



**VILLAGE OF CHATHAM, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Fiscal Year Ended April 30, 2019

*Prepared by:*

*Sherry Dierking, CFO*

**VILLAGE OF CHATHAM, ILLINOIS**  
**TABLE OF CONTENTS**

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	<u>Page(s)</u>
<b>INTRODUCTORY SECTION</b>	
Transmittal Letter.....	i-iv
Principal Village Officials .....	v
Organization Chart.....	vi
Certificate of Achievement for Excellence in Financial Reporting.....	vii
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis .....	MDA 1-11
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position .....	4-5
Statement of Activities.....	6
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	7
Reconciliation of Fund Balances of Governmental Funds	
To the Governmental Activities in the Statement of Net Position.....	8
Statement of Revenues, Expenditures and Changes in	
Fund Balance .....	9
Reconciliation of the Governmental Funds Statement of Revenues,	
Expenditures, and Changes in Fund Balances to the Governmental	
Activities in the Statement of Activities .....	10
Proprietary Funds:	
Statement of Net Position .....	11-12
Statement of Revenues, Expenses and Changes	
In Net Position .....	13
Statement of Cash Flows .....	14-15
Fiduciary Funds:	
Statement of Fiduciary Net Position .....	16
Statement of Changes in Fiduciary Net Position .....	17
Notes to Financial Statements.....	18-60
Required Supplementary Information:	
Schedule of Changes in Net Pension Liability:	
Illinois Municipal Retirement Fund.....	61
Police Pension Trust Fund .....	62
Schedule of Employer Contributions:	
Illinois Municipal Retirement Fund.....	63
Police Pension Trust Fund .....	64

**VILLAGE OF CHATHAM, ILLINOIS**  
**TABLE OF CONTENTS (CONTINUED)**

---

	<u>Page(s)</u>
Total OPEB Liability and Related Ratios:	
Other Post-Employment Benefit Plan.....	65
Schedule of Investment Returns:	
Police Pension Trust Fund .....	66
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual:	
General Fund.....	67-69
Notes to Required Supplementary Information .....	70
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	71
Combining Schedule of Revenues, Expenditures and	
Changes in Fund Balance.....	72
Schedule of Revenues, Expenditures and Changes	
in Fund Balance – Budget and Actual:	
Special Revenue Funds .....	73-74
Capital Projects Fund.....	75
Permanent Fund .....	76
Supplementary Financial Information	
Electric Fund:	
Comparative Statement of Net Position.....	77-78
Comparative Statement of Revenues, Expenses and	
Changes in Net Position.....	79
Schedule of Outstanding Bonds	
Governmental Activities .....	80
Business-Type Activities .....	81
Schedule of Investments .....	82-83
Schedule of Insurance Coverage.....	84
Schedule of Electric Rates Charged.....	85

**VILLAGE OF CHATHAM, ILLINOIS**  
**TABLE OF CONTENTS (CONTINUED)**

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	<u>Page(s)</u>
<b>STATISTICAL SECTION (UNAUDITED)</b>	
Statistical Section Contents.....	86
Financial Trends	
Net Position by Component .....	87-88
Changes in Net Position by Component .....	89-92
Fund Balances – Governmental Funds .....	93-94
Changes in Fund Balances – Governmental Funds .....	95-96
Revenue Capacity	
Assessed Value and Actual Value of Taxable Property .....	97
Direct and Overlapping Tax Rate .....	98
Principal Property Tax Payers .....	99
Property Tax Levies and Collections .....	100
Taxable Sales by Category.....	101-102
Direct and Overlapping Sales Tax Rates .....	103
Debt Capacity	
Ratios of Outstanding Debt by Type .....	104-105
Direct and Overlapping Governmental Activities Debt .....	106
General Bonded Debt Capacity and Ratios .....	107-108
Pledged Revenue Coverage .....	109
Demographic and Economic Information	
Demographic and Economic Statistics .....	110
Principal Employers .....	111
Full-time Equivalent Village Employees by Functions/Programs.....	112
Operating Information	
Operating indicators by Function/Program.....	113-114
Capital Asset Statistics by Function/Program .....	115

## **INTRODUCTORY SECTION**

**Village President**  
*Dave Kimsey*

**Village Clerk**  
*Amy Dahlkamp*



**Village Trustees**  
*Kristin Chiaro*  
*Andrew Detmers*  
*Brett Gerger*  
*Ryan Mann*  
*Matthew Mau*  
*Paul Scherschel*

October 14, 2019

To the Honorable Village President, Members of the Village Board and the Citizens of the Village of Chatham:

The comprehensive annual financial report of the Village of Chatham, Illinois (Village) for the year ended April 30, 2019 is hereby submitted as mandated by state statute. It requires that the Village, on an annual basis, report on its financial activity, as well as having an independent firm of certified public accountants audit the report. Responsibility, for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed to protect the Village's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the Village's financial statements in conformance with generally accepted accounting principles (GAAP). This internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's activities have been included.

