolitan Agency for Planning (CMAP)
Counties: Cook, DuPage,
Kane, Kendall, Lake,
McHenry, Will**



**Southwestern Illinois
Planning Commission
Counties: Bond, Clinton,
Madison, Monroe,
Randolph, St. Clair,
Washington**

**Greater Egypt Regional Planning &
Development Commission
Counties: Franklin, Jackson,
Jefferson, Perry, Williamson**

JOINT APPLICATION FORM FOR ILLINOIS

ITEMS 1 AND 2 FOR AGENCY USE

1. Application Number	2. Date Received
-----------------------	------------------

3. and 4. (SEE SPECIAL INSTRUCTIONS) NAME, MAILING ADDRESS AND TELEPHONE NUMBERS

3a. Applicant's Name: Village of Itasca Company Name (if any): Address: 550 W. Irving Park Road Itasca, IL 60143 Email Address: jflowers@reltd.com	3b. Co-Applicant/Property Owner Name (if needed or if different from applicant): Company Name (if any): Address: Email Address:	4. Authorized Agent (an agent is not required): Company Name (if any): Address: Email Address:
Applicant's Phone Nos. w/area code Business: 815-412-2015 Residence: Cell: 224-388-1420 Fax:	Applicant's Phone Nos. w/area code Business: Residence: Cell: Fax:	Agent's Phone Nos. w/area code Business: Residence: Cell: Fax:

STATEMENT OF AUTHORIZATION

I hereby authorize _____ to act in my behalf as my agent in the processing of this application and to furnish, upon request, supplemental information in support of this permit application.

_____ Applicant's Signature _____ Date _____

5. ADJOINING PROPERTY OWNERS (Upstream and Downstream of the water body and within Visual Reach of Project)

Name	Mailing Address	Phone No. w/area code
a.		
b.		
c.		
d.		

6. PROJECT TITLE:
Village of Itasca Lead Service Line Replacements

7. PROJECT LOCATION:
 Village of Itasca East of I-290 and south of North Ave.

LATITUDE: 41.97 °N LONGITUDE: 88.00 °W	UTM's Northing: 4,647,497.39 Easting: 416,545.24										
STREET, ROAD, OR OTHER DESCRIPTIVE LOCATION Area bounded by North Ave, Prospect Ave, I-290, and George St.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 15%;">LEGAL DESCRIPT</th> <th style="width: 15%;">QUARTER</th> <th style="width: 15%;">SECTION</th> <th style="width: 15%;">TOWNSHIP NO.</th> <th style="width: 15%;">RANGE</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">7,8,17,18</td> <td style="text-align: center;">40N</td> <td style="text-align: center;">11E</td> </tr> </table>	LEGAL DESCRIPT	QUARTER	SECTION	TOWNSHIP NO.	RANGE			7,8,17,18	40N	11E
LEGAL DESCRIPT	QUARTER	SECTION	TOWNSHIP NO.	RANGE							
		7,8,17,18	40N	11E							
<input checked="" type="checkbox"/> IN OR <input type="checkbox"/> NEAR CITY OF TOWN (check appropriate box) Municipality Name Village of Itasca	WATERWAY Spring Brook	RIVER MILE (if applicable)									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">COUNTY</th> <th style="width: 20%;">STATE</th> <th style="width: 50%;">ZIP CODE</th> </tr> <tr> <td>DuPage</td> <td>IL</td> <td>60143</td> </tr> </table>	COUNTY	STATE	ZIP CODE	DuPage	IL	60143					
COUNTY	STATE	ZIP CODE									
DuPage	IL	60143									

8. PROJECT DESCRIPTION (Include all features):

Work consists of lead water service replacement for residential homes partially in overbank floodplain areas per the effective FIRM, with ponding depths generally 1' or less. Work locations are outside of floodway and wetland areas. Work is temporary in nature and limited equipment and material storage is anticipated, just to facilitate service replacement. Existing grades will be maintained with no fill proposed within the floodplain.

Construction will take place within developed street Right of Ways and the front yards of existing homes. Two excavations will be made, one at the water main and one at the corporation stop. Both excavations are expected to be 5'x5'x5'. Both excavations will be restored to existing conditions. Inlet filters will be installed in all adjacent stormwater inlets and catch basins.

9. PURPOSE AND NEED OF PROJECT:

To eliminate public health risks of lead water services.

COMPLETE THE FOLLOWING FOUR BLOCKS IF DREDGED AND/OR FILL MATERIAL IS TO BE DISCHARGED

10. REASON(S) FOR DISCHARGE:

11. TYPE(S) OF MATERIAL BEING DISCHARGED AND THE AMOUNT OF EACH TYPE IN CUBIC YARDS FOR WATERWAYS:

TYPE:

AMOUNT IN CUBIC YARDS:

12. SURFACE AREA IN ACRES OF WETLANDS OR OTHER WATERS FILLED (See Instructions)

13. DESCRIPTION OF AVOIDANCE, MINIMIZATION AND COMPENSATION (See instructions)

14. Date activity is proposed to commence
10/31/2021

Date activity is expected to be completed
10/31/2023

15. Is any portion of the activity for which authorization is sought now complete? Yes No

Month and Year the activity was completed

NOTE: If answer is "YES" give reasons in the Project Description and Remarks section. Indicate the existing work on drawings.

16. List all approvals or certification and denials received from other Federal, interstate, state, or local agencies for structures, construction, discharges or other activities described in this application.

<u>Issuing Agency</u>	<u>Type of Approval</u>	<u>Identification No.</u>	<u>Date of Application</u>	<u>Date of Approval</u>	<u>Date of Denial</u>
IDNR EcoCAT	State Revolving Fund Consult	2103058	8/18/20	8/21/20	
IDNR Historic Preservation	State Revolving Fund Consult		8/26/20		

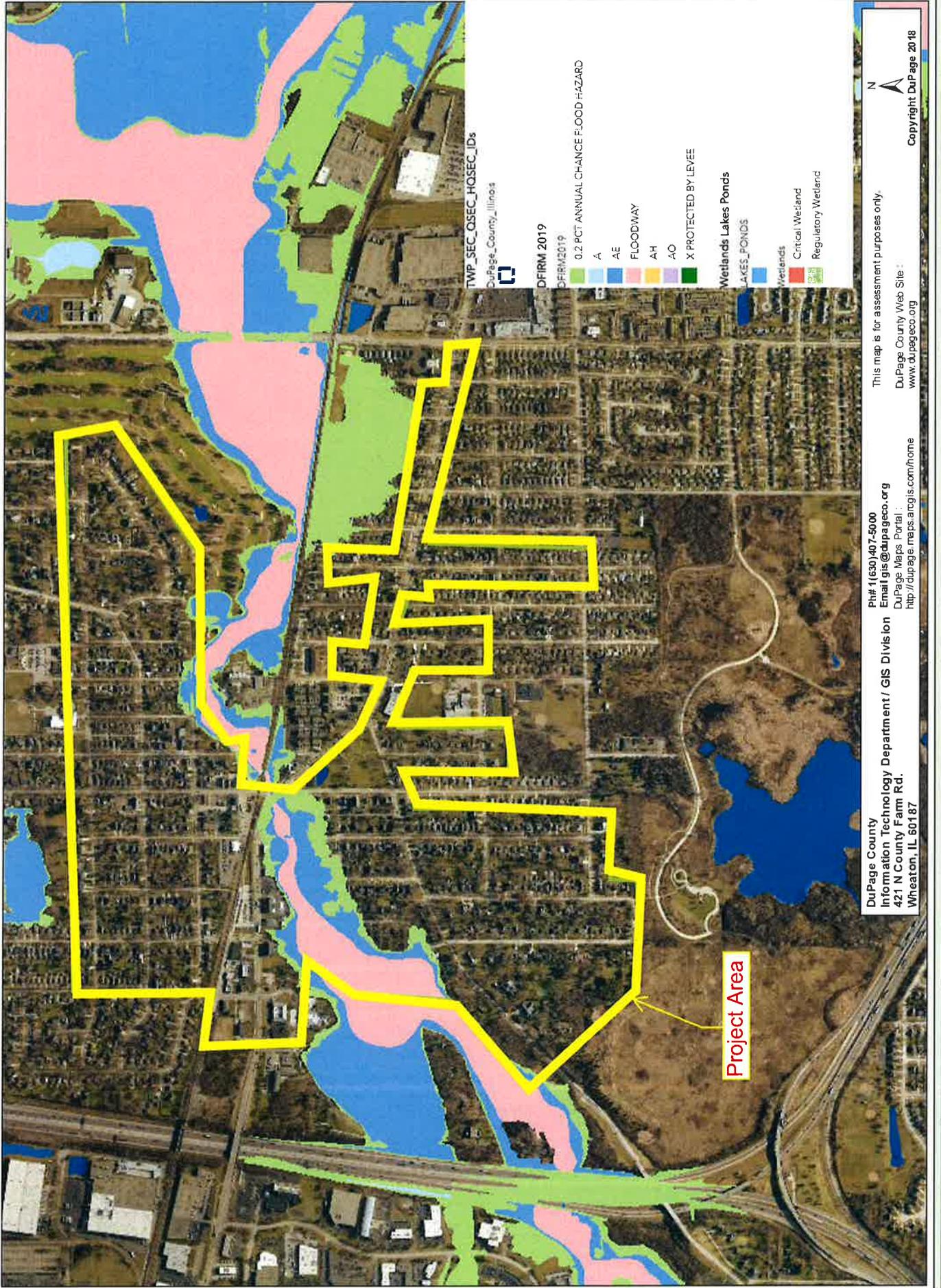
17. CONSENT TO ENTER PROPERTY LISTED IN PART 7 ABOVE IS HEREBY GRANTED. Yes No

18. APPLICATION VERIFICATION (SEE SPECIAL INSTRUCTIONS)

Application is hereby made for the activities described herein. I certify that I am familiar with the information contained in the application, and that to the best of my knowledge and belief, such information is true, complete, and accurate. I further certify that I possess the authority to undertake the proposed activities.

_____ Signature of Applicant or Authorized Agent	_____ Date
_____ Signature of Applicant or Authorized Agent	_____ Date
_____ Signature of Applicant or Authorized Agent	_____ Date

- Corps of Engineers Revised 2010
 IL Dep't of Natural Resources
 IL Environmental Protection Agency
 Applicant's Copy



This map is for assessment purposes only.
DuPage County Web Site:
www.dupageco.org

Ph# 1(630)407-5000
Email gis@dupageco.org
DuPage Maps Portal:
<http://dupage.maps.arcgis.com/home>

DuPage County
Information Technology Department / GIS Division
421 N County Farm Rd.
Wheaton, IL 60187

Project Area

Copyright DuPage 2018



Wetlands Lakes Ponds

LAKES_PONDS

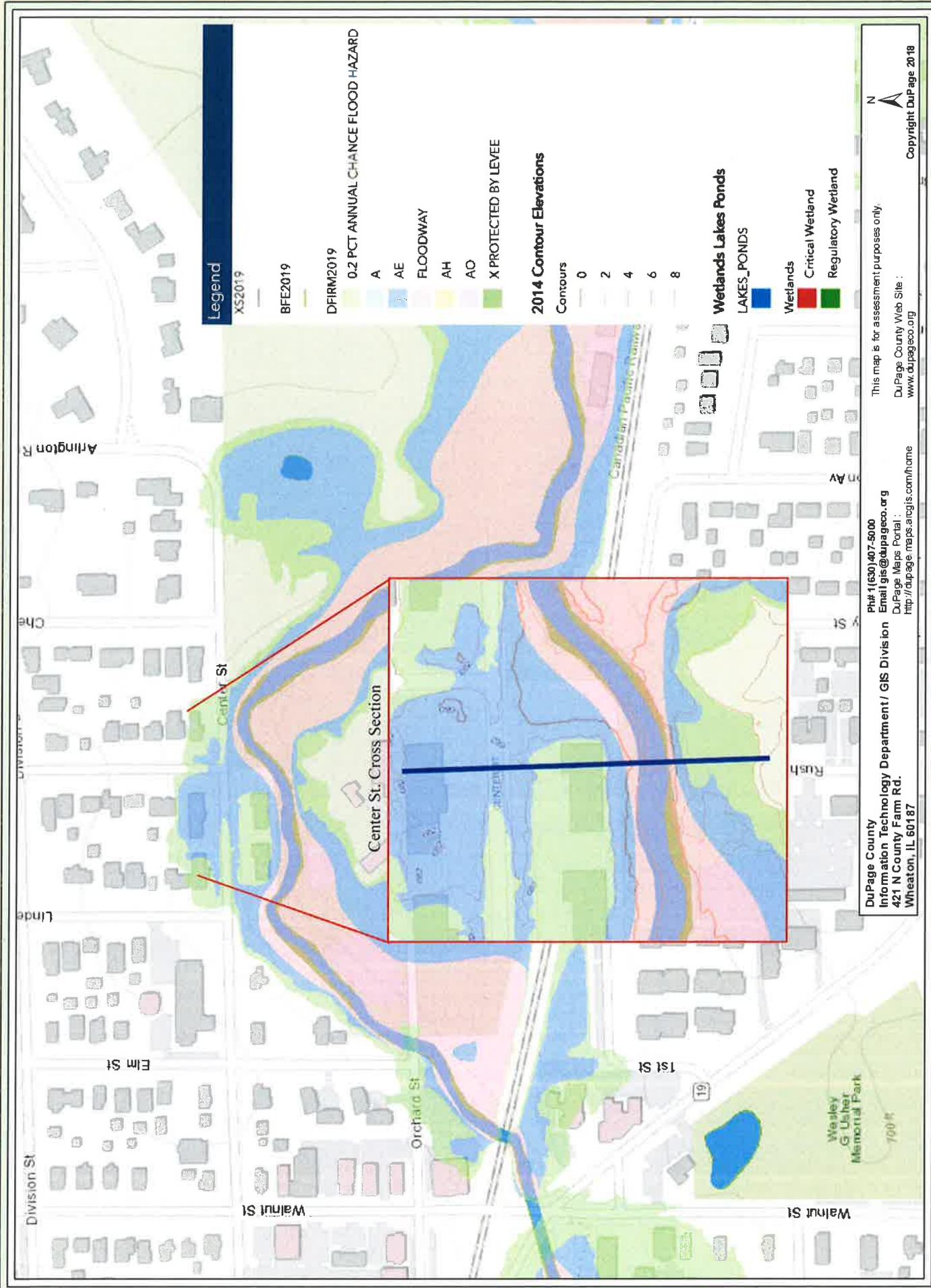
- Wetlands
- Critical Wetland
- Regulatory Wetland



This map is for assessment purposes only.
DuPage County Web Site :
www.dupageco.org

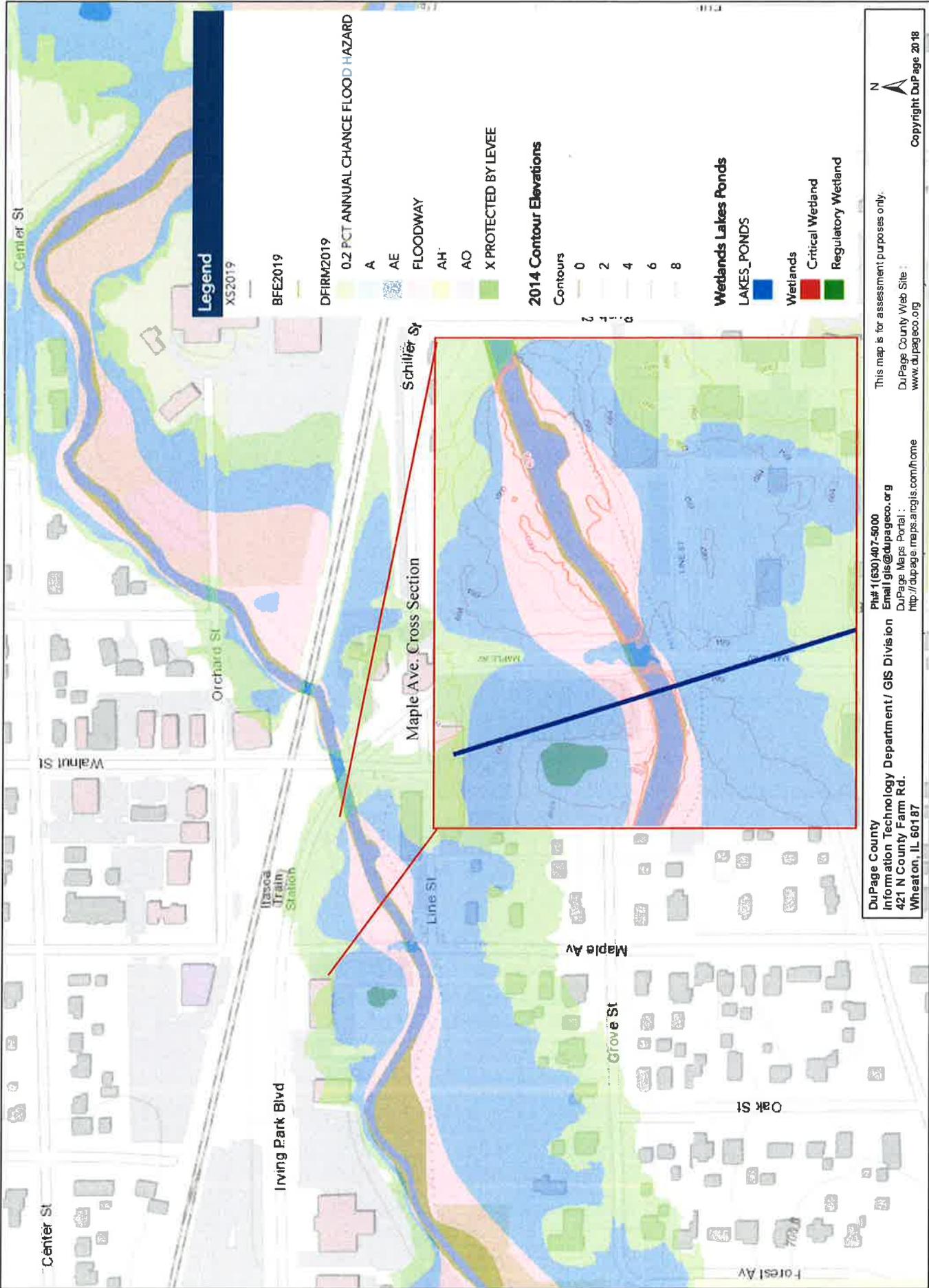
Phone: (630) 407-5000
Email: gis@dupageco.org
DuPage Maps Portal :
<http://dupage.maps.arcgis.com/home>

DuPage County
Information Technology Department / GIS Division
421 N County Farm Rd.
Wheaton, IL 60187



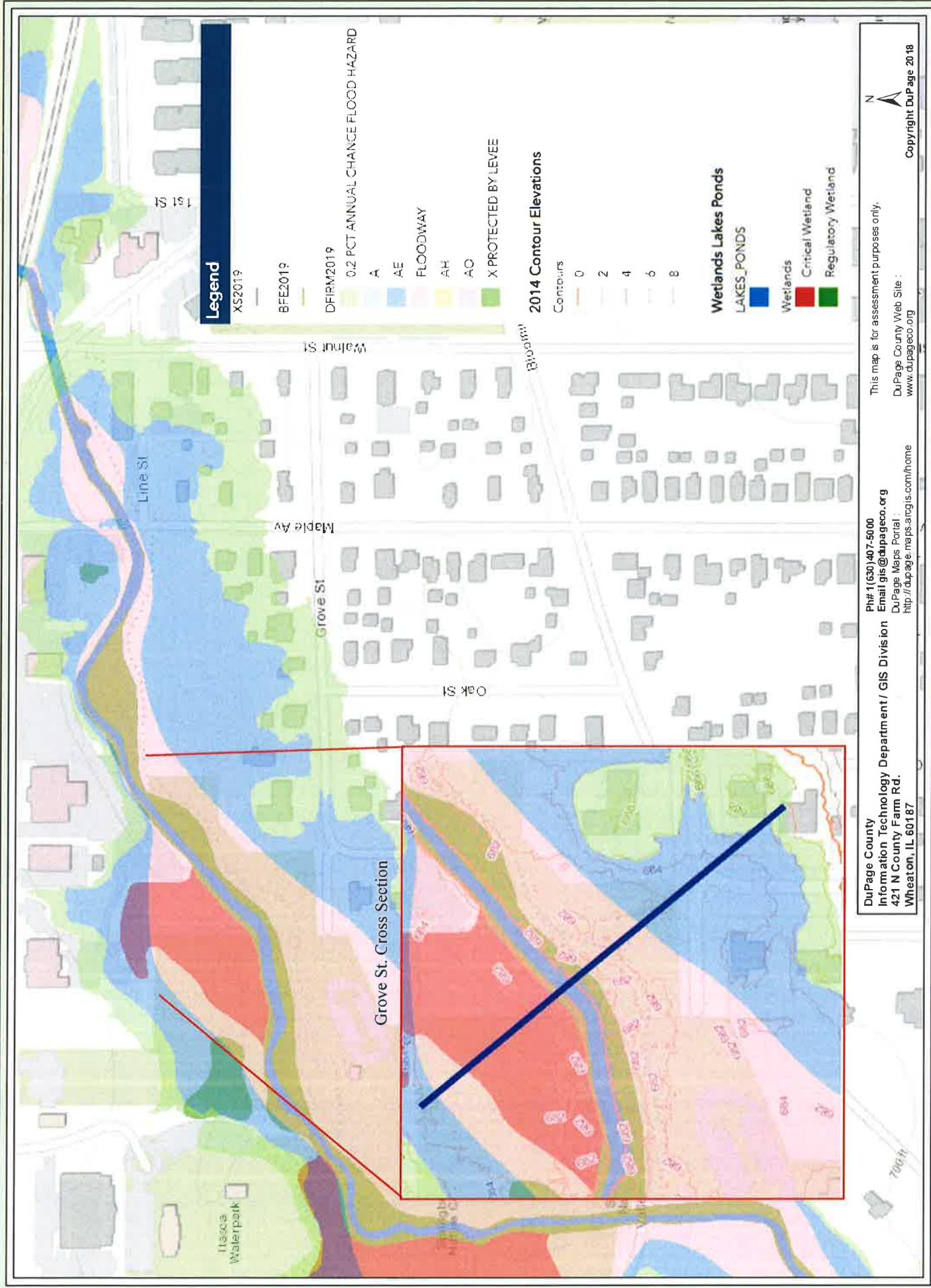
This map is for assessment purposes only
DuPage County Web Site : www.dupageco.org
Copyright DuPage 2018

DuPage County
Information Technology Department / GIS Division
421 N County Farm Rd.
Wheaton, IL 60187
Ph# 1(630)407-5000
Email gis@dupageco.org
DuPage Maps Portal : <http://dupage.maps.arcgis.com/home>



This map is for assessment purposes only.
 DuPage County Web Site : www.dupageco.org
 Copyright DuPage 2018

DuPage County Information Technology Department / GIS Division
 421 N County Farm Rd.
 Wheaton, IL 60187
 Phone: 1 (630) 407-5000
 Email: gis@dupageco.org
 DuPage Maps Portal : <http://dupage.maps.arcgis.com/home>



Legend

- X52019
- BFE2019
- DFIRM2019
- 0.2 PCT ANNUAL CHANCE FLOOD HAZARD
- A
- AE
- FLOODWAY
- AH
- AO
- X PROTECTED BY LEVEE

2014 Contour Elevations

- Contours
- 0
- 2
- 4
- 6
- 8

Wetlands Lakes Ponds

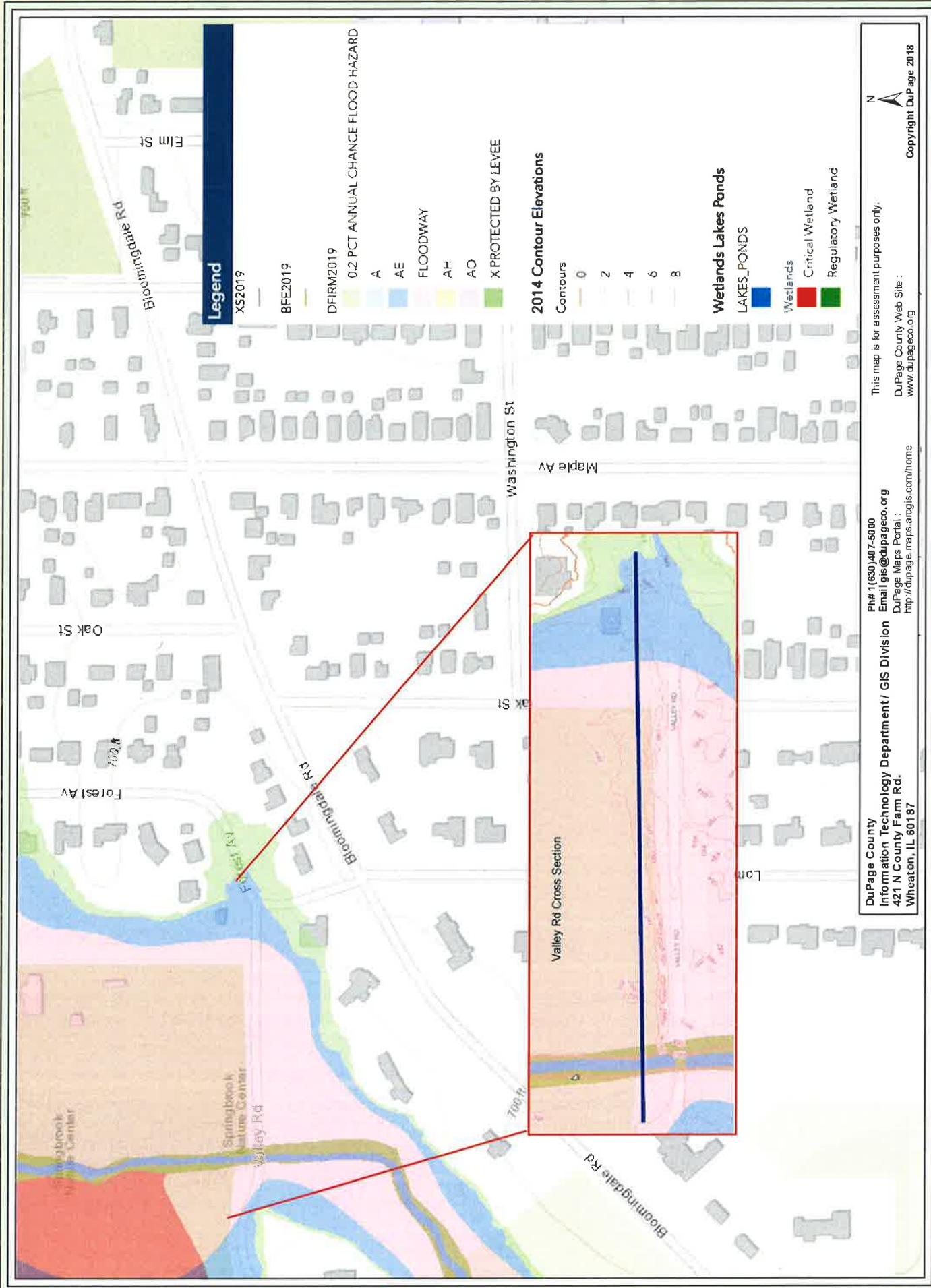
- LAKES_PONDS
- Wetlands
- Critical Wetland
- Regulatory Wetland