A narrative introduction, overview and analysis accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The Village's MD&A can be found immediately following the report of the independent auditors and will provide further information regarding the format and content of this report.

The Village of Chatham's financial statements have been audited by Sikich, LLP, a firm of licensed certified public accountants. They have issued an unmodified (clean) opinion on the Village of Chatham's financial statements for the fiscal year ended April 30, 2019. The independent auditors report is presented in the financial section of the report.

### **Village of Chatham Profile**

The Village of Chatham incorporated on March 23, 1874, is located in Sangamon County, approximately 3 miles south of the Illinois State Capitol, Springfield. The Village lies along the original alignment of historic U.S. Route 66 (Illinois Route 4). The Village encompasses an area of 7 square miles and serves a population of 11,500 residents and is located in Chatham, Ball and Woodside Townships. It is empowered by state statute to extend its corporate limits by annexation.

The Village operates under the Village Board-Trustee form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Village President and a six-member Board of Trustees. The Village Board sets policy for the Village, adopts ordinances and resolutions, adopts the annual appropriation and approves expenditures. Board members are elected to four-year staggered terms. The Village President and Village Clerk are also elected to four-year terms. The Village President, Village Clerk and Board members are elected on a non-partisan basis. The Village Manager is appointed by the Village President with the consent of the Village Board and is responsible for carrying out the policies and ordinances of the Village and for overseeing the day-to-day operations.

The Village of Chatham provides a full range of services, including police protection, electric, water and sewer service, yard waste collections, parks, recreational programs, cemeteries and the care of streets and sidewalks.

This report includes all funds of the Village including the activities of the Chatham Police Pension Fund for which the Village is financially accountable for. Other independent districts and government entities also provide services in Chatham. Government entities such as the Chatham Fire Protection District, Chatham Library District, Chatham Township, Ball Township, Woodside Township, Ball-Chatham School District, South Sangamon Water Commission, and the Sangamon County Water Reclamation District have not met the established criteria for inclusion in the reporting entity, and accordingly, are excluded from this report.

## **Local Economy**

The Village of Chatham economy reflects typical suburban mixtures of business, limited manufacturing, service businesses, restaurants and health care. Local businesses mostly serve customers in the Village and surrounding area. The Village has seen an expansion in the health care industry sector in recent years with the addition of an express care facility to the existing Memorial Physician Services building and the opening of a new facility of the Hospital Sisters Health System.

Municipal sales tax revenue provides a good measure of the local economy. Fiscal year 2019 saw an increase in the amount of sales tax revenue of 3% and a decrease in the number of sales tax payers of approximately 5%. The top four sales tax categories for the Village are drug and miscellaneous retail, auto and gas stations, food, and lumber, building and hardware.

In fiscal year 2019, the Village experienced a decline in the number of building permits issued. The Village is carefully considering the future effect of this factor. In recent years the Village experienced an upturn in the building market with the addition of the Ironbridge and Spartan Valley residential developments and the Cardinal Ridge multi-family development. These developments are still in the building out stage and have available lots to build on.

Three senior living facilities have opened the Villas of Holly Brook and the Villas of South Park as well as the Reflections Memory Care Residence a retirement care community specializing in Alzheimer's and other memory care.

The Village's economy has continued to improve following the downturn in the economy in 2008. Per the Bureau of Labor Statistics, the unemployment rate in the Village peaked in 2009 at 6.6%. The rate has come down significantly and was 3.0% in 2018. Both rates were well below the state average of 10.2% in 2009 and 4.2% in 2018.

## **Major initiatives**

Among the Village's more significant accomplishments during fiscal year 2019 were the following:

The Village worked on two street infrastructure projects to utilize the \$500,000 of general obligation bonds that were issued during fiscal year 2017. These projects include repairing a storm sewer pipe located at the Plummer Boulevard viaduct which was completed early in fiscal year 2019. Work began on the resurfacing of Park Avenue between Walnut Street and Plummer Boulevard and is expected to be complete in fiscal year 2020. The Village spent \$700,570 on the projects during fiscal year 2019.

The Electric and Water and Sewer Utility Departments completed the installation of a fixed meter network during fiscal year 2019. The fixed meter network will allow remote reading of meters as well as provide real time data on hourly usage. It will take several years for all of the Village's meters to be upgraded and be fully functional on the fixed network. The Village spent \$201,848 in Fiscal Year 2019 on adding compatible meters to the fixed network meter system.

The Village continued work on the Water Tower and Ground Storage Tank Painting Project. The Project is expected to be complete during fiscal year 2020 with an approximate total cost of \$1,554,604. During fiscal year 2019, the Village had expended \$1,281,229.

## **Financial Planning**

The annual appropriation ordinance is the legal document under which Village resources are expended. This document is based on the Village's annual budget. The budget process begins in February of each year. The Chief Fiscal Officer prepares estimates of revenue and personal service line items. Each department prepares expenditure requests and also provides information on any new initiatives to be undertaken by the department.

The finance staff compiles the information and the Village's management team conducts meetings to discuss and formulate each department's needs for the upcoming fiscal year. From these meetings a budget document is developed and presented to the Village Board. The budget document is the basis from which the annual appropriation ordinance is derived and also serves as the foundation of the Village's financial planning and control.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Chatham for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2018. This was the second year that the Village received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this report conforms to the Certificate of Achievement Program's requirements and are submitting it to the GFOA for its determination.



The preparation of this report would not have been possible without the assistance of the staff of the various departments of the Village. I would also like to acknowledge our auditors, Sikich LLP for their help in formulating this report. My sincere gratitude is extended to the Village President, the Board of Trustees and the Village Manager for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner.

Respectively submitted,

A handwritten signature in cursive script that reads "Sherry Dierking".

Sherry Dierking  
Chief Fiscal Officer

**VILLAGE OF CHATHAM, ILLINOIS**

**PRINCIPAL VILLAGE OFFICIALS**

**VILLAGE PRESIDENT**

Dave Kimsey

**BOARD OF TRUSTEES**

Kristin Chiaro

Ryan Mann

Andrew Detmers

Matt Mau

Brett Gerger

Paul Scherschel

**VILLAGE CLERK**

Amy Dahlkamp

**VILLAGE MANAGER**

Patrick McCarthy

**DEPARTMENT DIRECTORS:**

Sherry Dierking, Chief Fiscal Officer

Vern Foli, Chief of Police

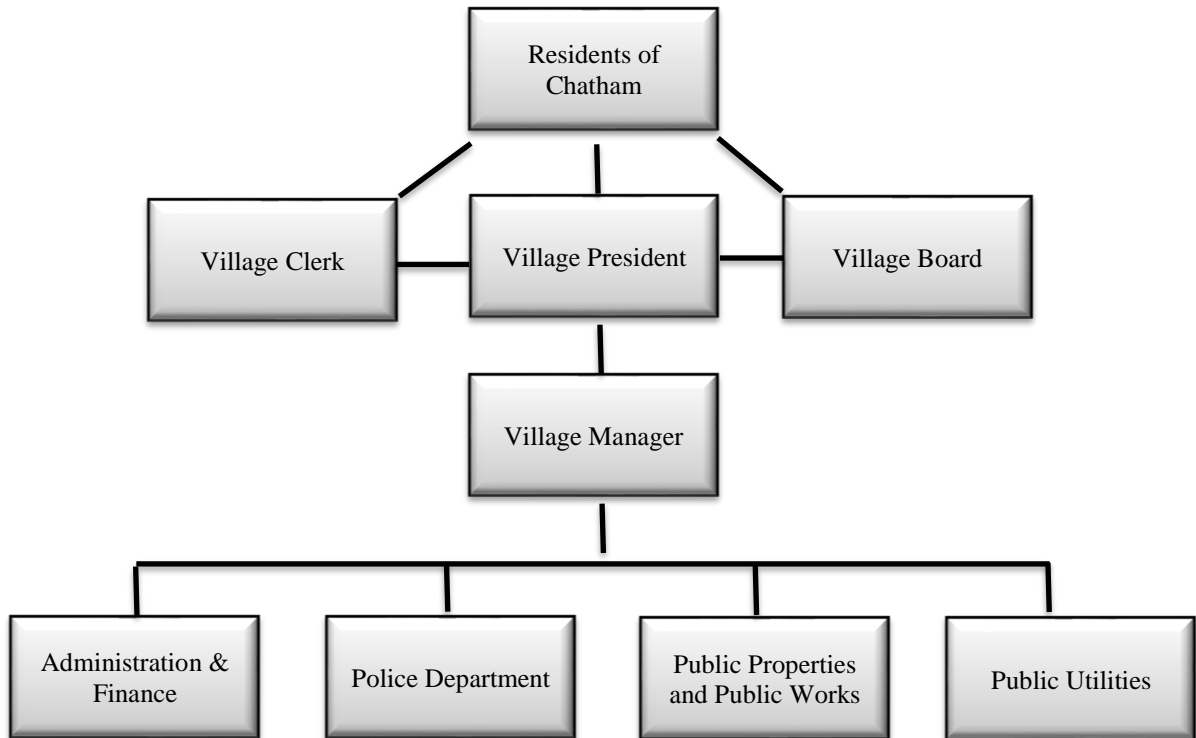
Shane Hill, Public Utilities Manager and General Foreman Electric and Streets  
Departments

Dustin Patterson, General Foreman Water and Parks Departments

Jill Butler, Administrative Assistant

Ryan Crawford, Code Enforcement Manager

**VILLAGE OF CHATHAM**  
**2019 ORGANIZATIONAL CHART**





Government Finance Officers Association

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

Presented to

**Village of Chatham  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

3201 W. White Oaks Dr., Suite 102  
Springfield, IL 62704  
217.793.3363

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

To the President  
and Board of Trustees  
Village of Chatham, 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 Chatham, Illinois (the Village), as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

The Village adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended April 30, 2019. The implementation of this guidance resulted in changes to the other-postemployment benefit-related expense, notes presented in the notes to the financial statements, and required supplementary information. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

The combining and individual fund financial statements and schedules and supplementary financial information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the 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 taken as a whole.