DuPage County
Information Technology Department / GIS Division
421 N County Farm Rd.
Wheaton, IL 60187

Ph: 1(630)407-5000
Email: gis@dupageco.org
DuPage Maps Portal:
<http://dupage.maps.arcgis.com/home>

This map is for assessment purposes only.
DuPage County Web Site:
www.dupageco.org





Legend

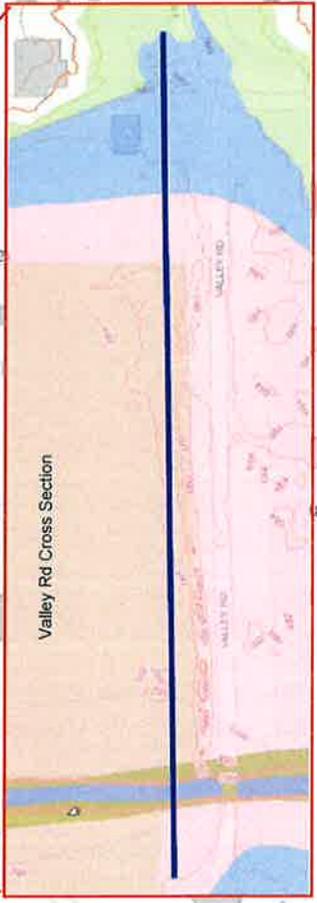
- XS2019
- BFE2019
- DFIRM2019
- 0.2 PCT ANNUAL CHANCE FLOOD HAZARD
- A
- AE
- FLOODWAY
- AH
- AO
- X PROTECTED BY LEVEE

2014 Contour Elevations

- Contours
- 0
- 2
- 4
- 6
- 8

Wetlands Lakes Ponds

- LAKES_PONDS
- Wetlands
- Critical Wetland
- Regulatory Wetland



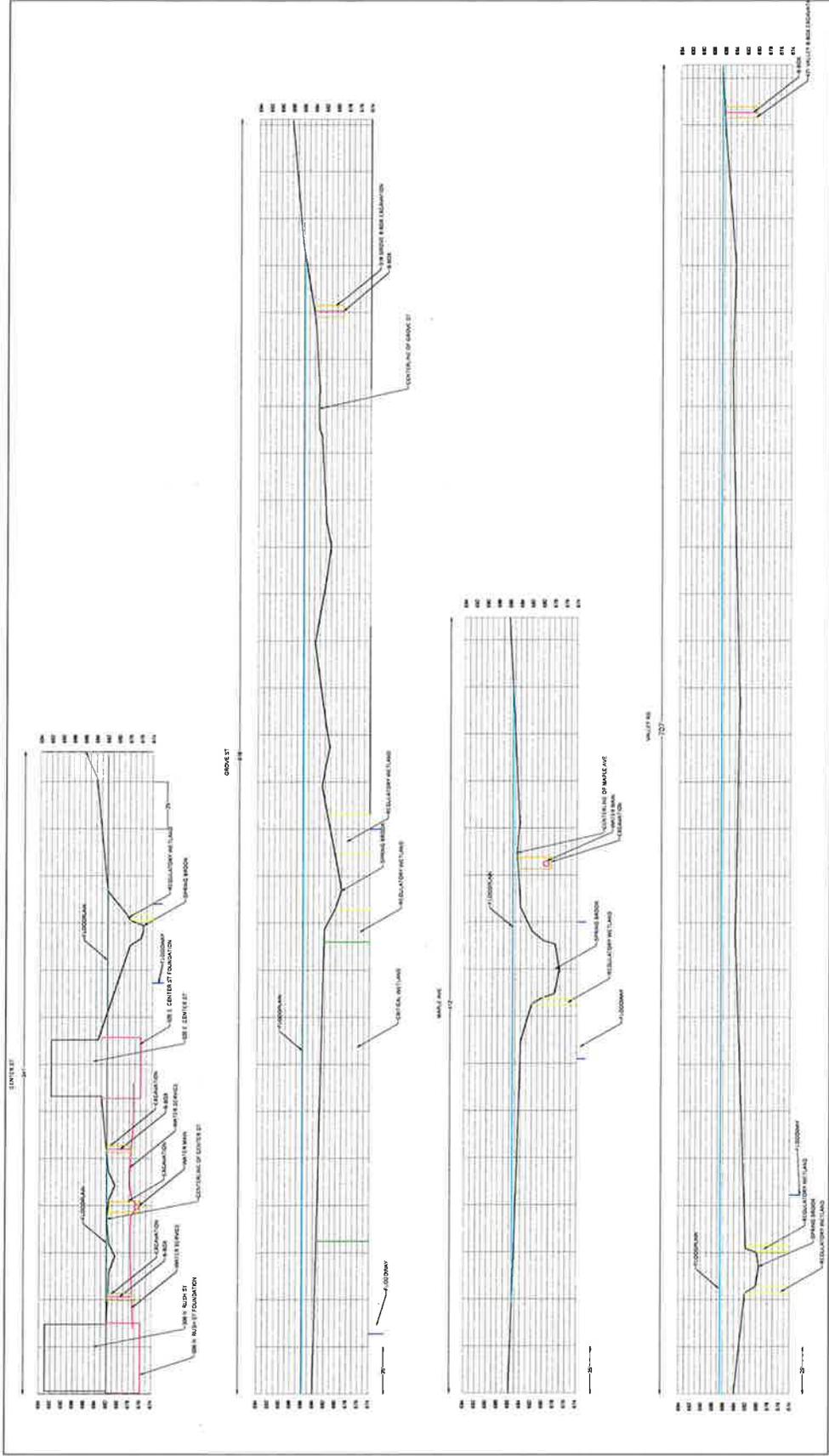
DuPage County
 Information Technology Department / GIS Division
 421 N County Farm Rd.
 Wheaton, IL 60187

Ph# 1(630)407-5000
 Email gis@dupageco.org
 DuPage Maps Portal:
<http://dupage.maps.arcgis.com/home>

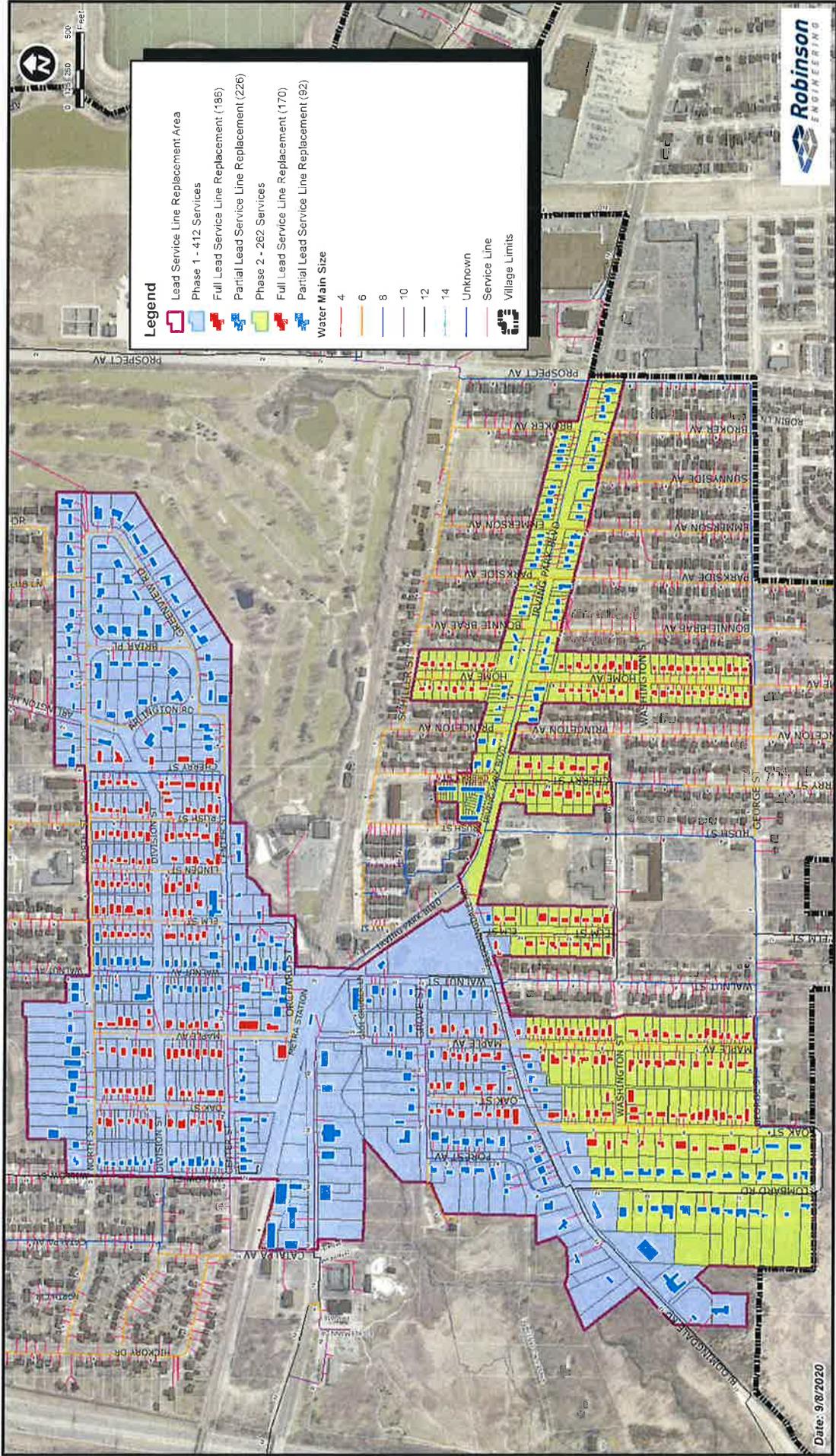
This map is for assessment purposes only.
 DuPage County Web Site:
www.dupageco.org

VILLAGE of ITASCA

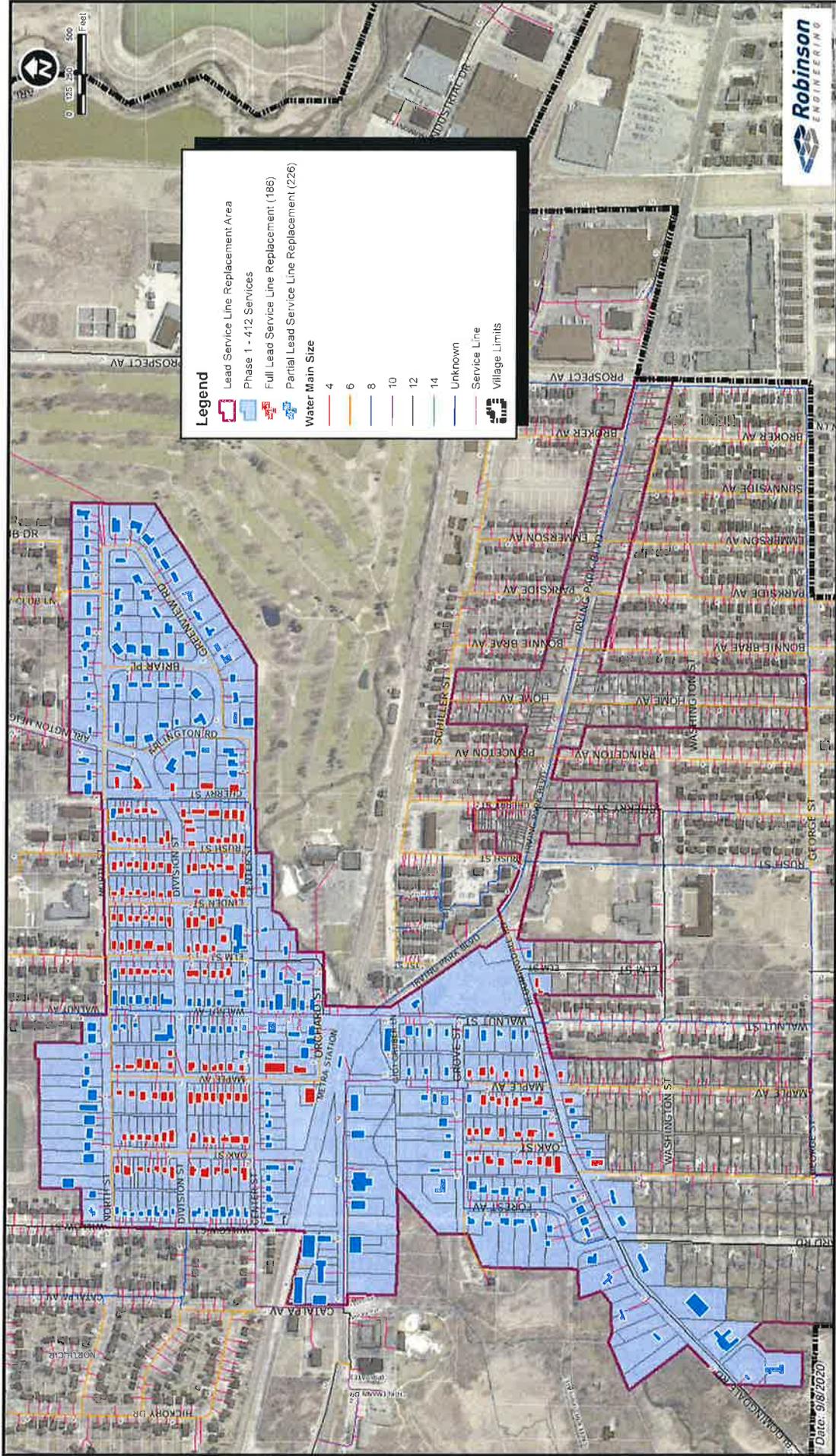
LEAD SERVICE LINE REPLACEMENTS JOINT PERMIT APPLICATION - CROSS SECTIONS



Village of Itasca Lead Service Line Replacement Program 2020



Village of Itasca Lead Service Line Replacement Program 2020 - Phase I





Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
<http://dnr.state.il.us>

JB Pritzker, Governor

Colleen Callahan, Director

August 21, 2020

Jonathan Flowers
Village of Itasca
127 N Walnut #200
Itasca, IL 60143

RE: Village of Itasca Lead Service Line Replacements
Project Number(s): 2103058 [20-R0354]
County: DuPage

Dear Applicant:

This letter is in reference to the project you recently submitted for consultation. The natural resource review provided by EcoCAT identified protected resources that may be in the vicinity of the proposed action. The Department has evaluated this information and concluded that adverse effects are unlikely. Therefore, consultation under 17 Ill. Adm. Code Part 1075 and 1090 is terminated.

Consultation for Part 1075 is valid for two years unless new information becomes available that was not previously considered; the proposed action is modified; or additional species, essential habitat, or Natural Areas are identified in the vicinity. If the project has not been implemented within two years of the date of this letter, or any of the above listed conditions develop, a new consultation is necessary. Consultation for Part 1090 (Interagency Wetland Policy Act) is valid for three years.

The natural resource review reflects the information existing in the Illinois Natural Heritage Database and the Illinois Wetlands Inventory at the time of the project submittal, and should not be regarded as a final statement on the site being considered, nor should it be a substitute for detailed site surveys or field surveys required for environmental assessments. If additional protected resources are encountered during the project's implementation, you must comply with the applicable statutes and regulations. Also, note that termination does not imply IDNR's authorization or endorsement of the proposed action.

Please contact me if you have questions regarding this review.

Brian Willard
Division of Ecosystems and Environment
217-785-5500

Applicant: Village of Itasca
Contact: Jonathan Flowers
Address: 127 N Walnut #200
Itasca, IL 60143

IDNR Project Number: 2103058
Date: 08/18/2020
Alternate Number: 20-R0354

Project: Village of Itasca Lead Service Line Replacements
Address: 127 N Walnut #200, Itasca

Description: Replacement of lead water services with new copper pipe, replacement of water meters.

Natural Resource Review Results

Consultation for Endangered Species Protection and Natural Areas Preservation (Part 1075)

The Illinois Natural Heritage Database shows the following protected resources may be in the vicinity of the project location:

Songbird Slough INAI Site
Black-Crowned Night Heron (*Nycticorax nycticorax*)

Wetland Review (Part 1090)

The Illinois Wetlands Inventory shows wetlands within 250 feet of the project location.

An IDNR staff member will evaluate this information and contact you to request additional information or to terminate consultation if adverse effects are unlikely.

Location

The applicant is responsible for the accuracy of the location submitted for the project.

County: DuPage

Township, Range, Section:

40N, 11E, 7
40N, 11E, 8
40N, 11E, 17
40N, 11E, 18



IL Department of Natural Resources
Contact
Brian Willard
217-785-5500
Division of Ecosystems & Environment

Government Jurisdiction
IL Environmental Protection Agency
Heidi Allen
1021 Grand Avenue East
PO Box 19276
Springfield, Illinois 62794 -9276

Disclaimer

The Illinois Natural Heritage Database cannot provide a conclusive statement on the presence, absence, or condition of natural resources in Illinois. This review reflects the information existing in the Database at the time of this inquiry, and should not be regarded as a final statement on the site being considered, nor should it be a substitute for detailed site surveys or field surveys required for environmental assessments. If additional protected resources are encountered during the project's implementation, compliance with applicable statutes and regulations is required.

Terms of Use

By using this website, you acknowledge that you have read and agree to these terms. These terms may be revised by IDNR as necessary. If you continue to use the EcoCAT application after we post changes to these terms, it will mean that you accept such changes. If at any time you do not accept the Terms of Use, you may not continue to use the website.

1. The IDNR EcoCAT website was developed so that units of local government, state agencies and the public could request information or begin natural resource consultations on-line for the Illinois Endangered Species Protection Act, Illinois Natural Areas Preservation Act, and Illinois Interagency Wetland Policy Act. EcoCAT uses databases, Geographic Information System mapping, and a set of programmed decision rules to determine if proposed actions are in the vicinity of protected natural resources. By indicating your agreement to the Terms of Use for this application, you warrant that you will not use this web site for any other purpose.
2. Unauthorized attempts to upload, download, or change information on this website are strictly prohibited and may be punishable under the Computer Fraud and Abuse Act of 1986 and/or the National Information Infrastructure Protection Act.
3. IDNR reserves the right to enhance, modify, alter, or suspend the website at any time without notice, or to terminate or restrict access.

Security

EcoCAT operates on a state of Illinois computer system. We may use software to monitor traffic and to identify unauthorized attempts to upload, download, or change information, to cause harm or otherwise to damage this site. Unauthorized attempts to upload, download, or change information on this server is strictly prohibited by law.

Unauthorized use, tampering with or modification of this system, including supporting hardware or software, may subject the violator to criminal and civil penalties. In the event of unauthorized intrusion, all relevant information regarding possible violation of law may be provided to law enforcement officials.

Privacy

EcoCAT generates a public record subject to disclosure under the Freedom of Information Act. Otherwise, IDNR uses the information submitted to EcoCAT solely for internal tracking purposes.



Illinois Department of Natural Resources

JB Pritzker, Governor
Colleen Callahan, Director

www.dnr.illinois.gov

Mailing address: State Historic Preservation Office, 1 Old State Capitol Plaza, Springfield, IL 62701

DuPage County
Itasca
Various locations throughout village
IEPA LOAN, RE-20-R0354
Water main replacement/lead line service lines

PLEASE REFER TO: SHPO LOG #002082620

September 9, 2020

Jonathan Flowers
Robinson Engineering
10045 West Lincoln Highway
Frankfort, IL 60423-1272

Dear Mr. Flowers:

We have reviewed the documentation submitted for the referenced project(s) in accordance with 36 CFR Part 800.4. Based upon the information provided, no historic properties are affected. We, therefore, have no objection to the undertaking proceeding as planned.

Please retain this letter in your files as evidence of compliance with section 106 of the National Historic Preservation Act of 1966, as amended. This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you are an applicant, please submit a copy of this letter to the state or federal agency from which you obtain any permit, license, grant, or other assistance. If further assistance is needed contact Jeff Kruchten, Chief Archaeologist at 217/785-1279 or Jeffery.kruchten@illinois.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert F. Appleman".

Robert F. Appleman
Deputy State Historic
Preservation Officer

APPENDIX 5
DETAILED COST ESTIMATE

Project Plan

Public Water Supply Loan Program

Lead Service Line Replacement

Village of Itasca



Municipal Expertise. Community Commitment.

SCHEDULE OF PRICES

Local Agency	Village of Itasca
Location	See Map
Description	Year #1 Lead Service Replacements - Preliminary Estimate of Cost

The undersigned submits herewith his schedule of prices covering the work to be performed under this contract; he understands that he must show in the schedule the unit prices for which he proposes to perform each item of work; that the extensions must be made by him, and if not so done, his proposal may be rejected as irregular.

Schedule for Single Bid

(For complete information covering these items, see plans and specifications.)

Bidder's Proposal for making Entire Improvements					
Item No.	Items	Unit	Quantity	Unit Price	Total
1	FULL LEAD WATER SERVICE REPLACEMENT	EACH	223	\$8,500.00	\$ 1,895,500.00
2	PARTIAL LEAD WATER SERVICE REPLACEMENT	EACH	210	\$5,500.00	\$ 1,155,000.00
3	EXPLORATORY EXCAVATION	EACH	50	\$500.00	\$ 25,000.00
4	INLET FILTERS	EACH	150	\$250.00	\$ 37,500.00
5	NON-SPECIAL WASTE DISPOSAL	CUYD	40	\$78.00	\$ 3,120.00
6	SANITARY SEWER SERVICE ADJUSTMENT	EACH	5	\$1,500.00	\$ 7,500.00

Subtotal	\$ 3,123,620.00
Subtotal Rounded-Up	\$ 3,130,000.00
Contingency (10%)	\$ 313,000.00
Design Engineering	\$ 247,000.00
Construction Engineering	\$ 310,000.00
Total Cost	\$ 4,000,000.00



Municipal Expertise. Community Commitment.

SCHEDULE OF PRICES

Local Agency	Village of Itasca
Location	See Map
Description	Year #1 Lead Service Replacements - Preliminary Estimate of Cost

The undersigned submits herewith his schedule of prices covering the work to be performed under this contract; he understands that he must show in the schedule the unit prices for which he proposes to perform each item of work; that the extensions must be made by him, and if not so done, his proposal may be rejected as irregular.

Schedule for Single Bid

(For complete information covering these items, see plans and specifications.)

Bidder's Proposal for making Entire Improvements					
Item No.	Items	Unit	Quantity	Unit Price	Total
1	FULL LEAD WATER SERVICE REPLACEMENT	EACH	133	\$8,500.00	\$ 1,130,500.00
2	PARTIAL LEAD WATER SERVICE REPLACEMENT	EACH	108	\$5,500.00	\$ 594,000.00
3	EXPLORATORY EXCAVATION	EACH	30	\$500.00	\$ 15,000.00
4	INLET FILTERS	EACH	80	\$250.00	\$ 20,000.00
5	NON-SPECIAL WASTE DISPOSAL	CUYD	20	\$78.00	\$ 1,560.00
6	SANITARY SEWER SERVICE ADJUSTMENT	EACH	5	\$1,500.00	\$ 7,500.00

Subtotal	\$ 1,768,560.00
Subtotal Rounded-Up	\$ 1,769,000.00
Contingency (10%)	\$ 176,900.00
Design Engineering	\$ -
Construction Engineering	\$ 190,000.00
Total Cost	\$ 2,135,900.00

APPENDIX 6
SAFE DRINKING WATER INFORMATION SYSTEM (SDWIS) VIOLATION REPORT

Project Plan

Public Water Supply Loan Program

Lead Service Line Replacement

Village of Itasca

Drinking Water Branch

Return Links

[Water System Detail](#)

[Water Systems](#)

[Water System
Search](#)

[County Map](#)

[Glossary](#)

Violations

Water System No. :	IL0430500	Federal Type :	C
Water System Name :	ITASCA	State Type :	C
Principal County Served :	DU PAGE	Primary Source :	SWP
Status :	A	Activity Date :	01-01-1926

****Please note: some of these violations may have been resolved and/or returned to compliance. Please click on the violation to view more information on its compliance status.**

Group Violations

Violation No.	Status	Violation Type	Violation Name	Analyte Group Code	Analyte Group Name	Water System Facility State Asgn ID	Water System Facility Name
2018-55149	V	27	MONITORING, ROUTINE (DBP), MAJOR	V	STAGE2 DBPR SUPART V	DISTRIBUTION	ITASCA

Total Number of Records Fetched = 1

Individual Violations

Violation No.	Status	Violation Type	Violation Name	Analyte Code	Analyte Name	Water System Facility State Asgn ID	Water System Facility Name
2011-7118282	V	22	MCL (TCR), MONTHLY	3100	COLIFORM (TCR)	null	null
2007-7118281	V	24	MONITORING (TCR), ROUTINE MINOR	3100	COLIFORM (TCR)	null	null
1992-1729292	V	51	INITIAL TAP SAMPLING (LCR)	5000	LEAD & COPPER RULE	null	null

1992-1551992	V	22	MCL (TCR), MONTHLY	3100	COLIFORM (TCR)	null	null
1990-1160290	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1989-1087689	V	02	MCL, AVERAGE	3000	COLIFORM (PRE-TCR)	null	null
1985-185	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1984-184	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1982-182	V	03	MONITORING, ROUTINE MINOR	3000	COLIFORM (PRE-TCR)	null	null
1980-7118280	V	03	MONITORING, ROUTINE MINOR	4000	GROSS ALPHA, EXCL. RADON & U	null	null
1980-1093380	V	03	MONITORING, ROUTINE MAJOR	3000	COLIFORM (PRE-TCR)	null	null

Total Number of Records Fetched = 11

APPENDIX 7
ORDINANCE AMENDING WATER SERVICE RATES AND CHARGES

Project Plan

Public Water Supply Loan Program

Lead Service Line Replacement

Village of Itasca

ORDINANCE NO. 1930-19

**AN ORDINANCE AMENDING CHAPTER 54 OF THE ITASCA
CODE OF ORDINANCES TO ESTABLISH WATER AND SEWER RATES**

WHEREAS, the Itasca Code of Ordinances Section 54.05 gives the Village of Itasca Board of Trustees authority to adopt rates to be charged for usage of the Village of Itasca's water and sewer systems; and

WHEREAS, the corporate authorities of the Village of Itasca have reviewed the existing water and sewer rates and wish to set those water and sewer rates so as to provide for the fiscal needs of its water and sewer systems; and

WHEREAS, it is the intent of the corporate authorities of the Village of Itasca that the water and sewer rates adopted shall be reviewed from time to time to determine if the rates are still appropriate for the systems' needs.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Itasca, DuPage County, Illinois, as follows:

SECTION ONE: The Itasca Code of Ordinances, § 54.03(A) (water rates) is hereby amended as follows:

“(A) The rates listed above take effect on January 1 of each respective year and are effective until December 31 of each respective year. Effective January 1, 2019, rates will be charged at an amount 5% greater than the rates charged for 2018. Effective January 1, 2020, rates will be charged at an amount 2.5% greater than the rates charged for 2019, and rates will continue to increase 5% effective January 1 of each subsequent year.”

SECTION TWO: The Itasca Code of Ordinances, § 54.04(A) (sewer rates) is hereby amended as follows:

“(A) The rates listed above take effect on January 1 of each respective year and are effective until December 31 of each respective year. Effective January 1, 2019, rates will be charged at an amount 5% greater than the rates charged for 2018. Effective January 1, 2020, rates will be charged at an amount 2.5% greater than the rates charged for 2019, and rates will continue to increase 5% effective January 1 of each subsequent year.”

SECTION THREE: SEVERABILITY. The various provisions of this Ordinance are to be considered as severable, and if any part or portion of this Ordinance shall be held invalid by any Court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Ordinance.

SECTION FOUR: REPEAL OF PRIOR ORDINANCES: All prior Ordinances and Resolutions in conflict or inconsistent herewith are hereby expressly repealed only to the extent of such conflict or inconsistency.

SECTION FIVE: EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

AYES: MAYOR PRUYN, TRUSTEES GAUAINES LEAHY LINSNER

NAYS: TRUSTEES AIANI LATORIA MADARAS

ABSENT: NONE

ABSTAIN: NONE

APPROVED and ADOPTED by the Village President and Board of Trustees of the Village of Itasca this 17th day of December, 2019.

APPROVED:



Village President Jeffery J. Pruyn

ATTEST:



Village Clerk Jody Conidi



VILLAGE OF ITASCA
Ordinance No. 1930-19

Titled:

***“AN ORDINANCE AMENDING CHAPTER 54 OF THE ITASCA
CODE OF ORDINANCES TO ESTABLISH WATER AND SEWER RATES”***

Adopted by the Village Board of the
Village of Itasca, DuPage County Illinois

This 17th day of December, 2019

Published in pamphlet form by the authority of the
Board of Trustees of the Village of Itasca, DuPage
County, Illinois this 17th December, 2019 by
Jody Conidi, Village Clerk

§ 54.04 SEWER USER SERVICE CHARGES.

Rates and charges for the use of the village sewer system are based on water meter readings of the amount of water consumed by a user. The rates and charges are as follows:

SEWER RATES & CHARGES		
<i>Calendar Year</i>	2019	2020
Monthly Minimum Charges		
up to 1" service	\$16.38	\$16.79
1.25-1.5" service	\$24.57	\$25.18
2" service	\$32.76	\$33.58
3" service	\$49.14	\$50.37
4" service	\$65.52	\$67.16
6" service	\$98.28	\$100.74
8" service	\$131.04	\$134.32
10" service	\$163.80	\$167.90
12" service	\$196.56	\$201.47
Combined Water Usage		
Rate (per 1,000 gallons)	\$10.94	\$11.21

(A) The rates listed above take effect on January 1 of each respective year and are effective until December 31 of each respective year. Effective January 1, 2019, rates will be charged at an amount 5% greater than the rates charged for 2018. Effective January 1, 2020, rates will be charged at an amount 2.5% greater than the rates charged for 2019, and rates will continue to increase 5% effective January 1 of each subsequent year.

(B) The user shall pay the listed monthly minimum charge plus the product of the water used during that month at the specified rate per 1,000 gallons. Charges are applicable in the fiscal year which the water was consumed.

(C) Non-residents. Wherever any facility, dwelling, or building uses either sewer or water, or both, and such facility, dwelling, or building is located outside the village limits, then the user or same shall pay a rate 150% of the residential rates and charges provided in this chapter.

(D) The sewer rates and charges are based on the water usage as recorded by approved water meters and/or sewage meters for waste-water having concentrations of 250 mg/l of BOD and 300 mg/l of total suspended solids.

(1) Metered usage shall be read to the lowest even increment of 100 gallons.

(2) Sewer users who obtain any portion of their water service from other than the village water supply shall install and maintain, at no expense to the village, water meters of a type approved by the Superintendent for the purpose of metering the water usage obtained from such other sources.

(3) Wherever required by the Superintendent, sewage metering devices shall be installed and maintained, at no expense to the village, when the volume of wastewater discharged to the public sewer cannot be otherwise determined by use of water meters.

(4) Metering devices shall not be removed without the consent of the Superintendent unless sewer use service is cancelled.

(E) The sewer rates and charges to be paid by all non-metered sewer users shall be equal to consumption of 10,000 gallons per month.

(F) Whenever the Superintendent determines that a non-metered sewer user is discharging more than 10,000 gallons per month, the Superintendent may require such non-metered user to install metering devices on the building water supply or building sewer to measure the volume of wastewater discharged to the public sewer.

(G) Surcharge program.

(1) A treatment service surcharge shall be levied to all non-residential users whose wastewater contains a concentration of a pollutant which exceeds a surcharge pollutant concentration threshold listed in the Village of Itasca Surcharge Policy (surcharge policy). Surchargeable pollutants include, but are not limited to:

- (a) Ammonia-nitrogen;
- (b) Biochemical oxygen demand (BOD);
- (c) Fats, oils, and grease (FOG);
- (d) Phosphorus; and/or
- (e) Total suspended solids (TSS).

(2) A surcharge is applicable to the mass of pollutant discharged above the surcharge pollutant concentration threshold.

(3) The village retains the ability to waive the surcharge fee for one or more pollutants.

(4) Pollutant concentrations in a non-residential user's wastewater shall be determined by wastewater sampling performed in accordance with techniques prescribed in the Code of Federal Regulations Title 40 Part 136. Sampling and analysis shall be conducted as often as deemed necessary by the Superintendent and shall be binding as the basis for calculating the surcharge.

(5) The appropriate flow measurement devices and methods consistent with approved scientific practices shall be selected and used to ensure the accuracy and reliability of measurements of the volume of monitored discharges. The devices used to monitor flow are subject to the approval of the village and shall be installed, calibrated, and maintained to ensure that the accuracy of the measurements is consistent with the accepted capability of that type of device. Devices selected shall be capable of measuring flows with a maximum deviation of less than 10% from true discharge rates throughout the range of expected discharge volumes.

(6) The surcharge rates are contained in the surcharge policy and shall be reviewed at the discretion of the village. Proposed modifications to surcharge rates shall be approved by the Director, Superintendent, and the Village Finance Director.

(7) The village shall make a written or digital copy of the current version of the surcharge policy available, within a reasonable amount of time, upon the request of a non-residential user of the village water supply and POTW who is, or in the opinion of the village has the possibility to be, subject to the surcharge program. A user desiring a copy of the surcharge policy should contact Village Hall.

(Ord. 695, passed 5-22-90; Am. Ord. 1550-10, passed 11-2-10; Am. Ord. 1570-11, passed 4-19-11; Am. Ord. 1596-11, passed 12-13-11; Am. Ord. 1709-14, passed 10-21-14; Am. Ord. 1784-15, passed 12-15-15; Am. Ord. 1805-16, passed 6-7-16; Am. Ord. 1815-16, passed 9-6-16; Am. Ord. 1930-19, passed 12-17-19) Penalty, see § 54.99

§ 54.03 WATER USER SERVICE CHARGES.

Rates and charges for the use of and for the service supplied by the village waterworks, are based on water meter readings of the amount of water consumed and the size of the service pipe providing water to the user. The rates and charges are as follows:

WATER RATES & CHARGES		
<i>Calendar Year</i>	2019	2020
Monthly Minimum Charges		
up to 1" service	\$13.96	\$14.31
1.25-1.5" service	\$20.94	\$21.46
2" service	\$27.91	\$28.61
3" service	\$41.87	\$42.92
4" service	\$55.82	\$57.21
6" service	\$83.73	\$85.82
8" service	\$111.64	\$114.43
10" service	\$139.55	\$143.03
12" service	\$167.46	\$171.65
Combined Water Usage		
Rate (per 1,000 gallons)	\$11.45	\$11.73

(A) The rates listed above take effect on January 1 of each respective year and are effective until December 31 of each respective year. Effective January 1, 2019, rates will be charged at an amount 5% greater than the rates charged for 2018. Effective January 1, 2020, rates will be charged at an amount 2.5% greater than the rates charged for 2019, and rates will continue to increase 5% effective January 1 of each subsequent year.

(B) The user shall pay the listed monthly minimum charge for the service diameter specified plus the product of the water used during that month at the rate per 1,000 gallons.

(C) Non-residents. Wherever any facility, dwelling or building uses either sewer or water, or both, and such facility, dwelling or building is located outside the village limits, then the user or same shall pay a rate 150% of the residential rates and charges provided in this chapter.

(Ord. 695, passed 5-22-90; Am. Ord. 733, passed 10-22-91; Am. Ord. 791-93, passed 7-20-93; Am. Ord. 1550-10, passed 11-2-10; Am. Ord. 1570-11, passed 4-19-11; Am. Ord. 1596-11, passed 12-13-11; Am. Ord. 1709-14, passed 10-21-14; Am. Ord. 1784-15, passed 12-15-15; Am. Ord. 1805-16, passed 6-7-16; Am. Ord. 1815-16, passed 9-6-16; Am. Ord. 1930-19, passed 12-17-19) Penalty, see § 54.99

APPENDIX 8
ANNUAL FINANCIAL REPORT



VILLAGE OF ITASCA, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2019



SIKICH.COM

VILLAGE OF ITASCA, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
Transmittal Letter.....	ii-v
Organization Chart.....	vi
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT.....	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-13
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	4-5
Statement of Activities	6-7
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	8
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	9
Statement of Revenues, Expenditures, and Changes in Fund Balances	10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	11
Proprietary Fund	
Statement of Net Position	12
Statement of Revenues, Expenses, and Changes in Net Position.....	13
Statement of Cash Flows	14

VILLAGE OF ITASCA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Fiduciary Fund

Statement of Fiduciary Net Position..... 15

Statement of Changes in Fiduciary Net Position..... 16

Notes to Financial Statements 17-55

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund 56

Notes to Required Supplementary Information 57

Illinois Municipal Retirement Fund

Schedule of Employer Contributions 58

Schedule of the Village's Proportionate Share of the Net Pension Liability 59

Police Pension Fund

Schedule of Employer Contributions 60

Schedule of Changes in the Employer's Net Pension Liability
and Related Ratios 61

Schedule of Investment Returns 62

**Schedule of Changes in the Employer's Total OPEB Liability
and Related Ratios**

Other Postemployment Benefit Plan 63

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

MAJOR GOVERNMENTAL FUNDS

Schedule of Expenditures - Budget and Actual - General Fund 64-71

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Capital Projects Fund 72

VILLAGE OF ITASCA, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)	
NONMAJOR GOVERNMENTAL FUNDS	
Combining Balance Sheet	73-74
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	75-76
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund	77
Hotel Tax Fund	78
General Obligation 2008 Debt Service Fund	79
Spring Lake Special Service Area Debt Service Fund	80
Hamilton Lakes Special Service Area Debt Service Fund	81
Spring Lake Special Service Area Capital Projects Fund	82
CMD Special Service Area Capital Projects Fund	83
Hamilton Lakes Special Service Area Capital Projects Fund	84
Old Thorndale Special Service Area Capital Projects Fund	85
MAJOR PROPRIETARY FUND	
Schedule of Net Position - Water and Sewer Fund by Subaccount	86
Schedule of Revenues, Expenses, and Changes in Net Position - Water and Sewer Fund by Subaccount	87
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual - Water and Sewer Fund - Operating Subaccount	88
Schedule of Operating Expenses - Budget and Actual - Water and Sewer Fund - Operating Subaccount	89-91
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual - Water and Sewer Fund - Capital Subaccount	92
OTHER SUPPLEMENTAL INFORMATION	
Consolidated Year End Financial Report	93

VILLAGE OF ITASCA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

SUPPLEMENTAL DATA

Long-Term Debt Requirements	
General Obligation Refunding Debt Certificate, Series 2010	94
Special Service Area Bonds, Series 2006	95
General Obligation Bonds, Series 2009A	96
Special Service Area Bonds, Series 2014	97
General Obligation Refunding Bonds, Series 2019	98
Schedule of Insurance in Force	99
Schedule of Assessed Valuations, Tax Rates, and Tax Extensions	100
Schedule of Legal Debt Margin	101
Net Position by Component	102-103
Change in Net Position	104-107
Fund Balances of Governmental Funds	108-109
Changes in Fund Balances of Governmental Funds	110-111
Assessed Value and Estimated Actual Value of Taxable Property	112
Legal Debt Margin Information	113
Direct and Overlapping Sales Tax Rates	114

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	115-116
--	---------

INTRODUCTORY SECTION

VILLAGE OF ITASCA, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2019

LEGISLATIVE

Jeff Pruyn, President

Board of Trustees

Jeff Aiani

Dino Gavanis

Ellen Leahy

Michael Latoria

Frank Madaras

Kathy Linsner

Jody Conidi, Clerk

ADMINISTRATIVE

Carie Anne Ergo, Village Administrator

Marty Hower, Finance Director/Treasurer



December 17, 2019

To the Honorable Mayor, Members of the Village Board, and Citizens of the Village of Itasca, Illinois:

The annual report for the Village of Itasca, Illinois, for the year ended April 30, 2019 is hereby submitted. The submittal of this report meets the State of Illinois requirement for all general-purpose local governments to publish, within six months of the closing of the fiscal year, a complete set of audited financial statements presented in conformity with generally accepted auditing standards.

Responsibility for the accuracy of the data in this report and completeness of its presentation lies solely with the Village of Itasca's management. The Village has established internal controls that are designed to protect the municipality's assets from loss, theft and misuse and to compile total and reliable information. As the cost of internal control should not exceed its benefits, the controls in place have been designed to provide reasonable, rather than absolute assurance, that the financial statements presented are free from material misstatements. To the best of our knowledge, this financial report is accurate and complete in all material aspects and fairly reflects the Village's financial position and changes in financial position of the various funds of the Village and the Village as a whole.

We are pleased to report that independent audit firm Sikich LLP has issued an unmodified opinion on the Village of Itasca's financial statements for the year ended April 30, 2019. The independent auditor's report is located at the front of the financial section of this report.

Included with the financial statements is a narrative overview and analysis of the financial statements in the form of *Management Discussion and Analysis (MD&A)*. The MD&A complements this transmittal letter and should be read in conjunction with it. The financial statements include a view at the government-wide level, the fund level, and are supplemented by notes to the financial statements.

Profile of the Government

The Village of Itasca, incorporated in 1890, is located at the junction of Interstate 290, Veterans Memorial Tollway, and the Elgin-O'Hare Expressway. Itasca began with a population of 76, which has since grown to 9,416. The Village covers an area of approximately 5.1 square miles and is located in DuPage County, Illinois, approximately 23 miles northwest of Chicago. Itasca is an upscale, residential community that prides itself on the high quality of living it affords its residents. It also boasts a large Class A Office park and two manufacturing districts.

The Village is governed by a Board consisting of a mayor and six trustees, all of whom are elected at-large on a non-partisan basis. Policy-making and legislative authority are vested in the Village Board. The board is responsible for, but not limited to, passing ordinances, adopting the budget, appointing committees, and hiring both the Village Administrator and Village Attorney. The Mayor is responsible for appointing the heads of various departments with the Village Board's consent. The Mayor is elected to serve a four-year term and the trustees serve four-year staggered terms, with three Board members elected every

other two years. The elected officials collectively work as a unified Board, volunteer their time and resources to advance good government, and remain supportive of the professionals who run daily departmental operations of the Village government.

The Village Administrator is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to-day operations of the government. The Village of Itasca provides a full range of services, including but not limited to; administrative, financial, police protection, public works, snow plowing, planning and zoning, economic development, a nature center, code enforcement, and community events. The Village also operates a water and sewer utility.

The annual budget serves as the foundation for the Village of Itasca's financial planning and control. The Village Board is required to adopt a final budget and appropriation ordinance by no later than July 31st. The budget is prepared by each departmental Director and reviewed by the Administrative Services Manager and Village Administrator. It is reflected at a fund, function and activity level. After administrative review and adjustments, the budget is presented to the finance committee and the Village Board for final review. The Village Board holds a public hearing and may add to, subtract from, or change budgeted amounts. After the budget has been adopted, any revisions that alter the total expenditures of any fund requires special approval of the Village Board.

Local Economy and Finances

Itasca is a mature community located in the O'Hare Industrial corridor of the Chicago metropolitan area, with limited land for new development. Equalized assessed valuation, (EAV) of real property at the end of the fiscal year totaled \$646,603,721, an increase of 2.5% over previous year. At a rate of 33.3% of market value, the equalized assessed valuation translates into \$1.94 billion of investment in the community.

More than 500 businesses operate in the Village, many located in the industrial and business parks in the north part of Itasca. The Village has experienced a slight decrease in collected sales tax revenue since the prior year and the Village is still actively seeking methods to attract and retain retailers. The Village is also moderately dependent on utility taxes that fluctuate with the weather and are often unpredictable. Additionally, due to the lack of state laws limiting non-home rule communities, it is difficult for communities to adjust for diminishing revenues such as telecommunications taxes. Telecommunications tax is steadily declining and is predicted to be obsolete in the next five to ten years unless Springfield allows municipalities to tax the data packages that are replacing landlines at record rates.

Income tax revenue collections have remained relatively consistent over the prior years. The Village has also experienced a decrease in permit revenue over that past several years and is predicting the revenue to be consistent in FYE 20. Although the economy is showing some signs of improvement, the Village remains vigilant in aggressively monitoring operating and capital expenditures to sustain its financial stability.

Long-term Financial Planning

In the fall of 2015, the Village of Itasca Mayor, Board of Trustees, Village Administrator, Village Clerk, Village Attorney, Village Engineer, Department Heads, and other key managerial staff participated in a Strategic Planning process. Prior to the two-day planning session, the elected officials and key personnel participated in a survey that led to talking points for the in-person strategic planning sessions. Throughout the strategic planning sessions, the selected participants of elected officials and key personnel

participated in exercises to develop the Village's plan. The Village hired consultants to facilitate the Hoshin Planning model to guide the process.

One of the outcomes of the strategic planning sessions was the development of a GAP analysis to determine what are the drivers, the means, and the desired outcome. The results are recorded as follows:

Driver: What the organization does to produce the outcome.

- Fiscal Sustainability. Maintain a positive financial position with a long-term perspective of achieving greater reliance on local revenue sources. Ensure that operating revenues and expenditures are in balance, while continuing to invest in critical infrastructure.
- Policies and Procedures. Village operations provide consistent, effective and efficient use of Village Resources.
- Intergovernmental Relations. Village will work with other government entities to meet our service and quality goals.

Means: How the organization produces the outcome.

- Economic Development. Maintain and promote a diverse and thriving business community.
- Staffing Priorities. Village values and prioritizes personnel initiatives.
- Infrastructure and Capital. Upgrade of Village properties, resolution of the Waste Water Treatment Plant, and aesthetic issues.

Outcome: What is the desired result.

- ✓ Quality of Life. Residents and businesses have quiet enjoyment of their property.
- ✓ Resident Satisfaction. Establish initiatives to engage residents to determine needs and desires achieving satisfaction by beneficiaries.

The Village Board has a collective agreement that keeping fiscal sustainability, following policies and procedures, and pursuing intergovernmental relations are at the core of short-term and long-term decisions are what will drive the quality of life and resident satisfaction for the Village. The Village is dedicated to pursuing economic development opportunities, addressing staffing priorities, and prioritizing improving infrastructure and capital as a means of obtaining the outcome.

The Village Board and staff have identified projects that are scheduled out for the next five years in order to move towards the desired outcome of resident satisfaction and quality of life. The Village has been proactive this year in working with other government entities in order to achieve these goals. Additionally, the Village has plans to adopt updated financial policies and procedures during FYE 20.

The Village Board and staff have developed a five-year Capital Improvement Plan that it updates and adopts each year prior to the start of the budget process.

The budget for the twelve months ended April 30, 2020 is balanced which is a critical component of fiscal sustainability. The focus for managing the 2020 budget will involve critically examining each line item and searching for opportunities for cost savings and improved service. As a non-home rule community, the Village is vulnerable to the impacts of declined revenue without sufficient means to raise revenues without voter approval, uncertainty of what Springfield could impose on local governments, both through unfunded mandates and reduced revenues, and pension expenses that are increasing at a rate faster than what we are able to collect through property tax increases due to PTELL. The Village Board's directive for the past several years indicated a strong Village commitment to annually increase our fund balances as a priority for long term financial health. The Village reports that as of April 30, 2019, the fund balance in the

general fund is \$7,372,232, which is equal to 62% of the 2020 operating expenditure budget. This balance exceeds the Village's goal of 50% of the following year's annual operating budget.

Major Initiatives

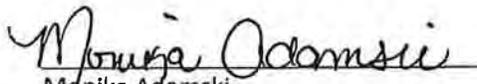
The Village had several major projects occurring in FY2019, including:

- The Village used the proceeds from the settlement received in 2018 to continue the work on within the Waste Water Treatment Plant. These improvements will ensure the Plant is able to remain compliant with IEPA requirements in the future.
- The Village replaced the Holiday Inn Lift Station, which had exceeded its useful life. The new lift station allows for future expansion, if necessary, while also moving the controls above ground for safer operation.
- The Village rebuilt and resurfaced several municipally-owned parking lots.
- The Village rezoned a nearly 50-acre parcel of land at Rohlwing Road and Devon Road, and approved construction for more than 700,000 square feet of industrial use and over seven acres of commercial use buildings along the Rt. 53 frontage.

Acknowledgements

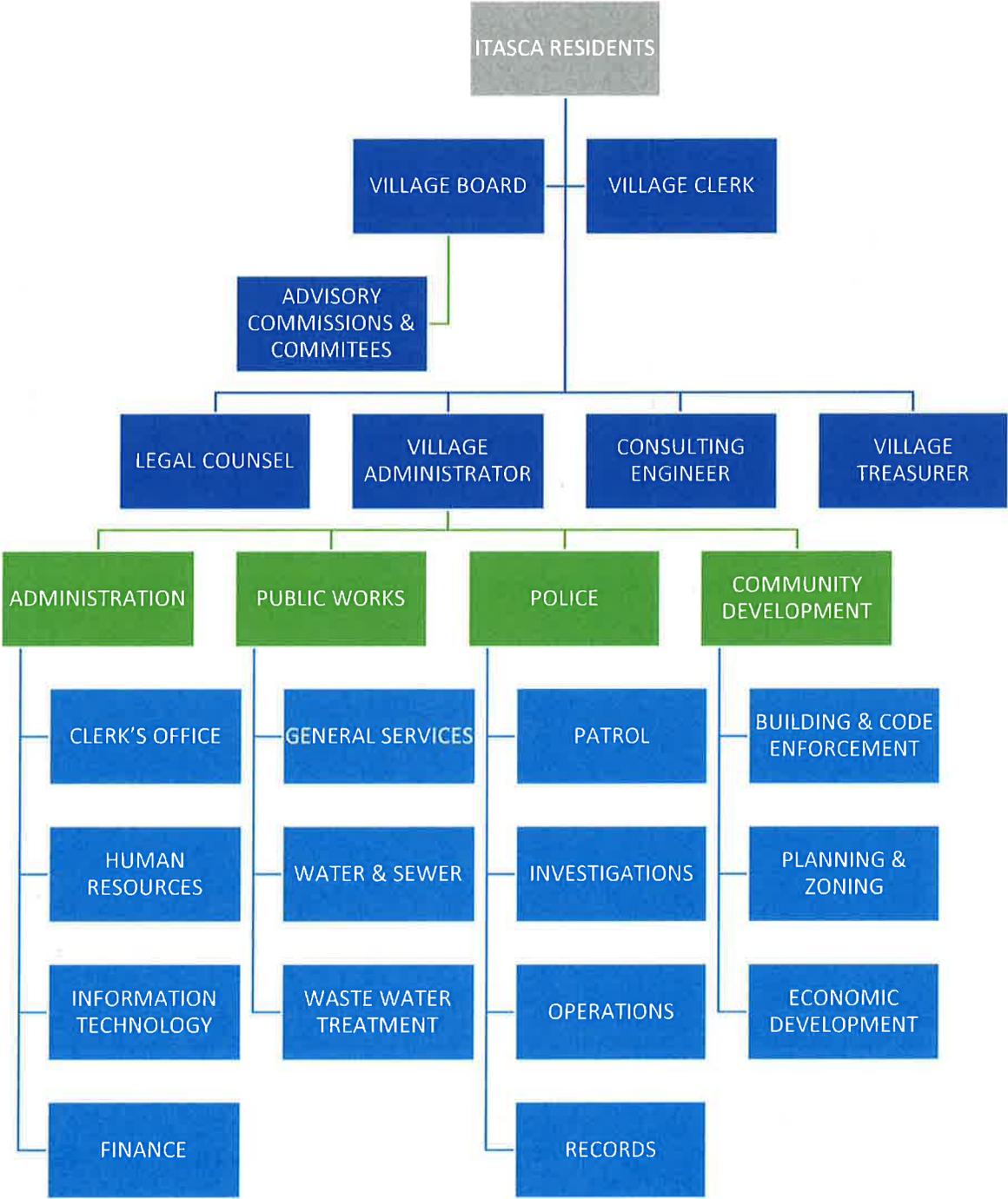
We express our appreciation to the Village Board of Trustees for their interest and support in planning and conducting the operations of the Village of Itasca in a responsible manner. The preparation of this report could not have been accomplished without the dedicated services of the Finance Department staff, accounting consultants, and the Village Administrator. We would like to express our appreciation to all everyone that assisted and contributed in the preparation of this report. We are pleased to present to you the Annual Financial Report as we continue to pursue our goal of operating municipal services with excellence and within a balanced budget.

Respectfully Submitted,


Monika Adamski
Finance Director


Carrie Anne Ergo
Village Administrator

Village of Itasca MUNICIPAL ORGANIZATION STRUCTURE



FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Itasca, Illinois (the Village), as of and for the year ended April 30, 2019, and the related notes to financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Itasca, Illinois, as of April 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 13, the Village adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses for OPEB liabilities; modified certain disclosures in the notes to financial statements; and the required supplementary information. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and supplemental data are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and

certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section and the supplemental data have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 9, 2019 on our consideration of the Village of Itasca, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Itasca, Illinois' internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
December 9, 2019

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

As the management of the Village of Itasca (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2019. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Letter of Transmittal on pages ii through v and the Village's financial statements beginning on page 4.

FINANCIAL HIGHLIGHTS

- Total Village's net position decreased from \$87.1 million as of April 30, 2018 to \$85.7 million as of April 30, 2019.
- As of April 30, 2019, the unrestricted fund balance for the General fund balance was \$ 7.4 million or 68% of General Fund expenditures. This is down from \$10.0 million as of April 30, 2018 and 93% of General Fund expenditures.