The introductory and statistical sections as listed in the table of contents 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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Village of Chatham, Illinois' basic financial statements for the year then ended April 30, 2018, which are not presented with the accompanying financial statements. In our report dated October 29, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Chatham, Illinois' financial statements as a whole. The Electric Fund Comparative Statement of Net Position and Comparative Statement of Revenues, Expenses, and Changes in Net Position for the year ended April 30, 2018, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2018 Electric Fund Comparative Statement of Net Position and Comparative Statement of Revenues, Expenses, and Changes in Net Position are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

*Sikich LLP*

Springfield, Illinois  
October 14, 2019



# VILLAGE OF CHATHAM, ILLINOIS

## MANAGEMENT'S DISCUSSIONS AND ANALYSIS

April 30, 2019

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As the management of the Village of Chatham (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.

### Financial Highlights

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$35,834,400 (net position).
- The impact for the restatement of the implementation of GASB No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* decreased net position by \$3,059,107.
- At the close fiscal year 2019, the Village's governmental funds reported combined ending fund balances of \$3,125,674 of which \$1,958,045 was unassigned and is available for spending at the Village's discretion.
- General governmental revenues were \$4,086,403 and represent 69% of all governmental revenues. Capital grants and contributions in the form of developer contributions of streets and storm sewer infrastructure accounted for \$669,640 represent 11% of total governmental revenues of \$5,928,060.
- The Village had \$5,941,212 in expenses related to government activities. However, only \$1,172,017 of these expenses was offset by program specific charges and operating grants and contributions.
- The Village's long-term debt (excluding compensated absences and other post-employment benefits) increased \$673,437 during fiscal year 2019.

### USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a 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 of Chatham's finances, in a manner similar to a private-sector business.

## VILLAGE OF CHATHAM, ILLINOIS MANAGEMENT DISCUSSION AND ANALYSIS (continued)

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

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

Both of the government-wide financial statements distinguish functions of the Village of Chatham 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 activities). The governmental activities of the Village include general government, cemetery, culture and recreation, public safety, and public works and transportation. The business-type activities of the Village include electric, water and sewer systems.

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

### **Fund Financial Statements**

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

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

Because the focus of the 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 had 7 individual government funds during fiscal year 2019. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balance for the General Fund which is considered to be a "major" fund. Data from the other 6 governmental funds is provided in the form of combining statements elsewhere in this report.

## **VILLAGE OF CHATHAM, ILLINOIS MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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

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

**Proprietary Funds.** The Village maintains only the enterprise type of proprietary 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 electric and water and sewer system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric distribution operation and the water and sewer operations, both of which are considered to be major funds of the Village of Chatham.

The proprietary fund financial statements can be found on pages 11-15 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial 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 fiduciary fund financial statements can be found on pages 16-17 of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-60 of the report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning historical pension and retirees health plan information and budgetary comparison schedules for the general fund. Required supplementary information can be found on pages 61-70 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 71-76 of this report.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

**Government-Wide Financial Analysis**  
**Table 1**  
**Statement of Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2019</u>	<u>2018*</u>	<u>2019</u>	<u>2018*</u>	<u>2019</u>	<u>2018*</u>
Current and Other Assets	\$ 4,905,545	\$ 4,891,334	\$ 6,620,494	\$ 5,646,455	\$ 11,526,039	\$ 10,537,789
Capital Assets	<u>21,562,389</u>	<u>20,896,414</u>	<u>22,810,796</u>	<u>21,792,577</u>	<u>44,373,185</u>	<u>42,688,991</u>
<b>Total Assets</b>	<u>26,467,934</u>	<u>25,787,748</u>	<u>29,431,290</u>	<u>27,439,032</u>	<u>55,899,224</u>	<u>53,226,780</u>
Deferred Outflows of Resources	<u>1,498,477</u>	<u>1,239,764</u>	<u>887,523</u>	<u>314,525</u>	<u>2,386,000</u>	<u>1,554,289</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>27,966,411</u>	<u>27,027,512</u>	<u>30,318,813</u>	<u>27,753,557</u>	<u>58,285,224</u>	<u>54,781,069</u>
Current Liabilities	651,041	303,038	1,607,899	1,491,839	2,258,940	1,794,877
Non-current Liabilities	<u>10,527,967</u>	<u>7,626,107</u>	<u>7,095,779</u>	<u>4,562,835</u>	<u>17,623,746</u>	<u>12,188,942</u>
<b>Total Liabilities</b>	<u>11,179,008</u>	<u>7,929,145</u>	<u>8,703,678</u>	<u>6,054,674</u>	<u>19,882,686</u>	<u>13,983,819</u>
Deferred Inflows of Resources	<u>1,780,845</u>	<u>1,889,354</u>	<u>787,293</u>	<u>1,026,331</u>	<u>2,568,138</u>	<u>2,915,685</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>12,959,853</u>	<u>9,818,499</u>	<u>9,490,971</u>	<u>7,081,005</u>	<u>22,450,824</u>	<u>16,899,504</u>
Net Position:						
Invested in Capital Assets						
Net of Debt	20,991,362	20,671,241	18,693,865	18,501,744	39,685,227	39,172,985
Restricted	708,852	636,627	254,978	253,524	963,830	890,151
Unrestricted	<u>(6,693,656)</u>	<u>(4,098,855)</u>	<u>1,878,999</u>	<u>1,917,284</u>	<u>(4,814,657)</u>	<u>(2,181,571)</u>
<b>Total Net Position</b>	<u>\$ 15,006,558</u>	<u>\$ 17,209,013</u>	<u>\$ 20,827,842</u>	<u>\$ 20,672,552</u>	<u>\$ 35,834,400</u>	<u>\$ 37,881,565</u>