USING THE FINANCIAL SECTION OF THIS ANNUAL REPORT

In accordance with generally accepted accounting principles, the Village presents its financial statements so as to offer two perspectives of its financial position and results of operations. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the Village for specific purposes. The focus of the fund statements is on major funds. Both perspectives (government-wide and major fund) address likely user questions, provide a broad basis for comparison (year to year or government to government), and enhance the Village's accountability.

Government-wide Financial Statements

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

The Statement of Net Position presents information on all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the aggregate difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Additionally, one would need to evaluate nonfinancial factors, such as the condition of Village infrastructure, the satisfaction of constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Village as a whole has improved or deteriorated.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as an event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, community development, and public works. The business-type activities of the Village include a water and sewer system. Fiduciary activities, such as employee pension plans, are not available to fund Village programs and, therefore, are not included in government-wide statements.

The Village's financial reporting includes the funds of the Village (primary government). The Village is required to adopt the library tax levy and the budget in the form of the appropriations ordinance. The library has a separate governing board that is elected, and therefore, the Village is not financially accountable for the Library because the Library is not a component unit. The financial information for the Library is reported separately from the financial information of the Village.

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

Fund Financial Statements.

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

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

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

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

The Village maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Projects Fund, which are considered to be "major" funds. Data from the other 9 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic government fund financial statements are presented on pages 8-11 of this report.

Proprietary funds. The Village maintains one proprietary fund, the enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer utilities function. Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail. As the proprietary funds are reported on a full accrual bases, the Village of Itasca fund statements for the Water and Sewer fund mirror the government-wide statements.

The basic proprietary fund financial statements are presented on pages 12-14 of this report.

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

The basic fiduciary fund financial statements are presented on pages 15-16 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget to actual comparisons for the General Fund and major governmental funds and the Village's progress in funding its obligation to provide pensions to its employees. Required supplementary information can be found on pages 56-63 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 64-92 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Position.

Table 1
Statement of Net Position
As of April 30, 2019 and 2018

	Governmental Activities		Business Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current & Other Assets	\$24,427,174	\$23,601,933	\$9,202,865	\$8,007,823	\$33,630,039	\$31,609,756
Capital Assets	78,626,257	80,852,144	45,570,363	42,443,751	124,196,620	123,295,895
Deferred Outflow of Resources	6,960,164	2,175,982	256,830	171,918	7,216,994	2,347,900
Total Assets and Deferred Outflows	110,013,595	106,630,059	55,030,058	50,623,492	165,043,653	157,253,551
Current Liabilities	3,452,648	3,312,489	2,998,711	3,060,796	6,451,359	6,373,285
Non-Current Liabilities	32,011,095	24,197,296	37,220,019	32,978,479	69,231,114	57,175,775
Deferred Inflow of Resources	4,048,526	5,774,191	256,830	830,388	4,305,356	6,604,579
Total Liabilities and Deferred Inflows	39,512,269	33,283,976	40,475,560	36,869,663	79,987,829	70,153,639
Net Position						
Net Investment in Capital Assets	74,833,102	75,511,028	8,868,512	8,596,642	83,701,614	84,107,670
Restricted	5,996,480	5,770,684	-	-	5,996,480	5,770,684
Unrestricted	(10,328,256)	(7,935,629)	6,331,285	5,157,187	(3,996,971)	(2,778,442)
Total Net Position	\$70,501,326	\$73,346,083	\$15,199,797	\$13,753,829	\$85,701,123	\$87,099,912

A large portion of the Village's net position, \$83,701,614 or 97.6 percent, reflects its investment in capital assets (for example, land, buildings and improvements, and equipment and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

GOVERNMENT-WIDE FINANCAL ANALYSIS (cont.)

An additional portion, \$5,996,480 or 7.0 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. As of April 30, 2019, the Village is reporting unrestricted net position of (\$3,996,971) or (4.6) percent. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Activities

The following table summarizes the revenue and expenses of the Village's activities.

Changes of Net Position
For the Fiscal Year Ended April 30, 2019 and 2018

	Governmental		Business Type		Total	
	Activities		Activities		Primary Government	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues						
Charges for Services	\$ 1,215,895	\$ 1,287,548	\$ 9,574,693	\$ 9,185,357	\$ 10,790,588	\$ 10,472,905
Grants and Contributions						
Operating	219,551	220,835	-	-	219,551	220,835
Capital	19,342	18,300	-	-	19,342	18,300
General Revenues						
Property Taxes	3,678,582	3,585,363	-	-	3,678,582	3,585,363
Other Taxes	9,504,091	9,532,100	436,150	440,224	9,940,241	9,972,324
Other	1,342,716	801,792	414,314	4,164,531	1,757,030	4,966,323
Total Revenues	15,980,177	15,445,938	10,425,157	13,790,112	26,405,334	29,236,050
EXPENSES						
General Government	2,794,474	3,078,537	-	-	2,794,474	3,078,537
Public Safety	7,106,336	6,037,115	-	-	7,106,336	6,037,115
Community Development	875,237	935,802	-	-	875,237	935,802
Public Works	5,493,643	5,862,683	-	-	5,493,643	5,862,683
Water and Sewer	-	-	8,927,147	9,818,624	8,927,147	9,818,624
Interest Expense	270,596	354,732	-	-	270,596	354,732
Total Expenses	16,540,286	16,268,869	8,927,147	9,818,624	25,467,433	26,087,493
Changes in Net Position before transfers	(560,109)	(822,931)	1,498,010	3,971,488	937,901	3,148,557
Transfers	-	(327,500)	-	327,500	-	-
Change in Net Position	(560,109)	(1,150,431)	1,498,010	4,298,988	937,901	3,148,557
Net Position, May 1	73,346,083	74,496,514	13,753,829	9,454,841	87,099,912	83,951,355
Prior Period Adjustment/Change in accounting principle	(2,284,648)	-	(52,042)	-	(2,336,690)	-
Net Position, May 1, restated	71,061,435	74,496,514	13,701,787	9,454,841	84,763,222	83,951,355
Net Position, April 30	\$ 70,501,326	\$ 73,346,083	\$ 15,199,797	\$ 13,753,829	\$ 85,701,123	\$ 87,099,912

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont.)

The Village's combined net position decreased by \$1.4 million from \$87.1 to \$85.7 million during 2019. This change is the result of \$2.8 million decrease and \$1.4 million increase in the net position of governmental activities and business-type activities, respectively. The change in net position was significantly impacted several years ago by the Village's implementation of Statement No. 68, Accounting and Financial Reporting for Pensions, of the Governmental Accounting Standards Board. These items pertain to the Village's participation in the Itasca Police Pension Fund, and Illinois Municipal Retirement Fund. Under previous financial reporting standards, the Village was only required to report its obligations to the pension funds as required supplementary information (i.e., the obligations did not affect the statement of net position). In addition, the Village was required to implement GASB Statement No. 75 in FY19. This requires the reporting of the other postemployment liability resulting in an additional \$2.3 million liability on the financial statements.

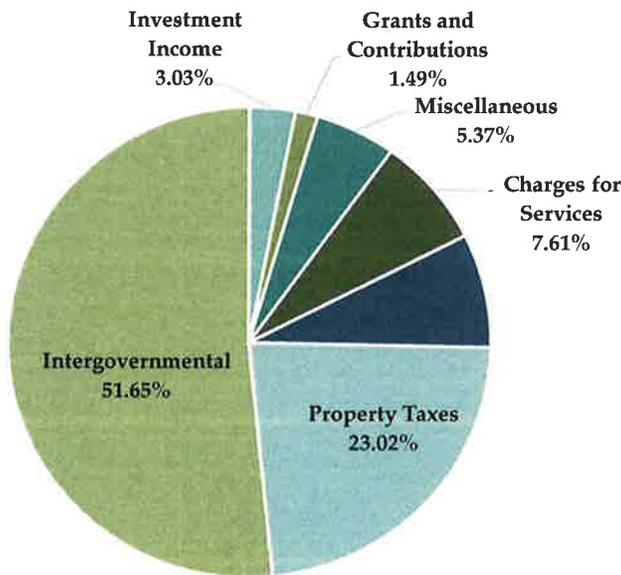
For more detailed information, see the Statement of Net Position on pages 4 and 5.

Governmental Activities

Revenues for governmental activities totaled \$15.9 million, while the cost of all governmental functions totaled \$16.5 million. This results in a decrease in net position before transfers of \$560 thousand. For the year ended April 30, 2018, revenues of \$15.4 million were less than expenses of \$16.3 million, resulting in a decrease in net position before transfers of \$823 thousand. The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance on property taxes and intergovernmental revenues and taxes to fund governmental activities.

Governmental Activities as of April 30, 2019

% of Revenues by Source

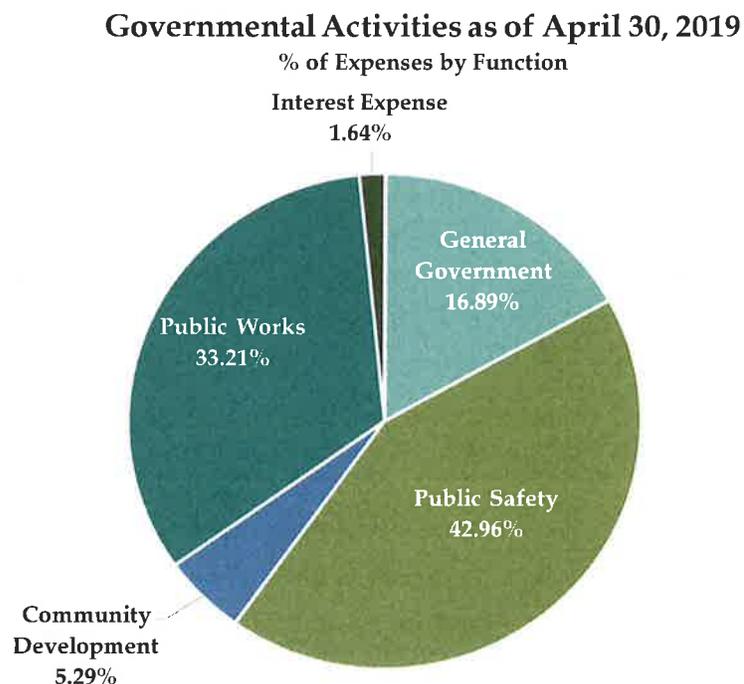


VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont.)

FYE 2019 expenses for governmental activities totaled \$16.5 million, decreasing by \$271 thousand or 1.67% compared to FYE 2018 expenses.

Itasca's largest share of costs allocated to governmental activities was in the area of Public Safety (law enforcement), accounting for 42.96% of total governmental expenses. This was followed by Public Works activities, making up 33.21% of total governmental spending, which includes Public Works operating and maintenance activities as well as the Village's infrastructure rehabilitation and replacement program. General Government activities round out total governmental activities at 16.89% which includes legislative boards and commissions, general administration, legal services, financial management, engineering services, employee relations, and building maintenance. Community Development, accounts for 5.29% of total government spending, and Interest Expense accounts for 1.64% of total government spending.



Business-Type activities

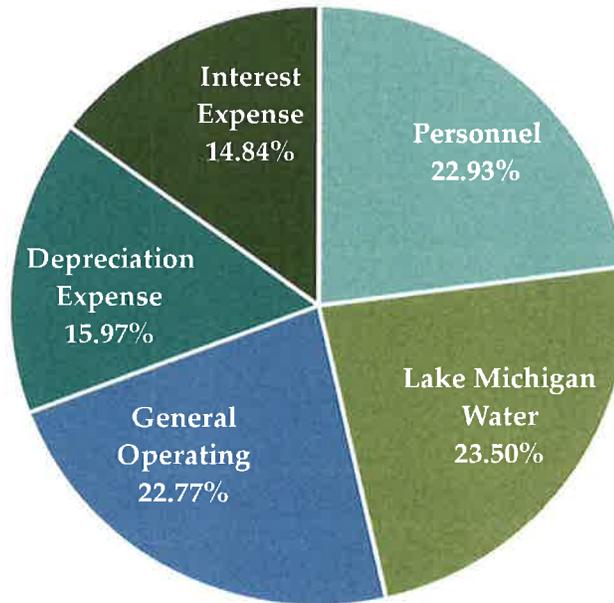
Business-Type activities posted total revenues of \$10.4 million, while the cost of all business-type activities totaled \$8.9 million. This results in an increase in net position before transfers of \$1.5 million. For the year ended April 30, 2018, revenues were \$13.8 million, while the cost of all business-type activities totaled \$9.8 million. This resulted in an increase in net position before transfers of \$3.97 million.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Itasca's total business-type activities are limited to the activities of its sole enterprise fund, the Water and Sewer Fund. Total expenses for water and sewer activities for FY2019 totaled \$8.9 million, a decrease of \$891 thousand or 9% from the prior year. Water and sewer activities include the purchase of Lake Michigan water through the Village's participation in the DuPage Water Commission, maintaining the Village's water distribution systems including mains, pumps, reservoirs, metering and billing, as well as, the maintenance of the Village's sanitary sewage collection system and its treatment at the Sewer Treatment Plan. Total system expenses can be categorized in the following manner:

Business Type Activities as of April 30, 2019
% of Expenses by Type



Governmental Funds

As noted earlier, the focus of fund reporting is the short-term inflow and outflow of expendable resources. Fund balance is a useful indicator in assessing available resources with respect to meeting future obligations.

At April 30, 2019 governmental funds reported combined fund balances of \$19.1 million. Of this amount, \$7.3 million is unassigned and is available for future obligations. In addition, \$5.8 million is assigned for capital projects. About \$6.0 million is restricted, with \$2.5 million for tourism, generated by the hotel tax, \$2.7 million for Special Service areas and \$0.4 million for debt service. The remainder of restricted funds relate to public safety, and highway and streets.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (cont.)

Major Governmental Funds

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. For the fiscal year ended April 30, 2019, fund balance in the General Fund decreased by \$2.7 million. Change to fund balance is a combination of revenues of \$11.4 million compared to expenditures of \$10.7 million, adjusted for other financing sources and uses of a net (\$3.4 million). Other financing sources represent a transfer from the General Fund to support Capital Projects within the year. After all activity and adjustments are accounted for, the General Fund has an ending fund balance of \$7.4 million.

Proprietary Funds

The focus for the proprietary fund at the fund level is synonymous with that found at the government-wide level. Reporting is on a full-accrual basis with short-term and long-term emphasis on financial data. The Water and Sewer Fund is the sole proprietary fund for the Village of Itasca. This fund records all financial activity relating to the municipality's water and sewer operations. The Water and Sewer Fund provides the same type of information in the government-wide financial statements reflected as "Business-type" activities, but in more detail.

At April 30, 2019, net position of the proprietary fund totaled \$15 million. Cash and investments totaled \$7.0 million, slightly increasing from prior year by \$28 thousand. Operating revenues increased 6.8% from the previous year to \$10 million. Operating expenses (including depreciation) of \$7.6 million were 10% lower than the previous year. As of January 1, 2017, the volumetric rate was increased and the fixed revenue rate structure was adjusted to bring in an additional \$500,000 annually to offset the predicted shortfall the fund would experience to meet the service demands to maintain and operate a water and sewer system. The projected rate increases are sufficient to account for a consistent decline of 2.5% in water usage, debt repayment, anticipated debt repayment of loans related to correcting the treatment plant, ongoing litigation and engineering expenses related to the treatment plant, increasing resources dedicated to capital expenditures, and to accumulate sufficient reserves to meet the funds current liabilities.

Fiduciary Funds

The Village's one single-employer pension plan experienced a net increase in the Net Position of \$430,369 in the fiscal year ended April 30, 2019. Deductions for benefits and other smaller items increased about 4%, from \$1.63 million in the prior year to \$1.69 million this year. As of April 30th, total assets were \$15.9 million.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (cont.)

General Fund Budgetary Highlights

The original budget for the General Fund and actual expenditures did not exceed the budgeted amount. The General Fund did not budget to use fund reserves in FYE 2019, with revenues and expenses both at \$11.2 million. Revenues in the general fund were \$181 thousand over budget. The majority of the increase is due to favorable budget variances in Other revenues of \$382,638. Expenditures in the general fund were \$434 thousand under the budget, mainly due to continued cost reduction efforts.

General Fund Budgetary Highlights
Fiscal Year Ended April 30, 2019

	<u>Final Budget</u>	<u>Actual</u>
REVENUES		
Taxes	\$ 2,719,755	\$ 2,704,750
Licenses and permits	885,650	781,566
Intergovernmental	6,582,609	6,512,139
Charges for Services	187,500	205,024
Fines and foreits	258,625	229,305
Other revenue	566,613	949,251
Total revenues	<u>11,200,752</u>	<u>11,382,035</u>
EXPENDITURES		
General Government	\$2,208,247	\$2,084,217
Public safety	5,645,781	5,378,662
Community Development	1,029,928	902,330
Public works	1,580,885	1,665,392
Debt Services	694,205	694,141
Total expenditures	<u>11,159,046</u>	<u>10,724,742</u>
(USES)		
Transfers (out)	(3,500,000)	(3,500,000)
Transfers (in)	148,647	123,852
Total other financing sources		
(uses)	<u>(3,351,353)</u>	<u>(3,376,148)</u>
Net Change in Fund Balance	<u>\$ (3,309,647)</u>	<u>\$ (2,718,855)</u>
Fund Balance, May 1		<u>10,091,087</u>
Fund Balance, April 30		<u>\$ 7,372,232</u>

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The Village's investment in capital assets for both its governmental and business-type activities as of April 30, 2019 is \$124.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles and equipment, infrastructure, sewer lines, water lines, water towers, water wells and water treatment facilities as well as intangible assets. The following schedule reflects the Village's capital asset balances as of April 30, 2019.

	Capital Assets					
	Net of Accumulated Depreciation					
	Governmental		Business Type		Total	
	Activities		Activities		Primary Government	
	2019	2018	2019	2018	2019	2018
Land and improvements	\$40,473,800	\$40,473,800	\$ 1,335,645	\$ 1,335,645	\$ 41,809,445	\$ 41,809,445
Construction in progress	\$ -	\$ -	\$ 5,518,001	\$ 1,058,961	\$ 5,518,001	\$ 1,058,961
Capital Assets, being depreciated						
Building and Improvements	11,930,572	12,202,699	-	-	11,930,572	12,202,699
Machinery and Equipment	765,634	632,939	574,917	474,725	1,340,551	1,107,664
Transportation equipment	512,548	496,261	-	-	512,548	496,261
Infrastructure	24,943,703	27,046,445	-	-	24,943,703	27,046,445
Water and sewer systems			38,141,800	39,574,420	38,141,800	39,574,420
Total Capital Assets, being depreciated	38,152,457	40,378,344	38,716,717	40,049,145	76,869,174	80,427,489
Total	\$78,626,257	\$80,852,144	\$45,570,363	\$42,443,751	\$124,196,620	\$123,295,895

Capital additions for the year totaled \$783,399 for governmental funds and \$93,018 for the business-type activities of the water and sewer fund, not including \$4.5 million of construction in progress.

Additional information on the Village's capital assets is presented in the notes to the basic financial statements on pages 28 and 29.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION (cont.)

Long-term debt

During the fiscal year, bonded debt increased by \$1.4 million. At the end of the fiscal year, the Village had total bonded debt outstanding of \$43 million. Of this amount, \$3.4 million is funded directly from property taxes. As a non-home rule government, under Illinois Law, the Village is limited to issuing debt to a level no greater than 8.625 % of the equalized assessed value. As of April 30, 2019, the Village general obligation debt represented .53% of the equalized assessed value.

	Long-Term Debt Outstanding					
	Governmental		Business Type		Total	
	Activities		Activities		Primary Government	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ 925,000	\$ 1,770,000	\$21,830,000	\$22,230,000	\$22,755,000	\$24,000,000
General Fund Refunding Certificates	2,515,000	3,085,000	-	-	2,515,000	3,085,000
Special Service Area Bonds	2,975,000	3,170,000	-	-	2,975,000	3,170,000
IEPA Loan	-	-	14,816,469	11,391,114	14,816,469	11,391,114
Bonded Debt Total	6,415,000	8,025,000	36,646,469	33,621,114	43,061,469	41,646,114
Compensated Absences	631,953	620,920	164,212	162,849	796,165	783,769
Net postemployment benefit	2,299,923	28,835	51,737	-	2,351,660	28,835
Net pension liability	24,480,943	17,064,223	1,492,288	302,650	25,973,231	17,366,873
Other	133,638	208,245	55,382	58,151	189,020	266,396
Combined LT Debt Total	27,546,457	17,922,223	1,763,619	523,650	29,310,076	18,445,873
Total	\$33,961,457	\$25,947,223	\$38,410,088	\$34,144,764	\$72,371,545	\$60,091,987

Bond Ratings

During the spring of 2016, the Village was able to maintain its Aa2, very strong credit position, bond rating from Moody's. Maintaining the Aa2 stable was based on the following factors:

- Robust financial position
- Strong socioeconomic profile
- Solid tax base
- Mid-ranged debt liability and sizable pension burden

Additional information on the Village's long-term debt is presented in the notes to the basic financial statements on pages 29 to 32.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2019

ECONOMIC FACTORS

The local Village economy continues to hold firm in spite of a weak State economy. The Village of Itasca is primarily an affluent residential community heavily reliant on property, sales taxes and utility sales.

- The Village is directly impacted by the financial condition of the State of Illinois. The political environment in Springfield is being closely monitored for legislation that could reduce or eliminate the shared revenue, and in turn impact the level of service to the residents.
- The Illinois Department of Revenue certified the CPI used for calculating the Village's 2018 tax Levy to be 2.1%. Any increase in CPI along with the value of new construction will be used to offset the growing cost of funding for the police pension fund for the Village. The Village has been impacted by actuarial assumption changes in the calculation of the Annual Required Contribution (ARC). The increases in the ARC have been higher than the combined CPI and new construction, as a result, has decreased the portion of the property tax levy available for operations since 2018.
- The Village has a strong reliance on sales tax revenue. The Village will continue to monitor economic trends relating to retail sales and adjust forecasts/spending as appropriate.

The above factors were taken into consideration for funding and planning purposes for current and future fiscal years. At April 30, 2019 the unassigned fund balance of the General Fund was 68% of total expenditures of the current year, well above the current practiced policy of 50%.

As we have done in the past, regardless of what adverse actions against municipal revenues may result from Springfield, we are prepared to take actions necessary to ensure we are able to continue to operate within our means while meeting the service needs of the community.

The Water/Sewer Fund had cash and investments of \$7.1 million as of April 30, 2019. The fund also had unrestricted net position of \$6.3 million. The Village monitors both revenues and expenses to determine the rate levels necessary to cover the maintenance and long term replacement infrastructure needs of the Water/Sewer Fund. The Village Board approved a rate increase plan, with increases effective January 1st of each year.

CONTACTING THE VILLAGE'S FINANCIAL MANGEMENT

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 information, should be directed to Carie Anne Ergo, Village Administrator, Village of Itasca, 550 N. Irving Park Road, Itasca, IL.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 18,702,091	\$ 7,091,593	\$ 25,793,684
Receivables			
Property taxes	3,012,342	-	3,012,342
Accounts receivable	-	2,111,272	2,111,272
Sales taxes	1,134,623	-	1,134,623
Other	653,118	-	653,118
Due from library	925,000	-	925,000
Capital assets			
Capital assets not being depreciated	40,473,800	6,853,646	47,327,446
Capital assets being depreciated (net of accumulated depreciation)	38,152,457	38,716,717	76,869,174
Total assets	103,053,431	54,773,228	157,826,659
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	1,075,611	901,540	1,977,151
Pension items - Police Pension	5,842,865	-	5,842,865
OPEB items	26,205	589	26,794
Unamortized loss on refunding	15,483	-	15,483
Total deferred outflows of resources	6,960,164	902,129	7,862,293
Total assets and deferred outflows of resources	110,013,595	55,675,357	165,688,952

(This statement is continued on the following page.)