\* Amounts for 2018 have not been adjusted for the Village's implementation of GASB No. 75 in 2019

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, total net position increased by \$1,011,942 from \$34,822,458 (after restatement) to \$35,834,400. The restatement was due to the impact of the Village's implementation of Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, of the Governmental Accounting Standards Board. The implementation of this new financial reporting standard entailed the recognition of net postemployment benefit liabilities totaling \$4,471,246 and deferred outflows of resources amounting to \$77,567 as of April 30, 2019. These items pertain to the Village's liability for providing postemployment health care (OPEB) benefits for retired employees. Under previous financial reporting standards, the Village was only required to report its obligations for OPEB benefits as required supplementary information (i.e., the obligations did not affect the statement of net position).

By far the largest portion of the Village's net position (110.7%) reflects its investment in capital assets (e.g., land, buildings and improvements, equipment, vehicles and infrastructure); less any related debt used to acquire those assets that is still outstanding. The Village uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in 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 cannot be used to liquidate these liabilities.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

A portion of the Village's net position (2.7%) represents resources that are subject to external restrictions on how it may be used. The governmental activities unrestricted net position had a deficit of \$6,693,656 in fiscal year 2019 and a deficit of \$4,098,855 in fiscal year 2018. The deficit in unrestricted net position increased from the fiscal year 2018 report as a result of the recording of the net postemployment benefit liability which was required for the implementation of GASB Statement No. 75 that was previously mentioned.