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 720,150	\$ 1,443,443	\$ 2,163,593
Accrued payroll	93,343	37,112	130,455
Accrued interest	92,606	328,087	420,693
Unearned revenue	77,943	-	77,943
Escrow deposits	491,633	-	491,633
Due to library	12,898	-	12,898
Due to other governments	13,713	-	13,713
Noncurrent liabilities			
Due within one year	1,950,362	1,190,069	3,140,431
Due in more than one year	32,011,095	37,220,019	69,231,114
Total liabilities	35,463,743	40,218,730	75,682,473
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	306,420	256,830	563,250
Pension items - Police Pension	729,764	-	729,764
Property taxes	3,012,342	-	3,012,342
Total deferred inflows of resources	4,048,526	256,830	4,305,356
Total liabilities and deferred inflows of resources	39,512,269	40,475,560	79,987,829
NET POSITION			
Net investment in capital assets	74,833,102	8,868,512	83,701,614
Restricted			
Public safety	40,056	-	40,056
Streets	464,975	-	464,975
Tourism	2,450,382	-	2,450,382
Debt service	366,575	-	366,575
Special service areas	2,674,492	-	2,674,492
Unrestricted (deficit)	(10,328,256)	6,331,285	(3,996,971)
TOTAL NET POSITION	\$ 70,501,326	\$ 15,199,797	\$ 85,701,123

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,794,474	\$ -	\$ -	\$ -
Public safety	7,106,336	276,435	-	-
Community development	875,237	781,566	-	19,342
Public works	5,493,643	157,894	219,551	-
Interest expense	270,596	-	-	-
Total governmental activities	16,540,286	1,215,895	219,551	19,342
Business-Type Activities				
Water and sewer	8,927,147	9,574,693	-	-
TOTAL PRIMARY GOVERNMENT	\$ 25,467,433	\$ 10,790,588	\$ 219,551	\$ 19,342

	Net (Expense) Revenue and Changes in Net Position Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (2,794,474)	\$ -	\$ (2,794,474)
	(6,829,901)	-	(6,829,901)
	(74,329)	-	(74,329)
	(5,116,198)	-	(5,116,198)
	(270,596)	-	(270,596)
	(15,085,498)	-	(15,085,498)
	-	647,546	647,546
	(15,085,498)	647,546	(14,437,952)
General Revenues			
Taxes			
Property	3,678,582	-	3,678,582
Hotel	1,251,032	-	1,251,032
Intergovernmental	8,253,059	436,150	8,689,209
Miscellaneous	857,878	395,788	1,253,666
Investment income	484,838	18,526	503,364
Total	14,525,389	850,464	15,375,853
CHANGE IN NET POSITION	(560,109)	1,498,010	937,901
NET POSITION, MAY 1	73,346,083	13,753,829	87,099,912
Change in accounting principle	(2,284,648)	(52,042)	(2,336,690)
NET POSITION, MAY 1, RESTATED	71,061,435	13,701,787	84,763,222
NET POSITION, APRIL 30	\$ 70,501,326	\$ 15,199,797	\$ 85,701,123

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2019

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 7,008,957	\$ 5,553,099	\$ 6,140,035	\$ 18,702,091
Receivables				
Property taxes	2,461,668	-	550,674	3,012,342
Other	504,505	-	148,613	653,118
Sales taxes	775,164	359,459	-	1,134,623
Due from library	-	-	925,000	925,000
Due to other funds	307,014	-	-	307,014
TOTAL ASSETS	\$ 11,057,308	\$ 5,912,558	\$ 7,764,322	\$ 24,734,188
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 552,446	\$ 145,314	\$ 22,390	\$ 720,150
Accrued payroll	90,523	-	2,820	93,343
Unearned revenue	62,195	15,748	-	77,943
Escrow deposits	491,633	-	-	491,633
Due to library	12,898	-	-	12,898
Due to other governments	13,713	-	-	13,713
Due from other funds	-	-	307,014	307,014
Total liabilities	1,223,408	161,062	332,224	1,716,694
DEFERRED INFLOWS OF RESOURCES				
Property taxes	2,461,668	-	550,674	3,012,342
Unavailable revenue - due from other governments	-	-	925,000	925,000
Total deferred inflows of resources	2,461,668	-	1,475,674	3,937,342
Total liabilities and deferred inflows of resources	3,685,076	161,062	1,807,898	5,654,036
FUND BALANCES				
Restricted				
Public safety	40,056	-	-	40,056
Debt service	-	-	366,575	366,575
Highway and streets	-	-	464,975	464,975
Tourism	-	-	2,450,382	2,450,382
Special service areas	-	-	2,674,492	2,674,492
Unrestricted				
Assigned				
Capital projects	-	5,751,496	-	5,751,496
Unassigned	7,332,176	-	-	7,332,176
Total fund balances	7,372,232	5,751,496	5,956,424	19,080,152
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 11,057,308	\$ 5,912,558	\$ 7,764,322	\$ 24,734,188

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

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

April 30, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 19,080,152
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	78,626,257
Intergovernmental receivable from the Library is not unavailable revenue on the statement of net position	925,000
Premiums (discounts) on bonds are expensed in governmental funds but capitalized and amortized in the statement of net position	
Premium on issuance of bonds	(133,638)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(925,000)
General obligation debt certificates	(2,515,000)
Special service area bonds	(2,975,000)
Unamortized loss on refunding	15,483
Accrued interest payable	(92,606)
Compensated absences	(631,953)
Total OPEB liability	(2,299,923)
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(1,780,420)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	769,191
Net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(22,700,523)
Differences between expected and actual experiences, assumption changes, and net differences between projected, and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	5,113,101
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the OPEB Plan are recognized as deferred outflows of resources on the statement of net position	26,205
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 70,501,326

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 2,383,777	\$ -	\$ 1,294,805	\$ 3,678,582
Hotel taxes	-	-	1,251,032	1,251,032
Licenses and permits	781,566	-	-	781,566
Intergovernmental	6,512,139	1,589,162	-	8,101,301
Food and beverage tax	320,973	-	-	320,973
Grants	19,342	-	219,551	238,893
Charges for services	205,024	-	-	205,024
Fines	229,305	-	-	229,305
Investment income	380,064	3,248	101,526	484,838
Miscellaneous	549,845	102,188	205,845	857,878
Total revenues	11,382,035	1,694,598	3,072,759	16,149,392
EXPENDITURES				
Current				
General government	2,084,217	-	789,671	2,873,888
Public safety	5,378,662	-	-	5,378,662
Community development	902,330	-	-	902,330
Public works	1,665,392	-	-	1,665,392
Debt service				
Principal	570,000	-	1,070,000	1,640,000
Interest and fiscal agent fees	124,141	-	239,098	363,239
Capital outlay	-	1,653,082	1,267	1,654,349
Total expenditures	10,724,742	1,653,082	2,100,036	14,477,860
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	657,293	41,516	972,723	1,671,532
OTHER FINANCING SOURCES (USES)				
Transfers in	123,852	4,140,000	-	4,263,852
Transfer (out)	(3,500,000)	-	(763,852)	(4,263,852)
Bonds issued, at par	-	-	925,000	925,000
Payment to escrow agent	-	-	(906,747)	(906,747)
Total other financing sources (uses)	(3,376,148)	4,140,000	(745,599)	18,253
NET CHANGE IN FUND BALANCES	(2,718,855)	4,181,516	227,124	1,689,785
FUND BALANCES, MAY 1	10,091,087	1,569,980	5,729,300	17,390,367
FUND BALANCES, APRIL 30	\$ 7,372,232	\$ 5,751,496	\$ 5,956,424	\$ 19,080,152

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,689,785
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities	783,399
Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities	(74,185)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a decrease of principal outstanding in the statement of activities	1,640,000
The issuance of long-term debt is shown as an other financing source in governmental funds but the principal outstanding is shown as long-term liability on the statement of net position	
Bonds issued	(925,000)
Payment to escrow agent	895,000
Intergovernmental revenue from the Library is not revenue on the statement of activities	(169,215)
The change in the net pension liability for the Illinois Municipal Retirement Retirement Fund is reported only in the statement of activities	(1,419,334)
The change in deferred outflows and inflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	1,554,801
The change in the net pension liability for the Police Pension Fund is reported only in the statement of activities	(5,997,386)
The change in deferred outflows and inflows of resources for the Police Pension Fund is reported only in the statement of activities	4,264,005
The change in the OPEB liability and deferred outflows of resources is reported only in the statement of activities	39,765
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(2,935,101)
Change in compensated absences payable	(11,033)
Amortization of bond premium	74,607
Amortization of loss on refunding	(11,645)
Change in accrued interest payable	41,428
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ (560,109)

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUND

April 30, 2019

	<u>Water and Sewer</u>
CURRENT ASSETS	
Cash and investments	\$ 7,091,593
Accounts receivable	2,111,272
	<hr/>
Total current assets	9,202,865
	<hr/>
NONCURRENT ASSETS	
Capital assets	
Cost	76,127,776
Less accumulated depreciation	30,557,413
	<hr/>
Total noncurrent assets	45,570,363
	<hr/>
Total assets	54,773,228
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	901,540
OPEB items	589
	<hr/>
Total deferred outflows of resources	902,129
	<hr/>
Total assets and deferred outflows of resources	55,675,357
	<hr/>
CURRENT LIABILITIES	
Accounts payable	1,443,443
Accrued payroll	37,112
Bonds and loans payable - current portion	1,170,000
Compensated absences payable	16,421
Total OPEB liability	3,648
Accrued interest	328,087
	<hr/>
Total current liabilities	2,998,711
	<hr/>
NONCURRENT LIABILITIES	
Bonds payable	21,465,382
IEPA loan payable	14,066,469
Compensated absences payable	147,791
Total OPEB liability	48,089
Net pension liability	1,492,288
	<hr/>
Total noncurrent liabilities	37,220,019
	<hr/>
Total liabilities	40,218,730
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Pension items - IMRF	256,830
	<hr/>
Total deferred inflows of resources	256,830
	<hr/>
Total liabilities and deferred inflows of resources	40,475,560
	<hr/>
NET POSITION	
Net investment in capital assets	8,868,512
Unrestricted	6,331,285
	<hr/>
TOTAL NET POSITION	\$ 15,199,797
	<hr/>

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	<u>Water and Sewer</u>
OPERATING REVENUES	
Charges for services	
Water fees	\$ 4,852,558
Sewer fees	4,722,135
Miscellaneous	<u>395,788</u>
Total operating revenues	<u>9,970,481</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION	
Salaries/stipends	1,447,979
Payroll taxes	289,747
Employee benefits	309,177
General operating	2,769,391
Repairs and maintenance	921,995
Professional services	217,148
Special services	129,135
Insurance	<u>92,495</u>
Total operating expenses excluding depreciation	<u>6,177,067</u>
OPERATING INCOME BEFORE DEPRECIATION	3,793,414
Depreciation	<u>1,425,446</u>
OPERATING INCOME	<u>2,367,968</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest expense	(1,324,634)
Bond stimulus payment	436,150
Investment income	<u>18,526</u>
Total non-operating revenues (expenses)	<u>(869,958)</u>
CHANGE IN NET POSITION	<u>1,498,010</u>
NET POSITION, MAY 1	13,753,829
Change in accounting principle	<u>(52,042)</u>
NET POSITION, MAY 1, RESTATED	<u>13,701,787</u>
NET POSITION, APRIL 30	<u><u>\$ 15,199,797</u></u>

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND

For the Year Ended April 30, 2019

	<u>Water and Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 10,842,775
Payments to suppliers	(4,277,559)
Payments to employees	(2,093,700)
	<u>4,471,516</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Advances received from (Paid to) other funds	(1,474,993)
	<u>(1,474,993)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(4,552,058)
Bond stimulus payment	436,150
Proceeds of long-term debt	3,611,942
IEPA loan principal payments	(750,000)
Bond principal payments	(402,769)
Interest paid on bonds payable	(1,329,384)
	<u>(2,986,119)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	18,526
	<u>18,526</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	28,930
CASH AND CASH EQUIVALENTS, MAY 1	<u>7,062,663</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 7,091,593</u>
NONCASH TRANSACTIONS	
Capital assets purchased in accounts payable	\$ 1,105,594
TOTAL NONCASH TRANSACTIONS	<u>\$ 1,105,594</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 2,367,968
Adjustments to reconcile operating income to net cash used in operating activities	
Depreciation and amortization	1,425,446
Changes in assets and liabilities	
Accounts receivable	872,294
Accounts payable	(95,353)
Accrued payroll	14,234
Compensated absences	1,363
Pension items - IMRF	(113,542)
OPEB items	(894)
	<u>4,471,516</u>
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 4,471,516</u>

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
POLICE PENSION TRUST FUND**

April 30, 2019

ASSETS

Cash and short-term investments	\$	15,001
Investments, at fair value		
Mutual funds		8,988,643
U.S. Treasury securities		2,246,966
U.S. agency securities		843,279
Corporate bonds		1,945,541
Corporate equity securities		1,594,040
Money market mutual funds		312,031
Receivables (net, where applicable, of allowances for uncollectibles)		
Accrued interest		32,450
Prepays		<u>18,641</u>
 Total assets		 15,996,592

LIABILITIES

Accounts payable		<u>3,005</u>
------------------	--	--------------

**NET POSITION RESTRICTED
FOR PENSIONS**

\$ 15,993,587

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
POLICE PENSION TRUST FUND**

For the Year Ended April 30, 2019

ADDITIONS

Contributions

Employer contributions	\$ 1,220,168
Employee contributions	<u>211,929</u>

Total contributions	<u>1,432,097</u>
---------------------	------------------

Investment income

Interest and dividend income	587,632
Net increase in fair value of investments	<u>202,552</u>

Total investment income	790,184
Less investment expense	<u>(100,679)</u>

Net investment income	<u>689,505</u>
-----------------------	----------------

Total additions	<u>2,121,602</u>
-----------------	------------------

DEDUCTIONS

Benefit payments	1,654,219
Administrative expenses	<u>37,014</u>

Total deductions	<u>1,691,233</u>
------------------	------------------

NET INCREASE	430,369
--------------	---------

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>15,563,218</u>
-------	-------------------

April 30	<u><u>\$ 15,993,587</u></u>
----------	-----------------------------

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Itasca, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applicable to governments (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. Reporting Entity

The Village operates under a Board of Trustees-President-Administrator form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, water and sanitation, culture-recreation, public improvements, planning and zoning, and general administrative services.

As required by GAAP, these financial statements present the Village and any component units. Component units are entities for which the Village is considered to be financially accountable. "Blended" component units, although legally separate entities, are, in substance, part of the Village's operations.

Based on the criteria of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, there are no component units for which the Village is considered to be financially accountable.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain 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, proprietary, and fiduciary.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the Village's general activities. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The General Fund is used to account for all activities of the general government not accounted for in some other fund.

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes pension trust fund which is generally used to account for assets that the Village holds in fiduciary or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and 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 ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

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

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays.

The Village reports the following major proprietary fund:

The Water and Sewer Fund accounts for the provision of potable water services and sewer services to the residential, commercial, and industrial users. All activities necessary to provide such services are accounted for in this fund, including but not limited to: administration, operations, maintenance, billing, and collection.

The Village reports the following fiduciary fund:

The Police Pension Fund accounts for the accumulation of resources to pay police pension costs. Resources are contributed by members at rates fixed by state statutes and by the government through an annual property tax levy.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and pension 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 and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunications taxes which use a 90-day period. 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.

Sales taxes owed to the state at year end; franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county 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 (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, 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 unearned and unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the government before it has legal claim to them as when grant monies are received prior to the incurrence 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 unearned revenue and the deferred inflows of resources for unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Short-term investments are stated at cost or amortized cost plus accrued interest. Long-term investments (those with original maturities over one year) are recorded at fair value.

The Village categorizes the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; and Level 3 inputs are significant unobservable inputs.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories, if any, are recorded as expenditures when purchased.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report, if any, are recorded as prepaid items/expenses.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of more than \$75,000 for streets, bridges, and storm sewers, \$15,000 for sidewalks, \$2,500 for lights, and \$1,500 for all other capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-50
Machinery, vehicles, and equipment	7-10
Transportation equipment	10
Infrastructure	20-50
Water and sewer system	40

j. Compensated Absences

The Village's employees earn vacation leave pay, which generally must be taken within the next year following its accumulation. Nine paid holidays are granted to full-time employees. Employees also earn personal leave pay, which must be taken in the calendar year granted. It is also the Village's policy to allow employees to earn sick leave up to a maximum of 72 days. An employee may be compensated for any unused accumulated sick leave upon separation, provided that the employee meets certain criteria. All pay due in the event of termination is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured; for example, as a result of employee resignations and retirements.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

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

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

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Village Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator. Any residual fund balance of the General Fund or any deficit fund balance in other governmental funds are reported as unassigned.

The Village has not adopted a flow of funds policy and, therefore, applies the flow of funds from GASB Statement No. 54, which prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds. For net position, restricted funds are spent first then unrestricted funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Position (Continued)

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

m. Interfund Transactions

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

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

n. Deferred Outflows/Inflows of Resources

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

o. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

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

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

The Village maintains a cash and investment pool that is available for use by most funds. The deposits and investments of the Police Pension Fund are held separately from those of other funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

a. Deposits with Financial Institutions

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

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments

As of April 30, 2019, the Village has the following investments and maturities in debt securities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	1-5
Illinois Metropolitan Investment Trust	\$ 3,550,179	\$ 2,104,341	\$ 1,445,838
Negotiable CDs	1,479,848	-	1,479,848
TOTAL	\$ 5,030,027	\$ 2,104,341	\$ 2,925,686

c. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

d. Fair Value Measurements

The Village has the following recurring fair value measurements as of April 30, 2019. The negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs). The IMET 1 to 3 Year Fund, a mutual fund, is measured based on the net asset value of the shares in IMET, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

e. Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity: the Village primarily invests in negotiable certificates of deposit and external investment pools. The Illinois Funds, the money market mutual funds, and the Illinois Metropolitan Investment Fund are all rated AAA. The negotiable certificates of deposit are not rated but are covered by FDIC insurance up to \$250,000.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

f. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village investment policy requires third party safekeeping based on a written agreement.

g. Concentration of Credit Risk

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in over-concentration in a security, maturity, issuer, or class of securities. The Village's investment policy requires the Village to diversify its investments by security instrument and institution. Diversification by security instrument is as follows: U.S. Treasury obligations - 100% maximum; United States Government agency securities and instrumentalities of government sponsored corporations - 100% maximum; certificates of deposit (CDs) commercial banks - 33% maximum, the exception would be when the CDs are being invested using the Certificate of Deposit Account Registry Service (CDARS) or similar system; Illinois Governmental Cash Investment Fund - 20% maximum; and Illinois Metropolitan Investment Fund - 15%. Diversification by institution is as follows: CDs - no more than 15% of the total portfolio with any one institution.

3. RECEIVABLES

a. Property Taxes

Property taxes for 2018 attached as an enforceable lien on January 1, 2018 on property values assessed as of the same date and are recorded as receivables and unavailable revenue at April 30, 2019. The levy is intended to finance operations of the next fiscal year. Taxes are levied by December 2018 (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County payable in two installments, on or about June 1 and September 1, 2019. The County collects such taxes and remits them periodically. The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of April 30, 2019 as the tax has not yet been levied by the Village and will not be levied until December 2019 and, therefore, the levy is not measurable at April 30, 2019.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

b. Other Receivables

Other receivables consist of the following receivables at April 30, 2019:

GOVERNMENTAL ACTIVITIES	
Other miscellaneous receivables	\$ 85,769
Hotel tax	126,014
Food and Beverage tax	25,532
Utility tax	96,977
Telecommunication tax	189,614
Use tax	67,110
Cable TV Franchise fee	42,958
Motor Fuel tax	19,144
TOTAL GOVERNMENTAL ACTIVITIES	\$ 653,118

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2019 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 40,473,800	\$ -	\$ -	\$ 40,473,800
Total capital assets not being depreciated	40,473,800	-	-	40,473,800
Capital assets being depreciated				
Buildings and improvements	19,086,762	-	-	19,086,762
Machinery and equipment	1,484,751	305,735	117,135	1,673,351
Transportation equipment	2,037,364	137,934	53,969	2,121,329
Infrastructure	111,010,912	339,730	-	111,350,642
Total capital assets being depreciated	133,619,789	783,399	171,104	134,232,084
Less accumulated depreciation for				
Buildings and improvements	6,884,063	272,127	-	7,156,190
Machinery, vehicles, and equipment	851,812	98,855	42,950	907,717
Transportation equipment	1,541,103	121,647	53,969	1,608,781
Infrastructure	83,964,467	2,442,472	-	86,406,939
Total accumulated depreciation	93,241,445	2,935,101	96,919	96,079,627
Total capital assets being depreciated, net	40,378,344	(2,151,702)	74,185	38,152,457
GOVERNMENTAL ACTIVITIES	\$ 80,852,144	\$ (2,151,702)	\$ 74,185	\$ 78,626,257
CAPITAL ASSETS, NET				

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land and improvements	\$ 1,335,645	\$ -	\$ -	\$ 1,335,645
Construction in progress	1,058,961	4,459,040	-	5,518,001
Total capital assets not being depreciated	<u>2,394,606</u>	<u>4,459,040</u>	<u>-</u>	<u>6,853,646</u>
Capital assets being depreciated				
Buildings and improvements	500,167	-	-	500,167
Equipment	2,068,821	93,018	-	2,161,839
Water and sewer system	66,612,124	-	-	66,612,124
Total capital assets being depreciated	<u>69,181,112</u>	<u>93,018</u>	<u>-</u>	<u>69,274,130</u>
Less accumulated depreciation for				
Buildings and improvements	500,167	-	-	500,167
Equipment	1,594,096	(7,174)	-	1,586,922
Water and sewer system	27,037,704	1,432,620	-	28,470,324
Total accumulated depreciation	<u>29,131,967</u>	<u>1,425,446</u>	<u>-</u>	<u>30,557,413</u>
Total capital assets being depreciated, net	<u>40,049,145</u>	<u>(1,332,428)</u>	<u>-</u>	<u>38,716,717</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 42,443,751</u>	<u>\$ 3,126,612</u>	<u>\$ -</u>	<u>\$ 45,570,363</u>

Depreciation expense related to governmental activities was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 168,145
Public safety	2,688,037
Community development	5,968
Public works	<u>72,951</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 2,935,101</u>

5. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The Village also issued bonds where the government pledges income derived from the special service areas to pay debt service.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

a. **General Obligation Bonds (Continued)**

A summary of changes in long-term debt reported in the governmental activities of the Village for the year ended April 30, 2019 is as follows:

Governmental Activities

Issue	Interest Rate	Final Maturity Date	Beginning Balances, Restated	Additions	Retirements/ Refundings	Ending Balances	Due Within One Year
General obligation bonds	3.00% to						
Series 2008B	4.00%	12/15/2019	\$ 720,000	\$ -	\$ 720,000	\$ -	\$ -
Series 2008A	3.00%	12/15/2019	1,050,000	-	1,050,000	-	-
Series 2019	4.00%	12/15/2019	-	925,000	-	925,000	925,000
Plus amortized premium to:							
Series 2008B			32,125	-	32,125	-	-
Series 2008A			9,073	-	9,073	-	-
General fund refunding debt certificates							
Series 2010	2.00% to 4.00%	12/1/2022	3,085,000	-	570,000	2,515,000	595,000
Plus amortized premium Series 2010			167,047	-	33,409	133,638	-
Special service area bonds							
Series 2014	4.50%	12/15/2033	2,865,000	-	125,000	2,740,000	130,000
Series 2006	4.50%	12/15/2021	305,000	-	70,000	235,000	75,000
Compensated absences payable			620,920	73,125	62,092	631,953	63,195
Total OPEB liability			2,313,483	-	13,560	2,299,923	162,167
Net pension liability - IMRF			361,086	1,419,334	-	1,780,420	-
Police Pension			16,703,137	5,997,386	-	22,700,523	-
TOTAL GOVERNMENTAL ACTIVITIES			\$ 28,231,871	\$ 8,414,845	\$ 2,685,259	\$ 33,961,457	\$ 1,950,362

Refundings

On February 28, 2019, the Village issued \$925,000 General Obligation Refunding Bonds, 2019, to advance refund, through an in-substance defeasance, \$895,000 of the Series 2008A General Obligation Bonds. Through the refunding, the Village reduced its debt service by \$81,885 and achieved an economic gain of \$7,357. The 2008A bonds were paid from escrow on March 30, 2019.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Business-Type Activities

Issue	Beginning Balances, Restated	Additions	Retirements	Ending Balances	Due Within One Year
General obligation bonds - Series 2009A	\$ 22,230,000	\$ -	\$ 400,000	\$ 21,830,000	\$ 420,000
IEPA loans					
EPA loan I	10,500,000	-	750,000	9,750,000	750,000
EPA loan II*	891,114	4,175,355	-	5,066,469	-
Unamortized bond premium	58,151	-	2,769	55,382	-
Compensated absences payable	162,849	164,212	162,849	164,212	16,421
Net pension liability - IMRF	302,650	1,189,638	-	1,492,288	-
Total OPEB liability	52,042	-	305	51,737	3,648
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 34,196,806	\$ 5,529,205	\$ 1,315,923	\$ 38,410,088	\$ 1,190,069

*The IEPA loan has not been closed out by the IEPA and, therefore, no repayment schedule has been determined as of April 30, 2019.

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities					
	General Obligation Bonds		Refunding Certificates		SSA Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 925,000	\$ 12,315	\$ 595,000	\$ 100,600	\$ 205,000	\$ 135,170
2021	-	-	615,000	76,800	220,000	125,570
2022	-	-	640,000	52,200	225,000	115,230
2023	-	-	665,000	26,600	150,000	104,625
2024	-	-	-	-	155,000	97,875
2025	-	-	-	-	165,000	90,900
2026	-	-	-	-	170,000	83,475
2027	-	-	-	-	180,000	75,825
2028	-	-	-	-	185,000	67,725
2029	-	-	-	-	195,000	59,400
2030	-	-	-	-	205,000	50,625
2031	-	-	-	-	215,000	41,400
2032	-	-	-	-	225,000	31,725
2033	-	-	-	-	235,000	21,600
2034	-	-	-	-	245,000	11,025
TOTAL	\$ 925,000	\$ 12,315	\$ 2,515,000	\$ 256,200	\$ 2,975,000	\$ 1,112,170

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity (Continued)

Fiscal Year	Business-Type Activities			
	General Obligation Bonds		IEPA Loan	
	Principal	Interest	Principal	Interest
2020	\$ 420,000	\$ 1,312,350	\$ 750,000	\$ -
2021	440,000	1,291,350	750,000	-
2022	470,000	1,268,910	750,000	-
2023	490,000	1,243,766	750,000	-
2024	520,000	1,217,060	750,000	-
2025	550,000	1,188,460	750,000	-
2026	580,000	1,158,210	750,000	-
2027	610,000	1,124,570	750,000	-
2028	640,000	1,089,190	750,000	-
2029	680,000	1,052,070	750,000	-
2030	720,000	1,012,630	750,000	-
2031	760,000	968,710	750,000	-
2032	1,190,000	922,350	750,000	-
2033	1,630,000	849,760	-	-
2034	1,730,000	750,330	-	-
2035	1,840,000	644,800	-	-
2036	1,950,000	530,720	-	-
2037	2,070,000	490,820	-	-
2038	2,200,000	281,480	-	-
2039	2,340,000	145,080	-	-
TOTAL	\$ 21,830,000	\$ 18,542,616	\$ 9,750,000	\$ -

6. INDIVIDUAL FUND DISCLOSURES

a. Due To/From

Due to/from other funds at April 30, 2019 consist of the following:

Fund	Due To	Due From
General		
Nonmajor governmental	\$ 307,014	\$ -
Nonmajor governmental		
General	-	307,014
TOTAL	\$ 307,014	\$ 307,014

The General Fund has advanced a nonmajor governmental fund \$307,014 for Capital Projects. This will be repaid within one year.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers In/Out

Individual interfund transfers during the fiscal year ended April 30, 2019 were as follows:

	Transfers In	Transfers Out
General	\$ -	\$ 3,500,000
Hotel Tax	-	640,000
Capital Projects	4,140,000	-
TOTAL	\$ 4,140,000	\$ 4,140,000

The transfer from the Hotel Tax Fund for \$640,000 and General Fund for \$3,500,000 were both to the Capital Projects Fund was to support capital projects.

7. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, in the opinion of the Village's management, 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. 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.

8. COMMITMENTS

a. DuPage Water Commission

The Village is a customer of the DuPage Water Commission (the Commission) and has executed a Water Supply Contract with the Commission for a term ending in the year 2024. The contract provides that the Village pay its proportionate share of “fixed costs” (debt service and capital costs) to the Commission, such obligation being unconditional and irrevocable whether or not water is delivered.

The Village’s water supply agreement with the Commission provides that the Village is responsible for water usage under the contract. Additionally, each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

9. RISK MANAGEMENT

The Village is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health; injuries to employees; and net income losses. The Village purchases private insurance for its workers’ compensation and liability coverages.

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental, and nonprofit public service entities.

IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into the subsequent years experience factor for premiums.

IPBC receives, processes, and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

10. TAX ABATEMENTS

The Village rebates sales taxes to recruit, retain, or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

The Village has an agreement with a local retailer based upon sales tax revenue generated and paid by this retailer during the calendar year. The Village will remit 40% of sales tax revenue in excess of \$376,373 paid by this retailer. The agreement expires on March 26, 2034 or when total payments to the retailer are \$1,000,000. As of and for the year ended April 30, 2019, a liability of \$58,481 has been accrued and payments of \$177,215 were made. As of April 30, 2019, the Village has incurred total incentives of \$628,574.

11. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; and the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for both plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.IMRF.org. The Police Pension Plan also issues a separate report which is available on the Village's website at www.itasca.com/1913/Annual-Financial-Reports.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. The plan is treated as a cost sharing plan by the Village and Itasca Community Library (the Library). Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2018, most recent information available, IMRF membership consisted of:

Inactive plan members currently receiving benefits	71
Inactive plan members entitled to but not yet receiving benefits	53
Active plan members	<u>53</u>
 TOTAL	 <u><u>177</u></u>

The IMRF data included in the table above includes membership of both the Village and the Library.

Benefits Provided

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

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

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

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2018 was 13.48% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.39% to 14.25%
Interest rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Market value

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the IMRF total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 23,939,094	\$ 23,141,358	\$ 797,736
Changes for the period			
Service cost	338,426	-	338,426
Interest	1,769,964	-	1,769,964
Difference between expected and actual experience	369,602	-	369,602
Changes in assumptions	746,723	-	746,723
Employer contributions	-	461,448	(461,448)
Employee contributions	-	154,047	(154,047)
Net investment income	-	(1,168,019)	1,168,019
Benefit payments and refunds	(1,017,565)	(1,017,565)	-
Other (net transfer)	-	641,546	(641,546)
Net changes	2,207,150	(928,543)	3,135,693
BALANCES AT DECEMBER 31, 2018	\$ 26,146,244	\$ 22,212,815	\$ 3,933,429

The table presented includes amounts for both the Village and the Library. The Village's proportionate share of the net pension liability at January 1, 2018, the employer contributions, and net pension liability at December 31, 2018 was \$663,736, \$345,359, and \$3,272,708, respectively. The Library's proportionate share of the net pension liability at January 1, 2018, the employer contributions, and net pension liability at December 31, 2018 was \$134,000, \$69,736, and \$660,721, respectively.

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

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2019, the Village recognized pension expense of \$96,359.

At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 349,228	\$ 364,899
Changes in assumption	518,570	312,065
Contributions made after measurement date	123,804	-
Net difference between projected and actual earnings on pension plan investments	1,384,713	-
TOTAL	\$ 2,376,315	\$ 676,964

The deferred outflows presented in the table above include amounts for both the Village and the Library. The Village's proportionate share of the deferred outflows and deferred inflows of resources at April 30, 2019 were \$1,977,151 and \$563,250, respectively. The Library's proportionate share of the deferred outflows and deferred inflows of resources at April 30, 2019 were \$399,164 and \$113,714, respectively.

The \$123,804 contributed after the measurement date of the plan will be recognized as a reduction of net pension liability for the fiscal year ended April 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized as pension expense by the Village as follows:

<u>Year Ending April 30,</u>	
2020	\$ 454,967
2021	290,414
2022	247,645
2023	582,521
2024	-
Thereafter	-
TOTAL	\$ 1,575,547

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village and the Library calculated using the discount rate of 7.25% as well as what the Village and the Library's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (Village)	\$ 6,100,680	\$ 3,272,613	\$ 959,567
Net pension liability (Library)	1,231,868	660,816	193,759
Net pension liability (Total)	<u>\$ 7,332,548</u>	<u>\$ 3,933,429</u>	<u>\$ 1,153,326</u>

Police Pension Plan

Plan Administration

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

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2019, membership consisted of:

Inactive plan members currently receiving benefits	25
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>22</u>
 TOTAL	 <u><u>48</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has been contributing 100% of the past service costs by 2040. For the year ended April 30, 2019, the Village's contribution was 57.23% of covered payroll.

Investment Policy

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

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Cash	3.00%	0.89%
U.S. Fixed Income	32.00%	1.29%
U.S. Large Cap Equity	12.00%	3.60%
U.S. Small/Mid Cap Equity	10.00%	4.12%
International Developed Markets Equity	11.50%	5.45%
Emerging Markets Equity	8.50%	6.79%
Real Estate	10.00%	4.66%
MLP's	4.00%	7.26%
Hedge Funds	5.00%	3.29%
US Corp High Yield FI	4.00%	3.04%

ILCS limits the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation of 2.10%) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2019 are listed in the table above.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities, and mutual funds and contract values for insurance contracts.

Investment Concentrations

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

Investment Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.44%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

Interest Rate Risk

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency securities	\$ 843,279	\$ -	\$ -	\$ 41,509	\$ 801,770
U.S. Treasury securities	2,246,967	219,094	961,423	538,274	528,176
Corporate bonds	1,945,541	94,967	591,294	936,184	323,096
TOTAL	\$ 5,035,787	\$ 314,061	\$ 1,552,717	\$ 1,515,967	\$ 1,653,042

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Fair Value Measurements

The Fund has the following recurring fair value measurements as of April 30, 2019. The money market mutual funds, mutual funds, and corporate equity securities are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. Treasury obligations, U.S. agency obligations, and corporate bonds are valued using quoted prices of similar securities (Level 2 inputs).

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment grade corporate bonds rated by one of the two largest rating agencies. The U.S. agency obligations and corporate bonds are rated AA+ and CCC- to AAA, respectively, by Standard and Poor's.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis (DVP) with the underlying investment held in a third party custodial account. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	5.33%
Interest rate	6.50%
Cost of living adjustments	3.00% (Tier 1) 1.25% (Tier 2)
Asset valuation method	Market

Mortality rates were based on the PubS-2010 mortality projected five years past the valuation date with Scale MP-2018. The actuarial assumptions used in the April 30, 2019 valuation were based on the results of a 2017 actuarial experience study conducted by the Illinois Department of Insurance.

Discount Rate

The discount rate used to measure the total pension liability was 6.50% (7.55% prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 28,379,763	\$ 22,700,523	\$ 18,081,825

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2018	\$ 32,266,355	\$ 15,563,218	\$ 16,703,137
Changes for the period			
Service cost	409,935	-	409,935
Interest	2,404,613	-	2,404,613
Difference between expected and actual experience	70,553	-	70,553
Changes of assumptions	5,192,883	-	5,192,883
Employer contributions	-	1,220,168	(1,220,168)
Employee contributions	-	207,939	(207,939)
Buy back contributions	3,990	3,990	-
Net investment income	-	689,505	(689,505)
Benefit payments and refunds	(1,654,219)	(1,654,219)	-
Administrative expense	-	(37,014)	37,014
Net changes	6,427,755	430,369	5,997,386
BALANCES AT APRIL 30, 2019	\$ 38,694,110	\$ 15,993,587	\$ 22,700,523

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

For the year ended April 30, 2019, the Village recognized police pension expense of \$2,953,549. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the Fund from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 201,442	\$ 729,764
Changes in assumption	4,714,410	-
Net difference between projected and actual earnings on pension plan investments	<u>927,013</u>	<u>-</u>
TOTAL	<u>\$ 5,842,865</u>	<u>\$ 729,764</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Fund will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2020	\$ 1,475,170
2021	715,639
2022	1,072,665
2023	972,387
2024	877,240
Thereafter	<u>-</u>
TOTAL	<u>\$ 5,113,101</u>

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

The Village provides postemployment health care benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans or meet COBRA requirements. All health care benefits are provided through the Village's insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Once reaching Medicare age, retirees are covered by a Medicare supplement plan as opposed to the Village's active employee health plan. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay-as-you-go) which results in an implicit subsidy to the Village.

c. Membership

At April 30, 2019 membership consisted of:

Retirees and beneficiaries currently receiving benefits	18
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>56</u>
TOTAL	<u>74</u>
Participating employers	<u>1</u>

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Total OPEB Liability

The Village's total OPEB liability of \$2,351,660 was measured as of April 30, 2019, determined by an actuarial valuation as of April 30, 2018 and was rolled forward to April 30, 2019.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry-age
Actuarial value of assets	N/A
Inflation	2.50%
Salary increases	3.00%
Discount rate	3.79%
Healthcare cost trend rates	7.10% initial 5.00% ultimate
Retirees share of benefit-related costs	100% regular plan

The discount rate was based on the index rate for tax exempt general obligation municipal bonds rated AA or better at April 30, 2019. The discount rate at April 30, 2018 was 3.97%.

IMRF mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2016 Improvement Rates. Police mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2016 Improvement Rates. Spousal mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2016 Improvement Rates. Disabled mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study for Disabled Pensioners. These rates are improved generationally using MP-2016 Improvement Rates.

The actuarial assumptions used in the April 30, 2018 valuation are based on 35% participation assumed, with 50% electing spouse coverage.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2018	<u>\$ 2,365,525</u>
Changes for the period	
Service cost	31,867
Interest	90,617
Difference between expected and actual experience	-
Changes in benefit terms	-
Changes in assumptions	29,466
Benefit payments	<u>(165,815)</u>
Net changes	<u>(13,865)</u>
BALANCES AT APRIL 30, 2019	<u>\$ 2,351,660</u>

The discount rate was changed from 3.97% to 3.79%.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.79% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.79%) or 1 percentage point higher (4.79%) than the current rate:

	1% Decrease (2.79%)	Current Discount Rate (3.79%)	1% Increase (4.79%)
Total OPEB liability	\$ 2,529,691	\$ 2,351,660	\$ 2,195,488

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 5.00% to 7.10% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.00% to 6.10%) or 1 percentage point higher (6.00% to 8.10%) than the current rate:

	1% Decrease (4.00% to 6.10%)	Current Healthcare Rate (5.00% to 7.10%)	1% Increase (6.00% to 8.10%)
Total OPEB liability	\$ 2,149,852	\$ 2,351,660	\$ 2,583,053

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2019, the Village recognized OPEB expense of \$125,156. At April 30, 2019, the Village reported deferred outflows of resources of \$26,794 and did not report deferred inflows of resources related to OPEB.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	26,794	-
TOTAL	\$ 26,794	\$ -

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending April 30,</u>	
2020	\$ 2,672
2021	2,672
2022	2,672
2023	2,672
2024	2,672
Thereafter	<u>13,434</u>
TOTAL	<u>\$ 26,794</u>

13. CHANGE IN ACCOUNTING PRINCIPLE

In 2019, the Village implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. With the implementation, the Village is required to retroactively record the total postemployment benefit liability.

	<u>Increase (Decrease)</u>
CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	
Change in accounting principle	
To write-off the net OPEB obligation	\$ 28,835
To record the total OPEB liability	<u>(2,313,483)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	<u>\$ (2,284,648)</u>

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

	<u>Increase (Decrease)</u>
CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	
Change in accounting principle To record the total OPEB liability	<u>\$ (52,042)</u>
 TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	 <u>\$ (52,042)</u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	Original and Final Budget	Actual
REVENUES		
Property taxes	\$ 2,389,755	\$ 2,383,777
Licenses	146,650	145,443
Building and other permits	739,000	636,123
Intergovernmental		
Sales	3,519,734	3,374,352
Less incentives	(220,000)	(177,452)
State income	746,171	839,723
Replacement	135,000	83,967
Local use	219,576	267,575
Telecommunications	897,120	773,372
Utility tax	1,285,008	1,350,602
Food and beverage tax	330,000	320,973
Grants	20,322	19,342
Parking and other fees	187,500	205,024
Police fines and other receipts	258,625	229,305
Investment income	50,000	380,064
Miscellaneous	496,291	549,845
	<u>11,200,752</u>	<u>11,382,035</u>
EXPENDITURES		
Current		
General government		
Administrative	2,058,250	1,958,563
Nature center	149,997	125,654
Public safety	5,645,781	5,378,662
Community development	1,029,928	902,330
Public works	1,580,885	1,665,392
Debt service		
Principal	570,000	570,000
Interest and fiscal agent fees	124,205	124,141
	<u>11,159,046</u>	<u>10,724,742</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>41,706</u>	<u>657,293</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	148,647	123,852
Transfers (out)	(3,500,000)	(3,500,000)
	<u>(3,351,353)</u>	<u>(3,376,148)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (3,309,647)</u>	<u>(2,718,855)</u>
FUND BALANCE, MAY 1		<u>10,091,087</u>
FUND BALANCE, APRIL 30		<u>\$ 7,372,232</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2019

LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

The Village Board of Trustees passes and approves an annual appropriation ordinance and an operating budget. The operating budget proposes expenditures and a means to finance them. The appropriations ordinance determines the legal level at which expenditures/expenses may not exceed appropriations. The legal level of control is administered at the fund level. All appropriations lapse at year end.

The following procedures have been established in approving the budget and passing the appropriation ordinance:

- a. A proposed budget is prepared by the Village President and Village Administrator and is reviewed by the Village Board of Trustees. Public meetings are held to obtain citizen comment.
- b. The proposed budget is approved by motion of the Village Board of Trustees.
- c. An annual appropriation ordinance with the same level of revenues and expenditures is prepared based upon the approved budget. A public hearing is held to obtain citizen comment.
- d. The appropriation ordinance is passed and approved by the Village Board of Trustees.
- e. The Village Board of Trustees may modify the appropriation ordinance through a supplemental appropriation ordinance. There were no supplemental appropriation ordinances during the year.

The approved budget is reflected in these schedules to provide a more meaningful comparison of planned to actual operations. The budget is adopted for the General, Special Revenue, Debt Service, Capital Projects, and Enterprise Funds. The General Obligation 2008 Fund had expenditures of \$968,050 with a budget of \$749,603.

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019
Actuarially determined contribution	\$ 365,966	\$ 349,848	\$ 376,298	\$ 340,546
Contributions in relation to the actuarially determined contribution	365,966	349,848	376,298	340,546
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,106,255	\$ 2,913,041	\$ 3,096,736	\$ 2,818,935
Contributions as a percentage of covered payroll	11.78%	12.01%	12.15%	12.08%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and inflation of 2.75%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
Employer's proportion of net pension liability	83.39%	82.72%	83.20%	83.20%
Employer's proportionate share of net pension liability	\$ 2,624,791	\$ 2,872,854	\$ 663,736	\$ 3,272,708
Employer's covered payroll	2,988,468	2,921,014	2,923,088	2,848,140
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	87.83%	98.35%	22.71%	114.91%
Plan fiduciary net position as a percentage of the total pension liability	86.14%	85.70%	96.67%	84.96%

Notes to Required Supplementary Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 490,884	\$ 620,922	\$ 621,324	\$ 537,359	\$ 576,591	\$ 676,543	\$ 694,619	\$ 906,688	\$ 1,131,221	\$ 1,188,065
Contributions in relation to the actuarially determined contribution	502,722	606,037	596,937	545,817	578,545	677,725	704,812	925,806	1,168,415	1,220,168
CONTRIBUTION DEFICIENCY (Excess)	\$ (11,838)	\$ 14,885	\$ 24,387	\$ (8,458)	\$ (1,954)	\$ (1,182)	\$ (10,193)	\$ (19,118)	\$ (37,194)	\$ (32,103)
Covered payroll	\$ 1,987,850	\$ 1,973,692	\$ 1,877,990	\$ 1,998,734	\$ 1,991,755	\$ 2,148,640	\$ 1,977,927	\$ 1,869,508	\$ 2,021,561	\$ 2,132,165
Contributions as a percentage of covered payroll	25.29%	30.71%	31.79%	27.31%	29.05%	31.54%	35.63%	49.52%	57.80%	57.23%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal, the amortization method was level percent of pay, closed, and the amortization period was 21 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.55% annually, projected salary increases assumption of 5.33% compounded annually, and postretirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

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

Last Five Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY					
Service cost	\$ 360,963	\$ 409,850	\$ 397,093	\$ 386,940	\$ 409,935
Interest	1,739,122	2,074,655	2,358,281	2,311,466	2,404,613
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	814,832	316,067	(1,824,410)	132,389	70,553
Changes of assumptions*	1,724,772	1,935,023	-	-	5,192,883
Benefit payments, including refunds of member contributions	(1,041,152)	(1,256,271)	(1,495,834)	(1,585,898)	(1,650,229)
Net change in total pension liability	3,598,537	3,479,324	(564,870)	1,244,897	6,427,755
Total pension liability - beginning	24,508,467	28,107,004	31,586,328	31,021,458	32,266,355
TOTAL PENSION LIABILITY - ENDING	\$ 28,107,004	\$ 31,586,328	\$ 31,021,458	\$ 32,266,355	\$ 38,694,110
PLAN FIDUCIARY NET POSITION					
Contributions - employer	\$ 677,725	\$ 704,812	\$ 925,806	\$ 1,168,415	\$ 1,220,168
Contributions - member	215,723	219,289	199,897	196,565	207,939
Net investment income	759,851	(410,736)	1,035,795	758,725	689,505
Benefit payments, including refunds of member contributions	(1,041,152)	(1,256,271)	(1,495,834)	(1,585,898)	(1,650,229)
Administrative expense	(25,762)	(45,250)	(41,300)	(43,576)	(37,014)
Net change in plan fiduciary net position	586,385	(788,156)	624,364	494,231	430,369
Plan fiduciary net position - beginning	14,646,394	15,232,779	14,444,623	15,068,987	15,563,218
PLAN FIDUCIARY NET POSITION - ENDING	\$ 15,232,779	\$ 14,444,623	\$ 15,068,987	\$ 15,563,218	\$ 15,993,587
EMPLOYER'S NET PENSION LIABILITY	\$ 12,874,225	\$ 17,141,705	\$ 15,952,471	\$ 16,703,137	\$ 22,700,523
Plan fiduciary net position as a percentage of the total pension liability	54.20%	45.70%	48.60%	48.20%	41.30%
Covered payroll	\$ 2,148,640	\$ 1,977,927	\$ 1,869,508	\$ 2,021,561	\$ 2,132,165
Employer's net pension liability as a percentage of covered payroll	599.20%	866.70%	853.30%	826.20%	1,064.70%

Notes to Required Supplementary Information

*There was a change in assumptions in 2015 and 2016 to reflect revised mortality rates.

*There was a change in assumptions in 2019 to reflect the change in interest rate assumption from 7.55% to 6.50%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	5.19%	(2.68%)	7.33%	5.00%	4.44%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Fiscal Year

MEASUREMENT DATE APRIL 30,	2019
TOTAL PENSION LIABILITY	
Service cost	\$ 31,867
Interest	90,617
Differences between expected and actual experience	-
Changes of benefit terms	-
Changes of assumptions	29,466
Benefit payments	<u>(165,815)</u>
Net change in total OPEB liability	(13,865)
Total OPEB liability - beginning	<u>2,365,525</u>
TOTAL OPEB LIABILITY - ENDING	<u>\$ 2,351,660</u>
Covered payroll	\$ 4,730,470
Employer's total OPEB liability as a percentage of covered payroll	49.70%

Notes to Required Supplementary Information

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The change in assumptions in 2019 relate to the discount rate.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

(See independent auditor's report.)

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
ADMINISTRATIVE		
Salaries/stipends		
President	\$ 13,600	\$ 11,950
Trustees	14,800	12,950
Administrator	70,363	66,132
Clerk	2,500	2,390
Clerical	245,482	245,157
	<u>346,745</u>	<u>338,579</u>
Total salaries/stipends		
Payroll taxes		
FICA	31,638	25,067
Unemployment tax	1,365	1,011
IMRF	44,905	44,079
	<u>77,908</u>	<u>70,157</u>
Total payroll taxes		
Employee benefits		
Group insurance	109,955	109,255
Uniforms	480	-
	<u>110,435</u>	<u>109,255</u>
Total employee benefits		
Operating		
Gas heating/electric	27,000	24,638
Telephone	14,900	14,936
Postage	5,500	5,407
Publication legal notices	3,500	4,177
Codification	5,500	-
Operating supplies - general	6,500	6,243
Conferences	9,250	8,551
Office supplies	8,000	6,186
Physical	680	1,055
Wellness	2,500	907
Employee recruitment	2,000	960
Training	12,900	8,670
Employee assistance program	2,000	1,833
Dues, subscriptions, and meetings	16,495	24,815
Rentals	8,460	7,290
Community relations	15,200	8,212
Safety program	12,324	7,150
Software	15,500	22,405
Hardware	69,350	31,387
Support agreements - IT	38,351	38,025
Miscellaneous	3,530	1,495
	<u>279,440</u>	<u>224,342</u>
Total operating		

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
ADMINISTRATIVE (Continued)		
Repairs and maintenance		
Building	\$ 33,725	\$ 35,035
Total repairs and maintenance	<u>33,725</u>	<u>35,035</u>
Professional services		
Legal and accounting	248,500	235,134
Payroll	9,600	12,765
Audit	28,029	30,060
Newsletter	14,900	14,498
Janitorial	41,000	23,241
Software	3,520	2,268
Consulting services	62,500	36,968
Other	13,500	20,467
Total professional services	<u>421,549</u>	<u>375,401</u>
Special services		
Village share - garbage	721,000	721,822
Total special services	<u>721,000</u>	<u>721,822</u>
Grants		
Seniors	8,000	8,000
Suburban O'Hare comm	25,000	20,000
Total grants	<u>33,000</u>	<u>28,000</u>
Insurance		
Liability	21,303	39,509
Workers' compensation	1,092	1,081
Total insurance	<u>22,395</u>	<u>40,590</u>
Capital expenditures		
Equipment	12,053	15,382
Total capital expenditures	<u>12,053</u>	<u>15,382</u>
Total administrative	<u>2,058,250</u>	<u>1,958,563</u>
NATURE CENTER		
Salaries/stipends		
General labor	83,373	75,596
Total salaries/stipends	<u>83,373</u>	<u>75,596</u>

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
NATURE CENTER (Continued)		
Payroll taxes		
FICA	\$ 1,917	\$ 1,468
Unemployment tax	136	125
Total payroll taxes	<u>2,053</u>	<u>1,593</u>
Employee benefits		
Group insurance	5,600	4,697
Uniforms	50	-
Training	100	-
Total employee benefits	<u>5,750</u>	<u>4,697</u>
Operating		
Gas heating	2,000	1,974
Telephone	5,000	3,602
Operating supplies - general	7,700	8,014
Office supplies	400	-
Motor fuel and lubrication	-	797
Dues, subscriptions, and meetings	950	135
Rentals	100	-
Program supplies	6,500	3,795
Total operating	<u>22,650</u>	<u>18,317</u>
Repair and maintenance		
Structures	4,500	4,242
Total repairs and maintenance	<u>4,500</u>	<u>4,242</u>
Professional services		
Veterinary	800	800
Janitorial	8,250	4,985
Engineering	5,000	-
Graphics	2,000	-
Other services	12,500	12,648
Total professional services	<u>28,550</u>	<u>18,433</u>
Insurance		
Liability	1,891	1,801
Workers' compensation	1,230	975
Total insurance	<u>3,121</u>	<u>2,776</u>
Total nature center	<u>149,997</u>	<u>125,654</u>
Total general government	<u>2,208,247</u>	<u>2,084,217</u>

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	Budget	Actual
PUBLIC SAFETY		
Salaries/stipends		
Police chief	\$ 125,084	\$ 131,918
Police officers	2,317,344	2,193,255
Clerk/dispatchers	166,135	157,887
Clerk/dispatchers overtime	-	17
Police overtime	218,960	296,888
Police court time	18,000	20,570
Total salaries/stipends	<u>2,845,523</u>	<u>2,800,535</u>
Payroll taxes		
FICA	209,220	207,673
Unemployment tax	3,790	4,241
IMRF	18,325	16,984
Total payroll taxes	<u>231,335</u>	<u>228,898</u>
Employee benefits		
Group insurance	543,735	442,998
Uniforms	18,100	19,313
Pension contribution	1,258,118	1,212,198
Total employee benefits	<u>1,819,953</u>	<u>1,674,509</u>
Operating		
Telephone	18,036	25,424
Postage	3,000	2,950
Operating supplies - general	3,980	3,052
Motor fuel and lubrication	34,000	36,277
Office supplies	8,500	6,451
Court, meetings, local, and miscellaneous	12,000	8,759
Dues, subscriptions, and meetings	11,475	8,415
Training	23,440	10,443
Employee physicals	1,500	650
Shooting expenditure	12,998	10,410
Evidence	4,000	3,782
D.A.R.E.	16,610	15,016
Crime prevention	8,010	7,907
DUI technology	20,700	14,502
Volunteer	4,625	3,776
Addison dispatch center	208,236	201,219
Safety program	4,945	6,450
Elder services	1,600	722
Other operating expenditures	3,000	2,166
Total operating	<u>400,655</u>	<u>368,371</u>

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
PUBLIC SAFETY (Continued)		
Repairs and maintenance		
Vehicles	\$ 30,000	\$ 45,447
Hand-held equipment	3,500	1,427
Equipment	48,900	21,820
Building maintenance	36,750	38,082
Total repairs and maintenance	<u>119,150</u>	<u>106,776</u>
Professional services		
Prosecution cost	81,750	82,090
Police social services	11,040	9,634
Software	14,500	11,692
Police commission	4,000	5,746
Total professional services	<u>111,290</u>	<u>109,162</u>
Insurance		
Liability	39,138	37,274
Workers' compensation	61,489	48,497
Total insurance	<u>100,627</u>	<u>85,771</u>
Capital expenditures		
Equipment	17,248	4,640
Total capital expenditures	<u>17,248</u>	<u>4,640</u>
Total public safety	<u>5,645,781</u>	<u>5,378,662</u>
COMMUNITY DEVELOPMENT		
Salaries/stipends		
Building commissioner	95,891	126,992
Building inspector	186,730	76,374
Clerical	94,294	81,341
Total salaries/stipends	<u>376,915</u>	<u>284,707</u>
Payroll taxes		
FICA	36,887	27,773
Unemployment tax	1,145	909
IMRF	46,724	40,513
Total payroll taxes	<u>84,756</u>	<u>69,195</u>
Employee benefits		
Group insurance	58,918	59,728
Uniforms	1,500	356
Total employee benefits	<u>60,418</u>	<u>60,084</u>

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	Budget	Actual
COMMUNITY DEVELOPMENT (Continued)		
Operating		
Telephone	\$ 14,000	\$ 14,608
Postage	3,000	2,956
Publication legal notices	1,000	132
Operating supplies - general	3,500	2,520
Motor fuel and lubrication	1,400	1,469
Conference	650	342
Office supplies	5,200	4,078
Training	9,800	3,526
Dues, subscriptions, and meetings	11,145	3,240
Other	500	75
Total operating	<u>50,195</u>	<u>32,946</u>
Repairs and maintenance		
Vehicles	999	245
Buildings	6,875	14,300
Equipment	12,000	7,596
Total repairs and maintenance	<u>19,874</u>	<u>22,141</u>
Professional services		
Planner	74,400	81,879
Engineering	105,000	177,059
Inspections	128,600	95,050
GIS mapping	5,000	3,080
Consulting	10,000	14,925
Other professional services	500	322
Planning	20,000	22,425
Total professional services	<u>343,500</u>	<u>394,740</u>
Commissions		
Planning	10,000	7,227
Historical	3,750	350
ComEd power line Elgin O'Hare	5,000	-
Suburban O'Hare	20,000	-
Itasca youth	7,350	5,875
Economic development	24,000	4,374
Total commissions	<u>70,100</u>	<u>17,826</u>
Insurance		
Liability	9,882	9,411
Workers' compensation	14,288	11,280
Total insurance	<u>24,170</u>	<u>20,691</u>
Total community development	<u>1,029,928</u>	<u>902,330</u>