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

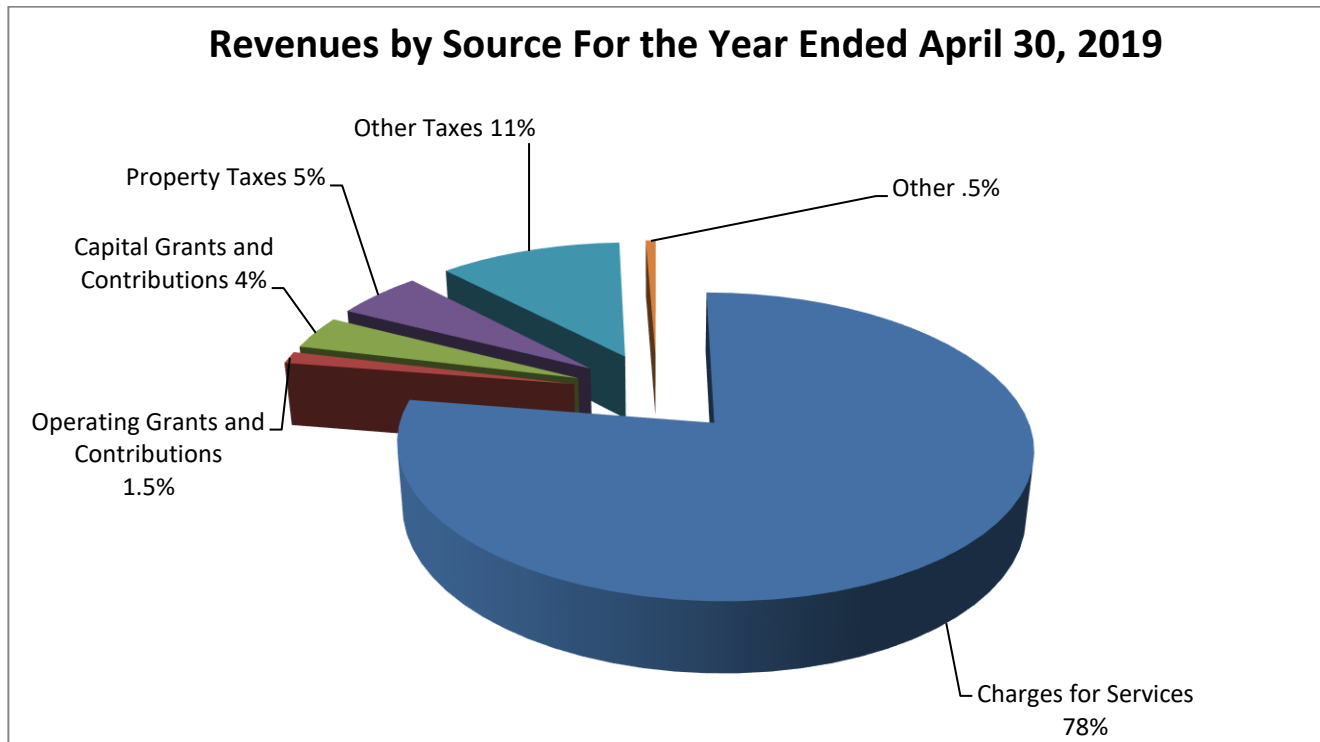
**Table 2**  
**Changes in Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2019</u>	<u>2018*</u>	<u>2019</u>	<u>2018*</u>	<u>2019</u>	<u>2018*</u>
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 848,007	\$ 846,328	\$ 17,510,024	\$ 16,683,726	\$ 18,358,031	\$ 17,530,054
Operating Grants and Contributions	324,010	322,030	-	-	324,010	322,030
Capital Grants and Contributions	669,640	2,426,318	216,958	790,152	886,598	3,216,470
General Revenues:						
Property Taxes	1,269,035	1,217,149	-	-	1,269,035	1,217,149
Other Taxes	2,712,934	2,612,849	-	-	2,712,934	2,612,849
Other	104,434	82,850	32,078	10,161	136,512	93,011
<b>Total Revenues</b>	<u>5,928,060</u>	<u>7,507,524</u>	<u>17,759,060</u>	<u>17,484,039</u>	<u>23,687,120</u>	<u>24,991,563</u>
<b>EXPENSES</b>						
General Government	779,204	788,007	-	-	779,204	788,007
Cemetery	31,770	31,271	-	-	31,770	31,271
Culture and Recreation	538,307	479,961	-	-	538,307	479,961
Public Safety	3,156,536	3,141,695	-	-	3,156,536	3,141,695
Public Works	1,418,716	1,686,736	-	-	1,418,716	1,686,736
Electric	-	-	10,017,887	9,691,818	10,017,887	9,691,818
Water and Sewer	-	-	6,716,079	6,092,018	6,716,079	6,092,018
Interest on Long-Term Debt	16,679	16,863	-	-	16,679	16,863
<b>Total Expenses</b>	<u>5,941,212</u>	<u>6,144,533</u>	<u>16,733,966</u>	<u>15,783,836</u>	<u>22,675,178</u>	<u>21,928,369</u>
<b>Change in Net Position</b>	<u>(13,152)</u>	<u>1,362,991</u>	<u>1,025,094</u>	<u>1,700,203</u>	<u>1,011,942</u>	<u>3,063,194</u>
<b>Net position beginning of the year</b>	17,209,013	15,846,022	20,672,552	18,972,349	37,881,565	34,818,371
Prior period adjustment	(2,189,303)	-	(869,804)	-	(3,059,107)	-
<b>Net position beginning of the year, restated</b>	15,019,710	15,846,022	19,802,748	18,972,349	34,822,458	34,818,371
<b>Net position end of the year</b>	<u>\$15,006,558</u>	<u>\$17,209,013</u>	<u>\$20,827,842</u>	<u>\$20,672,552</u>	<u>\$35,834,400</u>	<u>\$37,881,565</u>