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	Budget	Actual
PUBLIC WORKS		
Salaries/stipends		
Directors/supervisors	\$ 130,236	\$ 132,518
General labor	278,331	286,321
Clerical	23,064	21,253
Total salaries/stipends	<u>431,631</u>	<u>440,092</u>
Payroll taxes		
FICA	39,153	33,019
Unemployment tax	1,088	972
IMRF	59,282	54,108
Total payroll taxes	<u>99,523</u>	<u>88,099</u>
Employee benefits		
Group insurance	90,628	88,330
Uniforms	2,400	2,374
Total employee benefits	<u>93,028</u>	<u>90,704</u>
Operating		
Electricity	55,000	40,185
Gas heating	16,000	26,226
Telephone	10,000	11,404
Postage	400	300
Conferences	1,200	695
Operating supplies - general	6,500	5,487
Motor fuel and lubrication	19,000	35,095
Office supplies	1,500	1,612
Training	750	50
Dues, subscriptions, and meetings	1,550	1,260
Rentals	1,500	281
Employee physicals	1,200	2,350
Rubbish removal	5,000	4,671
Community relations	-	659
Streets - bulk materials	11,000	15,282
Total operating	<u>130,600</u>	<u>145,557</u>
Repairs and maintenance		
Vehicles	27,500	33,197
Building	12,500	10,698
Equipment	12,000	25,204
Street lights	75,000	75,193
Parking lots	10,000	10,687
Storm sewers	65,000	70,106
Parkways and parks	25,000	24,045

(This schedule is continued on the following page.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2019

	Budget	Actual
PUBLIC WORKS (Continued)		
Repairs and maintenance (Continued)		
Street signs	\$ 15,000	\$ 15,357
Other repairs and maintenance	152,000	146,760
Total repairs and maintenance	<u>394,000</u>	<u>411,247</u>
Professional services		
Engineering	5,000	40,097
Total professional services	<u>5,000</u>	<u>40,097</u>
Special services		
Veterinary and animal control	2,500	5,663
Mosquito abatement	60,350	81,272
Snow removal	150,000	143,219
Lawn maintenance	30,000	34,074
Tree trimming	69,500	67,718
Tree planting	20,000	21,700
Traffic signals	35,000	39,014
Total special services	<u>367,350</u>	<u>392,660</u>
Insurance		
Liability	21,468	20,446
Workers' compensation	38,285	34,903
Total insurance	<u>59,753</u>	<u>55,349</u>
Capital expenditures		
Streets (not MFT)	-	1,587
Total capital expenditures	<u>-</u>	<u>1,587</u>
Total public works	<u>1,580,885</u>	<u>1,665,392</u>
DEBT SERVICE		
Principal	570,000	570,000
Interest and fiscal agents	124,205	124,141
Total debt service	<u>694,205</u>	<u>694,141</u>
TOTAL EXPENDITURES	<u>\$ 11,159,046</u>	<u>\$ 10,724,742</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Intergovernmental		
Sales tax	\$ 1,832,089	\$ 1,589,162
Grants	40,000	-
Investment income	500	3,248
Miscellaneous	60,000	102,188
	<u>1,932,589</u>	<u>1,694,598</u>
EXPENDITURES		
Capital outlay	2,812,350	1,653,082
	<u>2,812,350</u>	<u>1,653,082</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(879,761)</u>	<u>41,516</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	4,140,000	4,140,000
	<u>4,140,000</u>	<u>4,140,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 3,260,239</u>	4,181,516
FUND BALANCE, MAY 1		<u>1,569,980</u>
FUND BALANCE, APRIL 30		<u>\$ 5,751,496</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ITASCA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2019

	Special Revenue		Debt Service	
	Motor Fuel Tax	Hotel Tax	General Obligation 2008	Spring Lake Special Service Area
ASSETS				
Cash and investments	\$ 757,995	\$ 2,341,216	\$ 6,170	\$ 93,601
Receivables				
Property taxes	-	-	-	87,755
Other	19,144	129,226	-	-
Due from library	-	-	925,000	-
TOTAL ASSETS	\$ 777,139	\$ 2,470,442	\$ 931,170	\$ 181,356
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 5,150	\$ 17,240	\$ -	\$ -
Accrued payroll	-	2,820	-	-
Advance from other funds	307,014	-	-	-
Total liabilities	312,164	20,060	-	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	87,755
Unavailable revenue - due from other governments	-	-	925,000	-
Total deferred inflows of resources	-	-	925,000	87,755
Total liabilities and deferred inflows of resources	312,164	20,060	925,000	87,755
FUND BALANCES				
Restricted				
Debt service	-	-	6,170	93,601
Highway and streets	464,975	-	-	-
Tourism	-	2,450,382	-	-
Special service areas	-	-	-	-
Total fund balances	464,975	2,450,382	6,170	93,601
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 777,139	\$ 2,470,442	\$ 931,170	\$ 181,356

Debt Service		Capital Projects				
Hamilton Lakes Special Service Area	Spring Lake Special Service Area	CMD Special Service Area	Hamilton Lakes Special Service Area	Old Thorndale Special Service Area	Total Nonmajor Governmental Funds	
\$ 266,804	\$ 445,615	\$ 28,034	\$ 1,809,665	\$ 390,935	\$ 6,140,035	
255,879	51,522	-	155,518	-	550,674	
-	-	-	-	243	148,613	
-	-	-	-	-	925,000	
\$ 522,683	\$ 497,137	\$ 28,034	\$ 1,965,183	\$ 391,178	\$ 7,764,322	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,390	
-	-	-	-	-	2,820	
-	-	-	-	-	307,014	
-	-	-	-	-	332,224	
255,879	51,522	-	155,518	-	550,674	
-	-	-	-	-	925,000	
255,879	51,522	-	155,518	-	1,475,674	
255,879	51,522	-	155,518	-	1,807,898	
266,804	-	-	-	-	366,575	
-	-	-	-	-	464,975	
-	-	-	-	-	2,450,382	
-	445,615	28,034	1,809,665	391,178	2,674,492	
266,804	445,615	28,034	1,809,665	391,178	5,956,424	
\$ 522,683	\$ 497,137	\$ 28,034	\$ 1,965,183	\$ 391,178	\$ 7,764,322	

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	<u>Special Revenue</u>		<u>Debt Service</u>	
	<u>Motor Fuel Tax</u>	<u>Hotel Tax</u>	<u>General Obligation 2008</u>	<u>Spring Lake Special Service Area</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ 753,507	\$ 86,235
Hotel tax	-	1,251,032	-	-
Operating grants	219,551	-	-	-
Investment income	15,823	36,731	2,716	553
Miscellaneous	-	3,595	202,250	-
Total revenues	235,374	1,291,358	958,473	86,788
EXPENDITURES				
General government	-	789,671	-	-
Debt service				
Principal	-	-	875,000	70,000
Interest and fiscal agent fees	-	-	94,303	15,335
Capital outlay				
Streets and highways	-	-	-	-
Total expenditures	-	789,671	969,303	85,335
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	235,374	501,687	(10,830)	1,453
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	(763,852)	-	-
Bonds issued, at par	-	-	925,000	-
Payment to escrow agent	-	-	(906,747)	-
Total other financing sources (uses)	-	(763,852)	18,253	-
NET CHANGE IN FUND BALANCES	235,374	(262,165)	7,423	1,453
FUND BALANCES (DEFICIT), MAY 1	229,601	2,712,547	(1,253)	92,148
FUND BALANCES, APRIL 30	\$ 464,975	\$ 2,450,382	\$ 6,170	\$ 93,601

Debt Service		Capital Projects				Total Nonmajor Governmental Funds
Hamilton Lakes Special Service Area	Spring Lake Special Service Area	CMD Special Service Area	Hamilton Lakes Special Service Area	Old Thorndale Special Service Area		
\$ 254,446	\$ 50,312	\$ -	\$ 150,305	\$ -	\$ 1,294,805	
-	-	-	-	-	1,251,032	
-	-	-	-	-	219,551	
5,879	7,692	903	24,890	6,339	101,526	
-	-	-	-	-	205,845	
260,325	58,004	903	175,195	6,339	3,072,759	
-	-	-	-	-	789,671	
125,000	-	-	-	-	1,070,000	
129,460	-	-	-	-	239,098	
-	-	1,267	-	-	1,267	
254,460	-	1,267	-	-	2,100,036	
5,865	58,004	(364)	175,195	6,339	972,723	
-	-	-	-	-	(763,852)	
-	-	-	-	-	925,000	
-	-	-	-	-	(906,747)	
-	-	-	-	-	(745,599)	
5,865	58,004	(364)	175,195	6,339	227,124	
260,939	387,611	28,398	1,634,470	384,839	5,729,300	
\$ 266,804	\$ 445,615	\$ 28,034	\$ 1,809,665	\$ 391,178	\$ 5,956,424	

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Intergovernmental allotments - operating grants	\$ 225,312	\$ 219,551
Investment income	800	15,823
	<hr/>	
Total revenues	226,112	235,374
EXPENDITURES		
Capital outlay		
Streets and highways	113,200	-
	<hr/>	
NET CHANGE IN FUND BALANCE	<u>\$ 112,912</u>	235,374
FUND BALANCE, MAY 1		<u>229,601</u>
FUND BALANCE, APRIL 30		<u>\$ 464,975</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

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

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Hotel tax	\$ 1,233,200	\$ 1,251,032
Investment income	7,000	36,731
Miscellaneous	14,445	3,595
	<u>1,254,645</u>	<u>1,291,358</u>
Total revenues		
EXPENDITURES		
General government		
Police overtime	42,409	9,158
Operation staff	330,185	190,384
Public relations	398,562	327,046
Marketing	293,000	228,166
Equipment	76,000	34,917
	<u>1,140,156</u>	<u>789,671</u>
Total expenditures		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>114,489</u>	<u>501,687</u>
OTHER FINANCING SOURCES (USES)		
Transfers (out)	<u>(788,647)</u>	<u>(763,852)</u>
Total other financing sources (uses)	<u>(788,647)</u>	<u>(763,852)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (674,158)</u>	<u>(262,165)</u>
FUND BALANCE, MAY 1		<u>2,712,547</u>
FUND BALANCE, APRIL 30		<u>\$ 2,450,382</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL OBLIGATION 2008 DEBT SERVICE FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Property taxes	\$ 756,721	\$ 753,507
Library bond payments	-	202,250
Investment income	500	2,716
Total revenues	<u>757,221</u>	<u>958,473</u>
EXPENDITURES		
Debt service		
Principal	720,000	875,000
Interest	28,800	76,050
Bond agent fees	803	18,253
Total expenditures	<u>749,603</u>	<u>969,303</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>7,618</u>	<u>(10,830)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued, at par	-	925,000
Payment to escrow agent	-	(906,747)
Total other financing sources (uses)	<u>-</u>	<u>18,253</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,618</u>	7,423
FUND BALANCE (DEFICIT), MAY 1		<u>(1,253)</u>
FUND BALANCE, APRIL 30		<u>\$ 6,170</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE SPECIAL SERVICE AREA DEBT SERVICE FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Property taxes	\$ 85,335	\$ 86,235
Investment income	250	553
	<hr/>	
Total revenues	85,585	86,788
	<hr/>	
EXPENDITURES		
Debt service		
Principal	70,000	70,000
Interest	15,336	15,335
	<hr/>	
Total expenditures	85,336	85,335
	<hr/>	
NET CHANGE IN FUND BALANCE	<u>\$ 249</u>	1,453
FUND BALANCE, MAY 1		<u>92,148</u>
FUND BALANCE, APRIL 30		<u>\$ 93,601</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HAMILTON LAKES SPECIAL SERVICE AREA DEBT SERVICE FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Property taxes	\$ 254,325	\$ 254,446
Investment income	3,000	5,879
Total revenues	<u>257,325</u>	<u>260,325</u>
EXPENDITURES		
Debt service		
Principal	125,000	125,000
Interest	128,925	128,925
Bond agent fees	535	535
Total expenditures	<u>254,460</u>	<u>254,460</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,865</u>	5,865
FUND BALANCE, MAY 1		<u>260,939</u>
FUND BALANCE, APRIL 30		<u>\$ 266,804</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Property taxes	\$ 51,000	\$ 50,312
Investment income	1,500	7,692
	<hr/>	
Total revenues	52,500	58,004
	<hr/>	
EXPENDITURES		
Capital outlay		
Capital maintenance	51,000	-
	<hr/>	
Total expenditures	51,000	-
	<hr/>	
NET CHANGE IN FUND BALANCE	<u>\$ 1,500</u>	58,004
	<hr/>	
FUND BALANCE, MAY 1		<u>387,611</u>
	<hr/>	
FUND BALANCE, APRIL 30		<u>\$ 445,615</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CMD SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Investment income	<u>\$ 174</u>	<u>\$ 903</u>
EXPENDITURES		
Capital outlay	<u>30,000</u>	<u>1,267</u>
Total expenditures	<u>30,000</u>	<u>1,267</u>
NET CHANGE IN FUND BALANCE	<u>\$ (29,826)</u>	(364)
FUND BALANCE, MAY 1		<u>28,398</u>
FUND BALANCE, APRIL 30		<u><u>\$ 28,034</u></u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HAMILTON LAKES SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Property taxes	\$ 151,559	\$ 150,305
Investment income	4,000	24,890
	<hr/>	
Total revenues	155,559	175,195
	<hr/>	
EXPENDITURES		
Current		
General government	10,000	-
Capital outlay	50,000	-
	<hr/>	
Total expenditures	60,000	-
	<hr/>	
NET CHANGE IN FUND BALANCE	<u>\$ 95,559</u>	175,195
FUND BALANCE, MAY 1		<u>1,634,470</u>
FUND BALANCE, APRIL 30		<u>\$ 1,809,665</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OLD THORNDALE SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
REVENUES		
Investment income	\$ 2,000	\$ 6,339
EXPENDITURES		
None	-	-
Total expenditures	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 2,000</u>	6,339
FUND BALANCE, MAY 1		<u>384,839</u>
FUND BALANCE, APRIL 30		<u>\$ 391,178</u>

(See independent auditor's report.)

MAJOR PROPRIETARY FUND

VILLAGE OF ITASCA, ILLINOIS
SCHEDULE OF NET POSITION
WATER AND SEWER FUND BY SUBACCOUNT

April 30, 2019

	Operating and Maintenance	Capital	Total
CURRENT ASSETS			
Cash and investments	\$ 490,096	\$ 6,601,497	\$ 7,091,593
Accounts receivable	2,111,272	-	2,111,272
Total current assets	2,601,368	6,601,497	9,202,865
NONCURRENT ASSETS			
Capital assets			
Cost	76,127,776	-	76,127,776
Less accumulated depreciation	30,557,413	-	30,557,413
Total noncurrent assets	45,570,363	-	45,570,363
Total assets	48,171,731	6,601,497	54,773,228
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	901,540	-	901,540
OPEB items	589	-	589
Total deferred outflows of resources	902,129	-	902,129
Total assets and deferred outflows of resources	49,073,860	6,601,497	55,675,357
CURRENT LIABILITIES			
Accounts payable	337,849	1,105,594	1,443,443
Accrued payroll	37,112	-	37,112
Bonds and loans payable - current portion	1,170,000	-	1,170,000
Compensated absences payable	16,421	-	16,421
Total OPEB liability	3,648	-	3,648
Accrued interest	328,087	-	328,087
Total current liabilities	1,893,117	1,105,594	2,998,711
NONCURRENT LIABILITIES			
Bonds payable	21,465,382	-	21,465,382
IEPA loan payable	14,066,469	-	14,066,469
Compensated absences payable	147,791	-	147,791
Total OPEB liability	48,089	-	48,089
Net pension liability	1,492,288	-	1,492,288
Total noncurrent liabilities	37,220,019	-	37,220,019
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	256,830	-	256,830
Total deferred inflows of resources	256,830	-	256,830
Total liabilities and deferred inflows of resources	39,369,966	1,105,594	40,475,560
NET POSITION			
Net investment in capital assets	8,868,512	-	8,868,512
Unrestricted	835,382	5,495,903	6,331,285
TOTAL NET POSITION	\$ 9,703,894	\$ 5,495,903	\$ 15,199,797

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
WATER AND SEWER FUND BY SUBACCOUNT

For the Year Ended April 30, 2019

	Operating and Maintenance	Capital	Eliminations	Total
OPERATING REVENUES				
Charges for services				
Water fees	\$ 4,852,558	\$ -	\$ -	\$ 4,852,558
Sewer fees	4,722,135	-	-	4,722,135
Other revenues	395,788	-	-	395,788
Total operating revenues	9,970,481	-	-	9,970,481
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Salaries and stipends	1,447,979	-	-	1,447,979
Payroll taxes	289,747	-	-	289,747
Employee benefits	309,177	-	-	309,177
General operating	2,769,391	-	-	2,769,391
Repairs and maintenance	320,471	-	-	320,471
Professional services	217,148	-	-	217,148
Special services	129,135	-	-	129,135
Insurance	92,495	-	-	92,495
Capital	-	601,524	-	601,524
Total operating expenses excluding depreciation	5,575,543	601,524	-	6,177,067
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	4,394,938	(601,524)	-	3,793,414
Depreciation and amortization	1,425,446	-	-	1,425,446
OPERATING INCOME (LOSS)	2,969,492	(601,524)	-	2,367,968
NON-OPERATING REVENUES (EXPENSES)				
Investment income	18,332	194	-	18,526
Bond stimulus payment	436,150	-	-	436,150
Interest expense	(1,324,634)	-	-	(1,324,634)
Total non-operating revenues (expenses)	(870,152)	194	-	(869,958)
INCOME (LOSS) BEFORE TRANSFERS	2,099,340	(601,330)	-	1,498,010
TRANSFERS				
Transfers in	4,511,878	6,711,851	(11,223,729)	-
Transfers (out)	(6,711,851)	(4,511,878)	11,223,729	-
Total transfers	(2,199,973)	2,199,973	-	-
CHANGE IN NET POSITION	(100,633)	1,598,643	-	1,498,010
NET POSITION, MAY 1	9,856,569	3,897,260	-	13,753,829
Change in accounting principle	(52,042)	-	-	(52,042)
NET POSITION, MAY 1, RESTATED	9,804,527	3,897,260	-	13,701,787
NET POSITION, APRIL 30	\$ 9,703,894	\$ 5,495,903	\$ -	\$ 15,199,797

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGES IN NET POSITION - BUDGET AND ACTUAL
 WATER AND SEWER FUND -
 OPERATING SUBACCOUNT

For the Year Ended April 30, 2019

	Budget	Actual
OPERATING REVENUES		
Charges for services		
Water fees	\$ 4,998,802	\$ 4,852,558
Sewer fees	4,968,722	4,722,135
Other revenues	173,613	395,788
	10,141,137	9,970,481
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Salaries and stipends	1,538,682	1,562,415
Payroll taxes	293,082	289,747
Employee benefits	333,240	309,177
General operating	2,766,014	2,769,391
Repairs and maintenance	323,750	320,471
Professional services	244,341	217,148
Special services	190,000	129,135
Insurance	103,461	92,495
	5,792,570	5,689,979
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	4,348,567	4,280,502
Depreciation and amortization	-	1,425,446
	4,348,567	2,855,056
NON-OPERATING REVENUES (EXPENSES)		
Investment income	8,000	18,332
Bond stimulus payment	433,821	436,150
Debt service		
Principal repayment	(1,150,000)	(750,000)
Interest expense	(1,332,153)	(1,324,634)
	(2,040,332)	(1,620,152)
INCOME BEFORE TRANSFERS	2,308,235	1,234,904
NON-OPERATING REVENUES (EXPENSES)		
Transfers in	-	4,511,878
Transfers (out)	(7,255,000)	(6,711,851)
	(7,255,000)	(2,199,973)
NET INCOME (LOSS) BUDGETARY BASIS	\$ (4,946,765)	(965,069)
ADJUSTMENTS TO GAAP BASIS		
Increase in net pension liability		113,542
Increase in OPEB liability		894
Principal repayment		750,000
		864,436
CHANGE IN NET POSITION		(100,633)
NET POSITION, MAY 1		9,856,569
Change in accounting principle		(52,042)
NET POSITION, MAY 1, RESTATED		9,804,527
NET POSITION, APRIL 30		\$ 9,703,894

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND -
OPERATING SUBACCOUNT**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
OPERATING EXPENSES		
Salaries and stipends		
President	\$ 8,160	\$ 7,170
Trustees	8,880	7,770
Treasurer	500	-
Clerk	1,500	1,500
Clerical	202,643	204,721
Directors/superintendents	260,664	268,921
Operations staff	888,706	894,645
Overtime	105,089	115,974
Administrator	62,540	61,714
Total salaries and stipends	<u>1,538,682</u>	<u>1,562,415</u>
Payroll taxes		
FICA	117,543	114,699
Unemployment taxes	2,214	2,668
IMRF	173,325	172,380
Total payroll taxes	<u>293,082</u>	<u>289,747</u>
Employee benefits		
Group insurance	322,640	299,239
Uniforms	5,600	4,938
Education	5,000	5,000
Total employee benefits	<u>333,240</u>	<u>309,177</u>
General operating		
Gas heat	3,500	19,470
Electricity	322,000	360,417
Telephone	14,000	15,690
Postage	21,000	20,026
Publication legal notices	200	-
Supplies - general	8,000	10,673
Supplies - office	5,500	6,851
Supplies - sewer treatment	125,000	125,279
Supplies - water treatment	5,000	3,573
Motor fuel and lubrication	23,000	23,905
Conferences	9,000	3,682
Dues, subscriptions, and meetings	5,700	3,132

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
 WATER AND SEWER FUND -
 OPERATING SUBACCOUNT

For the Year Ended April 30, 2019

	Budget	Actual
OPERATING EXPENSES (Continued)		
General operating (Continued)		
Training	\$ 6,000	\$ 656
Rentals	8,000	7,431
Employee physicals	1,200	809
Rubbish removal	15,000	14,887
Water meters	10,000	14,092
Safety program	4,700	300
Lab tests pretreatment	9,000	6,830
Operating software	40,774	29,195
Hardware	25,000	4,920
DuPage Water Commission	2,104,440	2,097,573
Total general operating	2,766,014	2,769,391
Repairs and maintenance		
Vehicles	16,500	19,808
Equipment	15,000	7,443
Bulk material	14,000	20,203
Structures	64,500	28,978
Wells	3,600	15,817
Treatment plant	18,575	73,256
Lift stations	50,000	25,087
Sanitary sewers	50,000	40,358
Water systems	66,575	46,162
Meter repair	25,000	43,359
Total repairs and maintenance	323,750	320,471
Professional services		
Legal	22,500	52,760
Engineering	62,000	38,794
Accounting	75,250	60,000
Payroll	2,600	3,168
Audit	24,355	22,605
Janitorial	14,136	8,470
Other services	43,500	31,351
Total professional services	244,341	217,148

(This schedule is continued on the following page.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND -
OPERATING SUBACCOUNT

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
OPERATING EXPENSES (Continued)		
Special services		
Sludge removal	\$ 30,000	\$ 34,768
Industrial pre-treatment	160,000	94,367
	<hr/>	<hr/>
Total special services	190,000	129,135
	<hr/>	<hr/>
Insurance		
Liability	57,757	55,006
Workers' compensation	45,704	37,489
	<hr/>	<hr/>
Total insurance	103,461	92,495
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	\$ 5,792,570	\$ 5,689,979

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND -
CAPITAL SUBACCOUNT**

For the Year Ended April 30, 2019

	<u>Budget</u>	<u>Actual</u>
OPERATING REVENUES		
None	\$ -	\$ -
Total operating revenues	<u>-</u>	<u>-</u>
OPERATING EXPENSES		
Capital	6,662,800	5,113,402
Total operating expenses	<u>6,662,800</u>	<u>5,113,402</u>
OPERATING INCOME (LOSS)	<u>(6,662,800)</u>	<u>(5,113,402)</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	-	194
Loan proceeds	4,770,000	-
Total non-operating revenues (expenses)	<u>4,770,000</u>	<u>194</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,892,800)</u>	<u>(5,113,208)</u>
NON-OPERATING REVENUES (EXPENSES)		
Transfers in	7,255,000	6,711,851
Transfers (out)	-	(4,511,878)
Total transfers	<u>7,255,000</u>	<u>2,199,973</u>
NET INCOME (LOSS) BUDGETARY BASIS	<u>\$ 5,362,200</u>	<u>(2,913,235)</u>
ADJUSTMENTS TO GAAP BASIS		
Capitalized assets		<u>4,511,878</u>
Total adjustments to GAAP basis		<u>4,511,878</u>
CHANGE IN NET POSITION		1,598,643
NET POSITION, MAY 1		<u>3,897,260</u>
NET POSITION, APRIL 30		<u>\$ 5,495,903</u>

(See independent auditor's report.)