\* Amounts for 2018 have not been adjusted for the Village's implementation of GASB No. 75 in 2019.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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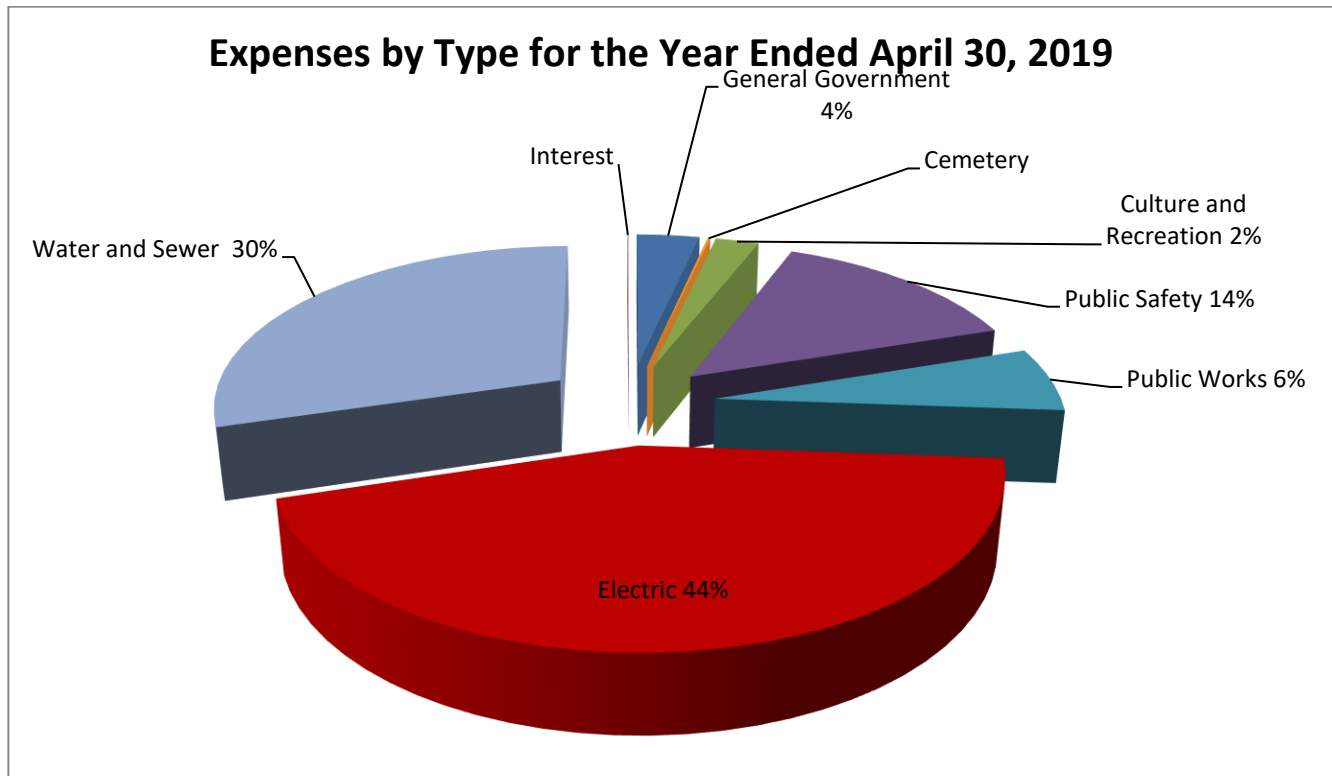


For the fiscal year ended April 30, 2019, revenues totaled \$23,687,120. The Village's largest revenue source is from charges for services, which consist of charges from the electric, water and sewer system as well as franchise fees, business permit fees and administrative utility fees. Capital grants and contributions include contributions of land, streets, storm sewers, water main and sanitary sewers from new developments within the Village of Chatham. Other taxes include sales tax, income tax, telecommunications tax, local use tax, road and bridge taxes and video gaming taxes.

Charges for services are up 4.7% from \$17,530,054 in fiscal year 2018 to \$18,358,031 in fiscal year 2019. Service charges for the electric system and water and sewer system are up \$826,298 over fiscal year 2018, which represents a 5% increase over the previous year and service charges from governmental activities increased \$2,087 or .2%. The increase in service charges for electric and water and sewer is due to steady growth of new residents as well as a rate increase passed for electric and water service. Capital grants and contributions for fiscal year 2019 totaled \$886,598 a decrease of \$2,329,872 over fiscal year 2018. During fiscal year 2019, the Village received a smaller amount of contributions of infrastructure of streets, sidewalks, storm sewers, sanitary sewers and water main from developers of new subdivisions.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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The Village of Chatham's expenses totaled \$22,675,178 in 2019. The largest portion of these expenses is for the electric system which represents 44%, followed by expenses for the water and sewer systems at 30%. These expenses reflect the cost of providing electric, water and sewer services to the Village of Chatham's residents. Expenses related to the electric, water and sewer services increased \$950,130 over last year, which represents an increase of 6%.

Public safety expenses relate to the operation of the Village's Police Department and are the largest expense component of the governmental activity expenses. Public works expenses are costs associated with maintaining the Village's streets. Culture and recreation expenses include expenses to maintain the Village's parks as well as the summer recreation program.

## **FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

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

### **Governmental Funds**

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

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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At the end of fiscal year 2019, the Village's governmental funds reported combined ending fund balances of \$3,125,674 a decrease of \$308,954 in comparison to the prior year. Approximately 12% of this total amount \$376,055 constitutes nonspendable fund balance, which is amounts held in the Village's Cemetery Perpetual Care Fund. Approximately 10% or \$332,797 constitutes restricted fund balance which is restricted for Motor Fuel Tax, capital projects, public safety or debt service. Approximately 13% or \$418,876 constitutes committed fund balance, which is earmarked by the Village Board for future use. Approximately 1% of this total amount or \$39,901 is assigned fund balance, which has been authorized by the Village Board to be spent during the subsequent fiscal year. Approximately \$1,958,045 constitutes unassigned fund balance, which is available for spending at the Village's discretion.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,958,045 while total fund balance was \$2,107,364. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 43.3% of total General Fund expenditures, while total fund balance represents 46.6% of that same amount.