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF ITASCA, ILLINOIS

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended April 30, 2019

CSFA Number	Program Name	State	Federal	Other	Total
444-26-1565	Tobacco Enforcement Program	\$ -	\$ 1,375	\$ -	\$ 1,375
532-60-0379	USEPA Capitalization Grant for Drinking Water State Revolving Funds	449,359	427,170	-	876,529
	Other grant programs and activities	-	2,016	15,951	17,967
	All other costs not allocated	-	-	24,571,562	24,571,562
	TOTALS	449,359	430,561	24,587,513	25,467,433

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING DEBT CERTIFICATE, SERIES 2010**

April 30, 2019

Date of Issue	May 11, 2010
Date of Maturity	December 1, 2022
Authorized Issue	\$ 6,955,000
Denomination of Bonds	\$ 5,000
Interest Rates	2% to 4%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Bank of New York Mellon Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Principal	Interest	Total	Interest Due On			
				June 1	Amount	December 1	Amount
2020	\$ 595,000	\$ 100,600	\$ 695,600	2019	\$ 50,300	2019	\$ 50,300
2021	615,000	76,800	691,800	2020	38,400	2020	38,400
2022	640,000	52,200	692,200	2021	26,100	2021	26,100
2023	665,000	26,600	691,600	2022	13,300	2022	13,300
	<u>\$ 2,515,000</u>	<u>\$ 256,200</u>	<u>\$ 2,771,200</u>		<u>\$ 128,100</u>		<u>\$ 128,100</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
SPECIAL SERVICE AREA BONDS, SERIES 2006**

April 30, 2019

Date of Issue	August 15, 2006
Date of Maturity	December 15, 2021
Authorized Issue	\$ 900,000
Denomination of Bonds	\$ 5,000
Interest Rates	4.30% to 5.10%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Chase Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Principal	Interest	Total	Interest Due On			
				June 15	Amount	December 15	Amount
2020	\$ 75,000	\$ 11,870	\$ 86,870	2019	\$ 5,935	2019	\$ 5,935
2021	80,000	8,120	88,120	2020	4,060	2020	4,060
2022	80,000	4,080	84,080	2021	2,040	2021	2,040
	<u>\$ 235,000</u>	<u>\$ 24,070</u>	<u>\$ 259,070</u>		<u>\$ 12,035</u>		<u>\$ 12,035</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2009A

April 30, 2019

Date of Issue	December 3, 2009
Date of Maturity	February 1, 2039
Authorized Issue	\$ 24,000,000
Denomination of Bonds	\$ 5,000
Interest Rates	3.30% to 6.20%
Interest Dates	February 1 and August 1
Principal Maturity Date	February 1
Payable at	Bank of New York Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Principal	Interest	Total	Interest Due On			
				February 1	Amount	August 1	Amount
2020	\$ 420,000	\$ 1,312,350	\$ 1,732,350	2020	\$ 656,175	2019	\$ 656,175
2021	440,000	1,291,350	1,731,350	2021	645,675	2020	645,675
2022	470,000	1,268,910	1,738,910	2022	634,455	2021	634,455
2023	490,000	1,243,766	1,733,766	2023	621,883	2022	621,883
2024	520,000	1,217,060	1,737,060	2024	608,530	2023	608,530
2025	550,000	1,188,460	1,738,460	2025	594,230	2024	594,230
2026	580,000	1,158,210	1,738,210	2026	579,105	2025	579,105
2027	610,000	1,124,570	1,734,570	2027	562,285	2026	562,285
2028	640,000	1,089,190	1,729,190	2028	544,595	2027	544,595
2029	680,000	1,052,070	1,732,070	2029	526,035	2028	526,035
2030	720,000	1,012,630	1,732,630	2030	506,315	2029	506,315
2031	760,000	968,710	1,728,710	2031	484,355	2030	484,355
2032	1,190,000	922,350	2,112,350	2032	461,175	2031	461,175
2033	1,630,000	849,760	2,479,760	2033	424,880	2032	424,880
2034	1,730,000	750,330	2,480,330	2034	375,165	2033	375,165
2035	1,840,000	644,800	2,484,800	2035	322,400	2034	322,400
2036	1,950,000	530,720	2,480,720	2036	265,360	2035	265,360
2037	2,070,000	409,820	2,479,820	2037	204,910	2036	204,910
2038	2,200,000	281,480	2,481,480	2038	140,740	2037	140,740
2039	2,340,000	145,080	2,485,080	2039	72,540	2038	72,540
	<u>\$ 21,830,000</u>	<u>\$ 18,461,616</u>	<u>\$ 40,291,616</u>		<u>\$ 9,230,808</u>		<u>\$ 9,230,808</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
SPECIAL SERVICE AREA BONDS, SERIES 2014

April 30, 2019

Date of Issue	February 11, 2014
Date of Maturity	December 15, 2033
Authorized Issue	\$ 3,340,000
Denomination of Bonds	\$ 5,000
Interest Rates	4.50%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Bank of New York Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Principal	Interest	Total	Interest Due On			
				June 15	Amount	December 15	Amount
2020	\$ 130,000	\$ 123,300	\$ 253,300	2019	\$ 61,650	2019	\$ 61,650
2021	140,000	117,450	257,450	2020	58,725	2020	58,725
2022	145,000	111,150	256,150	2021	55,575	2021	55,575
2023	150,000	104,625	254,625	2022	52,312	2022	52,312
2024	155,000	97,875	252,875	2023	48,938	2023	48,938
2025	165,000	90,900	255,900	2024	45,450	2024	45,450
2026	170,000	83,475	253,475	2025	41,738	2025	41,738
2027	180,000	75,825	255,825	2026	37,913	2026	37,913
2028	185,000	67,725	252,725	2027	33,863	2027	33,863
2029	195,000	59,400	254,400	2028	29,700	2028	29,700
2030	205,000	50,625	255,625	2029	25,312	2029	25,312
2031	215,000	41,400	256,400	2030	20,700	2030	20,700
2032	225,000	31,725	256,725	2031	15,862	2031	15,862
2033	235,000	21,600	256,600	2032	10,800	2032	10,800
2034	245,000	11,025	256,025	2033	5,512	2033	5,512
	<u>\$ 2,740,000</u>	<u>\$ 1,088,100</u>	<u>\$ 3,828,100</u>		<u>\$ 544,050</u>		<u>\$ 544,050</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019**

April 30, 2019

Date of Issue	February 28, 2019
Date of Maturity	December 15, 2019
Authorized Issue	\$ 925,000
Denomination of Bonds	\$ 5,000
Interest Rates	1.67%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Bank of New York Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Principal	Interest	Total	Interest Due On			
				June 15	Amount	December 15	Amount
2020	\$ 925,000	\$ 12,315	\$ 937,315	2020	\$ 4,591	2019	\$ 7,724
	<u>\$ 925,000</u>	<u>\$ 12,315</u>	<u>\$ 937,315</u>		<u>\$ 4,591</u>		<u>\$ 7,724</u>

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS
SCHEDULE OF INSURANCE IN FORCE
 April 30, 2019

Type of Coverage	Amount of Coverage	Deductibles	Expiration Date
Commercial Property			5/1/2019
Building and contents	\$84,610,239	\$25,000	
Business income including extra expense	2,500,000		
General Liability			5/1/2019
Each occurrence	\$1,000,000	\$50,000	
General aggregate	3,000,000		
Products and completed ops aggregate	3,000,000		
Personal and advertising injury	1,000,000		
Fire damage (any one fire)	500,000		
Medical payments	5,000		
Crisis management emergency response expense	\$10,000/\$30,000		
Identity theft expenses	\$10,000/\$30,000		
Workplace violence counseling	\$10,000/\$30,000		
Auto liability	\$1,000,000 Each Accident	\$50,000	
Medial payments	10,000		
Law Enforcement Liability			5/1/2019
Each person/each wrongful act	\$1,000,000	\$50,000	
Annual aggregate	3,000,000		
Public Officials' Liability			5/1/2019
Each wrongful act	\$1,000,000	\$50,000	
Each person	1,000,000		
Annual aggregate	3,000,000		
Employment Practices Liability			
Each wrongful act	\$1,000,000	\$50,000	
Annual aggregate	3,000,000		
Umbrella			5/1/2019
Each wrongful act	\$10,000,000	\$10,000	
Annual aggregate	10,000,000		
Workers' Compensation			12/31/2018
Each accident	\$3,000,000		
Disease - policy limit	3,000,000		
Disease - each employee	3,000,000		
Cyber Liability			5/1/2019
Annual aggregate	\$1,000,000	\$5,000	
Each and every claim	1,000,000		
Storage Tank Liability			5/1/2019
Annual aggregate	\$1,000,000	\$10,000	
Per storage tank	2,000,000		

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF ASSESSED VALUATIONS,
TAX RATES, AND TAX EXTENSIONS**

April 30, 2019

<u>Levy Year</u>	<u>2018</u>	<u>2017</u>
Residential	\$ 287,468,474	\$ 276,548,139
Farms	15,791	14,360
Commercial	167,422,416	167,944,170
Industrial	191,697,040	186,620,260
	<u>\$ 646,603,721</u>	<u>\$ 631,126,929</u>

<u>Levy Year</u>	<u>2018</u>		<u>2017</u>	
	<u>Rate Extended</u>	<u>Taxes Extended</u>	<u>Rate Extended</u>	<u>Taxes Extended</u>
Corporate	0.0958	\$ 619,446	0.1577	\$ 995,287
Bond and interest	-	-	0.1199	756,721
Police Pension	0.2480	1,603,577	0.1835	1,158,118
TOTAL	0.3438	\$ 2,223,023	0.4611	\$ 2,910,126

The Village also collects taxes from Special Service Areas within the Village for the payment of principal and interest on bonds and maintenance of roads. The taxes extended for the Special Service Areas for 2018 and 2017 were \$550,675 and \$544,621, respectively.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2019

Assessed valuation - 2017	<u>\$ 646,603,721</u>
Legal debt limit - 8.625% of assessed valuation	\$ 55,769,571
Amount of debt applicable to debt limit	
Village's general obligation debt	<u>3,440,000</u>
LEGAL DEBT MARGIN	<u>\$ 52,329,571</u>

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

VILLAGE OF ITASCA, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 88,007,793	\$ 86,086,632	\$ 84,355,772	\$ 82,462,526
Restricted	1,258,176	1,531,216	3,135,730	3,703,525
Unrestricted	3,982,441	4,348,107	5,064,981	7,298,521
TOTAL GOVERNMENTAL ACTIVITIES	\$ 93,248,410	\$ 91,965,955	\$ 92,556,483	\$ 93,464,572
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 15,160,848	\$ 18,219,626	\$ 12,273,883	\$ 11,769,338
Unrestricted	2,291,186	(2,796,758)	2,318,579	1,310,939
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 17,452,034	\$ 15,422,868	\$ 14,592,462	\$ 13,080,277
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 103,168,641	\$ 104,306,258	\$ 96,629,655	\$ 94,231,864
Restricted	1,258,176	1,531,216	3,135,730	3,703,525
Unrestricted	6,273,627	1,551,349	7,383,560	8,609,460
TOTAL PRIMARY GOVERNMENT	\$ 110,700,444	\$ 107,388,823	\$ 107,148,945	\$ 106,544,849

The Village implemented GASB Statement No. 68 during 2016.

The Village implemented GASB Statement No. 75 during 2019.

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	79,463,098	\$ 78,202,970	\$ 77,774,223	\$ 76,396,437	\$ 75,511,028	\$ 74,833,102
	4,159,291	5,503,700	5,315,395	5,751,234	5,770,684	5,996,480
	10,516,995	7,584,042	(7,187,454)	(7,651,157)	(7,935,629)	(10,328,256)
\$	94,139,384	\$ 91,290,712	\$ 75,902,164	\$ 74,496,514	\$ 73,346,083	\$ 70,501,326
\$	10,421,964	\$ 9,467,059	\$ 8,705,616	\$ 8,453,494	\$ 8,596,642	\$ 8,868,512
	1,411,824	1,523,896	474,563	542,401	5,157,187	6,331,285
\$	11,833,788	\$ 10,990,955	\$ 9,180,179	\$ 8,995,895	\$ 13,753,829	\$ 15,199,797
\$	89,885,062	\$ 87,670,029	\$ 86,479,839	\$ 84,849,931	\$ 84,107,670	\$ 83,701,614
	4,159,291	5,503,700	5,315,395	5,751,234	5,770,684	5,996,480
	11,928,819	9,107,938	(6,712,891)	(7,108,756)	(2,778,442)	(3,996,971)
\$	105,973,172	\$ 102,281,667	\$ 85,082,343	\$ 83,492,409	\$ 87,099,912	\$ 85,701,123

VILLAGE OF ITASCA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
EXPENSES				
Governmental activities				
General government	\$ 3,169,008	\$ 3,023,830	\$ 2,907,797	\$ 2,539,131
Public safety	4,496,515	5,010,422	5,005,282	4,898,678
Community development	630,901	544,921	596,880	627,001
Public works	7,265,891	4,634,428	4,367,247	5,320,761
Interest	586,624	483,783	455,089	424,737
Total governmental activities expenses	16,148,939	13,697,384	13,332,295	13,810,308
Business-type activities				
Water and sewer	5,175,724	5,013,429	5,075,192	6,191,690
Interest	-	1,402,584	1,402,584	1,402,734
Total business-type activities expenses	5,175,724	6,416,013	6,477,776	7,594,424
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 21,324,663	\$ 20,113,397	\$ 19,810,071	\$ 21,404,732
PROGRAM REVENUES				
Governmental activities				
Charges for services				
Public safety	\$ 519,982	\$ 404,189	\$ 431,769	\$ 412,952
Community development	522,792	554,281	707,154	643,243
Public works	122,632	127,079	130,679	120,415
Operating grants and contributions	209,518	265,159	248,220	205,955
Capital grants and contributions	31,624	180,823	57,932	131,517
Total governmental activities program revenues	1,406,548	1,531,531	1,575,754	1,514,082
Business-type activities				
Charges for services				
Water and sewer	3,956,315	4,100,378	4,898,635	5,762,679
Capital grants and contributions	5,000,000	-	-	-
Total business-type activities program revenues	8,956,315	4,100,378	4,898,635	5,762,679
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 10,362,863	\$ 5,631,909	\$ 6,474,389	\$ 7,276,761
NET REVENUE (EXPENSE)				
Governmental activities	\$ (14,742,391)	\$ (12,165,853)	\$ (11,756,541)	\$ (12,296,226)
Business-type activities	3,780,591	(2,315,635)	(1,579,141)	(1,831,745)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (10,961,800)	\$ (14,481,488)	\$ (13,335,682)	\$ (14,127,971)

	2014	2015	2016	2017	2018	2019
\$	2,877,330	\$ 4,703,106	\$ 3,479,155	\$ 3,501,654	\$ 3,078,537	\$ 2,794,474
	4,938,440	5,440,539	6,058,119	6,699,549	6,037,115	7,106,336
	982,497	753,760	942,210	936,669	935,802	875,237
	5,566,081	6,281,524	5,642,221	5,134,979	5,862,683	5,493,643
	580,185	567,260	478,048	424,318	354,732	270,596
	14,944,533	17,746,189	16,599,753	16,697,169	16,268,869	16,540,286
	6,933,727	8,637,501	9,558,386	9,926,958	9,818,624	8,927,147
	1,400,011	-	-	-	-	-
	8,333,738	8,637,501	9,558,386	9,926,958	9,818,624	8,927,147
\$	23,278,271	\$ 26,383,690	\$ 26,158,139	\$ 26,624,127	\$ 26,087,493	\$ 25,467,433
\$	485,700	\$ 390,293	\$ 309,180	\$ 343,201	\$ 297,328	\$ 276,435
	1,058,825	905,238	756,655	1,154,448	854,757	781,566
	118,705	132,778	148,505	151,463	135,463	157,894
	213,525	211,962	221,232	274,105	220,835	219,551
	393,789	153,613	32,399	13,314	18,300	19,342
	2,270,544	1,793,884	1,467,971	1,936,531	1,526,683	1,454,788
	6,481,304	6,561,926	7,568,954	9,127,908	9,185,357	9,574,693
	6,481,304	6,561,926	7,568,954	9,127,908	9,185,357	9,574,693
\$	8,751,848	\$ 8,355,810	\$ 9,036,925	\$ 11,064,439	\$ 10,712,040	\$ 11,029,481
\$	(12,673,989)	\$ (15,952,305)	\$ (15,131,782)	\$ (14,760,638)	\$ (14,742,186)	\$ (15,085,498)
	(1,852,434)	(2,075,575)	(1,989,432)	(799,050)	(633,267)	647,546
\$	(14,526,423)	\$ (18,027,880)	\$ (17,121,214)	\$ (15,559,688)	\$ (15,375,453)	\$ (14,437,952)

VILLAGE OF ITASCA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GENERAL REVENUES AND OTHER				
CHANGES IN NET ASSETS				
Governmental activities				
Taxes				
Property	\$ 3,585,694	\$ 2,845,048	\$ 2,891,673	\$ 2,922,967
Hotel	775,908	893,270	1,042,657	1,229,225
Intergovernmental	6,277,113	6,289,842	7,892,212	8,518,068
Miscellaneous	460,596	824,101	503,931	626,420
Investment income	73,549	31,137	16,596	35,226
Transfers in (out)	-	-	-	-
Total governmental activities	11,172,860	10,883,398	12,347,069	13,331,906
Business-type activities				
Intergovernmental	-	-	490,777	490,777
Miscellaneous	121,029	117,357	173,003	143,008
Investment income	51,162	169,112	84,955	6,797
Transfers in (out)	-	-	-	-
Total business-type activities	172,191	286,469	748,735	640,582
TOTAL PRIMARY GOVERNMENT	\$ 11,345,051	\$ 11,169,867	\$ 13,095,804	\$ 13,972,488
CHANGE IN NET POSITION				
Governmental activities	\$ (3,569,531)	\$ (1,282,455)	\$ 590,528	\$ 1,035,680
Business-type activities	3,952,782	(2,029,166)	(830,406)	(1,191,163)
TOTAL PRIMARY GOVERNMENT	\$ 383,251	\$ (3,311,621)	\$ (239,878)	\$ (155,483)
CHANGE IN NET POSITION				

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	2,979,754	\$ 3,269,634	\$ 3,529,622	\$ 3,577,481	\$ 3,585,363	\$ 3,678,582
	1,214,144	1,260,731	1,237,362	1,235,160	1,252,114	1,251,032
	8,474,428	8,300,237	7,548,238	7,693,436	8,279,986	8,253,059
	639,080	713,792	995,486	765,799	663,313	857,878
	41,397	50,016	62,813	83,112	138,479	484,838
	-	(490,777)	-	-	(327,500)	-
	13,348,803	13,103,633	13,373,521	13,354,988	13,591,755	14,525,389
	451,761	451,661	448,652	444,939	440,224	436,150
	152,334	288,910	183,328	165,165	4,151,940	395,788
	1,850	1,394	1,135	4,662	12,591	18,526
	-	490,777	-	-	327,500	-
	605,945	1,232,742	633,115	614,766	4,932,255	850,464
\$	13,954,748	\$ 14,336,375	\$ 14,006,636	\$ 13,969,754	\$ 18,524,010	\$ 15,375,853
\$	674,814	\$ (2,848,672)	\$ (1,758,261)	\$ (1,405,650)	\$ (1,150,431)	\$ (560,109)
	(1,246,489)	(842,833)	(1,356,317)	(184,284)	4,298,988	1,498,010
\$	(571,675)	\$ (3,691,505)	\$ (3,114,578)	\$ (1,589,934)	\$ 3,148,557	\$ 937,901

VILLAGE OF ITASCA, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012*	2013
GENERAL FUND				
Restricted	\$ 66,301	\$ 66,378	\$ 28,829	\$ 29,750
Unrestricted				
Unassigned	3,504,380	3,847,515	5,982,901	8,071,249
TOTAL GENERAL FUND	\$ 3,570,681	\$ 3,913,893	\$ 6,011,730	\$ 8,100,999
ALL OTHER GOVERNMENTAL FUNDS				
Restricted				
Debt Service Funds	\$ 146,577	\$ 146,018	\$ 144,975	\$ 144,975
Highways and streets	423,612	315,492	197,337	209,596
Tourism	621,686	1,003,328	1,289,202	1,838,982
Special service areas	-	-	1,475,387	1,480,222
Unrestricted				
Assigned	1,390,737	1,401,661	-	-
Unassigned	-	-	(62,801)	(62,714)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 2,582,612	\$ 2,866,499	\$ 3,044,100	\$ 3,611,061

*The Village implemented GASB Statement No. 54 for the fiscal year ended April 30, 2012.

Data Source

Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ 32,584	\$ 35,375	\$ 35,375	\$ 39,975	\$ 40,131	\$ 40,056
9,851,800	10,128,426	9,642,012	10,279,454	10,050,956	7,332,176
\$ 9,884,384	\$ 10,163,801	\$ 9,677,387	\$ 10,319,429	\$ 10,091,087	\$ 7,372,232
\$ 399,709	\$ 393,413	\$ 485,254	\$ 351,541	\$ 353,087	\$ 366,575
236,020	300,244	320,821	524,709	229,601	464,975
2,271,858	2,409,882	2,252,892	2,490,265	2,712,547	2,450,382
4,460,058	2,364,786	2,221,053	2,344,744	2,435,318	2,674,492
-	-	-	637,802	1,569,980	5,751,496
(66,874)	(80,615)	(62,891)	(66,350)	(1,253)	-
\$ 7,300,771	\$ 5,387,710	\$ 5,217,129	\$ 6,282,711	\$ 7,299,280	\$ 11,707,920

VILLAGE OF ITASCA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
REVENUES				
Taxes	\$ 3,585,694	\$ 2,845,048	\$ 2,891,673	\$ 2,922,967
Hotel taxes	775,908	893,270	1,042,657	1,229,225
Licenses and permits	522,792	554,281	707,154	643,243
Intergovernmental	6,277,113	6,289,842	7,751,241	8,219,668
Food and beverage tax	-	-	140,971	298,400
Grants	241,142	445,982	306,152	337,472
Charges for services	122,632	127,079	130,679	120,415
Fines and forfeits	519,982	404,189	431,769	412,952
Investment income	73,549	31,137	16,596	35,226
Miscellaneous	460,596	824,100	503,931	626,420
Total revenues	12,579,408	12,414,928	13,922,823	14,845,988
EXPENDITURES				
General government	3,034,057	2,580,592	2,535,508	2,492,045
Public safety	4,431,600	4,842,148	4,826,298	4,785,808
Community development	623,152	537,172	589,131	619,252
Public works	3,826,295	1,885,239	1,784,094	2,512,072
Debt service				
Principal	1,750,000	1,050,000	1,075,000	1,110,000
Interest	610,662	513,474	466,314	436,378
Issuance costs	-	99,143	-	-
Capital outlay	-	379,204	371,040	234,203
Total expenditures	14,275,766	11,886,972	11,647,385	12,189,758
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,696,358)	527,956	2,275,438	2,656,230
OTHER FINANCING SOURCES (USES)				
Transfers in	107,055	188,328	280,975	(119,530)
Transfers (out)	(107,055)	(188,328)	(280,975)	119,530
Bonds issued at par	-	6,955,000	-	-
Premium on bonds issued	-	434,323	-	-
Payment to escrow agent	-	(7,290,180)	-	-
Total other financing sources (uses)	-	99,143	-	-
NET CHANGE IN FUND BALANCES	\$ (1,696,358)	\$ 627,099	\$ 2,275,438	\$ 2,656,230
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	10.38%	12.53%	15.45%	12.45%

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	2,979,754	\$ 3,269,634	\$ 3,529,623	\$ 3,577,481	\$ 3,585,363	\$ 3,678,582
	1,214,144	1,260,731	1,236,684	1,235,160	1,252,114	1,251,032
	1,058,825	905,238	756,655	1,154,448	854,757	781,566
	8,197,985	8,019,155	7,391,561	7,519,339	8,115,684	8,101,301
	276,443	281,082	303,324	325,824	321,108	320,973
	607,313	365,575	253,631	287,419	239,135	238,893
	118,705	132,778	148,505	214,973	170,948	205,024
	485,700	390,293	309,180	279,691	261,843	229,305
	41,397	50,016	62,813	83,112	138,479	484,838
	769,080	848,792	996,163	765,799	663,313	857,878
	15,749,346	15,523,294	14,988,139	15,443,246	15,602,744	16,149,392
	3,053,028	2,956,224	3,551,876	3,125,227	2,860,511	2,873,888
	4,719,758	5,092,099	5,543,869	4,813,666	5,179,348	5,378,662
	974,748	746,902	895,383	916,163	873,106	902,330
	2,788,188	3,545,124	3,241,538	1,571,269	1,917,068	1,665,392
	1,265,000	1,440,000	1,460,000	1,525,000	1,585,000	1,640,000
	482,338	560,577	531,468	473,300	411,613	363,239
	82,385	-	-	-	-	-
	250,805	2,325,235	421,000	1,310,997	1,660,371	1,654,349
	13,616,250	16,666,161	15,645,134	13,735,622	14,487,017	14,477,860
	2,133,096	(1,142,867)	(656,995)	1,707,624	1,115,727	1,671,532
	127,833	315,130	240,038	564,554	473,255	4,263,852
	(127,833)	(805,907)	(240,038)	(564,554)	(800,755)	(4,263,852)
	3,340,000	-	-	-	-	925,000
	-	-	-	-	-	-
	-	-	-	-	-	(906,747)
	3,340,000	(490,777)	-	-	(327,500)	18,253
\$	5,473,096	\$ (1,633,644)	\$ (656,995)	\$ 1,707,624	\$ 788,227	\$ 1,689,785
	12.73%	10.53%	12.40%	13.28%	12.36%	12.42%

VILLAGE OF ITASCA, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Fiscal Year	Farm	Residential Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2009	2010	\$ 7,549	\$ 343,982,282	\$ 186,325,060	\$ 207,669,070	\$ 737,983,961	0.3500	\$ 2,216,168,051	33.30%
2010	2011	8,995	314,640,341	169,290,760	186,121,655	670,061,751	0.3888	2,012,197,450	33.30%
2011	2012	9,896	273,668,733	156,950,010	186,755,430	617,384,069	0.4290	1,854,006,213	33.30%
2012	2013	10,890	242,912,083	150,714,120	171,702,060	565,339,153	0.4811	1,697,715,174	33.30%
2013	2014	11,974	222,443,542	140,820,800	162,870,496	526,146,812	0.5257	1,580,020,456	33.30%
2014	2015	13,170	218,227,923	137,943,310	156,149,166	512,333,569	0.5479	1,538,539,246	33.30%
2015	2016	12,895	233,030,760	154,191,190	169,739,280	556,974,125	0.5084	1,672,594,970	33.30%
2016	2017	14,184	254,122,990	156,800,640	178,471,620	589,409,434	0.4832	1,769,998,300	33.30%
2017	2018	14,360	276,548,139	167,944,170	186,620,260	631,126,929	0.4611	1,895,276,063	33.30%
2018	2019	15,791	287,468,474	167,422,416	191,697,040	646,603,721	0.3438	1,941,752,916	33.30%

Note: Property in the Village is reassessed each year. Property is assessed at 33.30% of actual value.

Data Source

Dupage County Clerk

VILLAGE OF ITASCA, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 63,651,117	\$ 57,792,826	\$ 53,249,376	\$ 48,760,505	\$ 45,380,163	\$ 44,188,770	\$ 48,039,018	\$ 50,836,564	\$ 54,434,698	\$ 55,769,571
Total net debt applicable to limit	15,210,000	13,745,000	12,565,000	9,600,000	10,140,000	8,890,000	7,600,000	6,255,000	4,855,000	3,440,000
LEGAL DEBT MARGIN	\$ 48,441,117	\$ 44,047,826	\$ 40,684,376	\$ 39,160,505	\$ 35,240,163	\$ 35,298,770	\$ 40,439,018	\$ 44,581,564	\$ 49,579,698	\$ 52,329,571

TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT

	23.90%	23.78%	23.60%	19.69%	22.34%	20.12%	15.82%	12.30%	8.92%	6.17%
--	--------	--------	--------	--------	--------	--------	--------	--------	-------	-------

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin

VILLAGE OF ITASCA, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

Calendar Year	Village Direct Rate	Non-Home Rule Sales Tax Rate	DuPage County Water Commission	DuPage County	Regional Transportation Authority	State Rate	Total
2010	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2011	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2012	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2013	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2014	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2015	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2016	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2017	1.00%	0.50%	0.25%	0.25%	0.75%	5.00%	7.75%
2018	1.00%	0.50%	0.00%	0.25%	0.75%	5.00%	7.50%
2019	1.00%	0.50%	0.00%	0.25%	0.75%	5.00%	7.50%

Data Source

Department of Revenue



1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Itasca, Illinois (the Village), as of and for the year ended April 30, 2019 and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated December 9, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the 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.

A deficiency in internal control exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
December 9, 2019