The total fund balance of the Village's General Fund decreased by \$220,903 during the current fiscal year and the combined fund balance of the Village's remaining governmental funds decreased by \$88,051. The decrease was due to spending down funds on hand for capital projects within the General Fund, Capital Projects Fund and the Motor Fuel Tax Fund.

**Proprietary Funds**

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

The Village reports the Electric Fund and the Waterworks and Sewerage Fund, both as major proprietary funds. The Electric Fund accounts for the distribution of electric services to the Village's residents. The Waterworks and Sewerage Fund accounts for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide these services are accounted for in these two funds, including, but not limited to administration, operations and maintenance, financing and related debt services, billing and collection. Business type activities had a 1.5% increase in total revenues, a 5% increase in service charges was offset by a \$573,194 decrease in contributed capital of water and sewer lines from developers during fiscal year 2019. Expenses for business type activities increased 6%. The result was an increase in net position for business activities for fiscal year 2019 of \$1,025,094.



**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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**Table 3**  
**General Fund Budgetary Highlights for the**  
**Fiscal Year Ended April 30, 2019**  
**With Comparative Actual Totals for the Year Ended April 30, 2018**

	<u><b>Original Budget</b></u>	<u><b>Amended Budget</b></u>	<u><b>Actual 2019</b></u>	<u><b>Actual 2018</b></u>
<b>REVENUES</b>				
Taxes	\$ 3,836,230	\$ 3,836,230	\$ 3,937,459	\$ 3,783,534
Licenses, Permits, and Fees	760,025	760,025	695,638	709,313
Other	<u>145,950</u>	<u>145,950</u>	<u>113,067</u>	<u>79,575</u>
<b>Total Revenues</b>	<u>4,742,205</u>	<u>4,742,205</u>	<u>4,746,164</u>	<u>4,572,422</u>
<b>EXPENDITURES</b>				
Expenditures	<u>(5,183,933)</u>	<u>(5,183,933)</u>	<u>(4,517,719)</u>	<u>(4,588,480)</u>
<b>Total Expenditures</b>	<u>(5,183,933)</u>	<u>(5,183,933)</u>	<u>(4,517,719)</u>	<u>(4,588,480)</u>
Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources (Uses)	(441,728)	(441,728)	228,445	(16,058)
Transfers out	(500,000)	(500,000)	(449,348)	-
<b>Change in Fund Balance</b>	<u>\$ (941,728)</u>	<u>\$ (941,728)</u>	<u>\$ (220,903)</u>	<u>\$ (16,058)</u>

Revenues of the Village are budgeted by source prior to the adoption of the Village's annual appropriation ordinance. The Village adopts an annual appropriation ordinance outlining expenditures by operational line item. The original appropriation was amended in January 2019 and April 2019 for transfers between operational line items within the General Fund Departments. The total of the amended appropriation for the Village's General Fund remained the same as the total of the originally adopted appropriation.

The General Fund Revenues received were more than the amount estimated by \$3,959 and expenditures were \$666,214 less than the amended budget.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

**Capital Assets**

The following schedule reflects the Village's capital asset balances as of April 30, 2019.

**Capital Assets**  
**Table 4**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Land, not Depreciated	\$ 629,600	\$ 546,400	\$ 318,734	\$ 318,734	\$ 948,334	\$ 865,134
Construction in Progress	1,051,476	541,218	1,549,604	268,375	2,601,080	809,593
Improvements	1,333,629	1,330,697	82,022	76,160	1,415,651	1,406,857
Buildings	953,990	950,928	1,076,078	1,046,102	2,030,068	1,997,030
Vehicles	1,043,589	1,040,778	1,465,953	1,409,040	2,509,542	2,449,818
Equipment	910,126	907,363	1,411,253	1,418,073	2,321,379	2,325,436
Infrastructure	23,095,400	22,318,648	-	-	23,095,400	22,318,648
Utility Plant	-	-	38,416,243	37,608,874	38,416,243	37,608,874
Less:						
Accumulated Depreciation	<u>(7,455,421)</u>	<u>(6,739,618)</u>	<u>(21,509,091)</u>	<u>(20,352,781)</u>	<u>(28,964,512)</u>	<u>(27,092,399)</u>
<b>Total</b>	<b><u>\$ 21,562,389</u></b>	<b><u>\$ 20,896,414</u></b>	<b><u>\$ 22,810,796</u></b>	<b><u>\$ 21,792,577</u></b>	<b><u>\$ 44,373,185</u></b>	<b><u>\$ 42,688,991</u></b>

At year-end the Village's investment in capital assets for governmental and business type activities amounts to \$44,373,185 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, vehicles, equipment, park facilities, roads, sidewalks, storm sewers, electric system, water system and wastewater system and other infrastructure.

Major capital asset events during FY 2019 included the following:

**Governmental Activities**

Infrastructure additions in land, construction in progress, and streets and storm sewer infrastructure \$ 1,370,210

**Business-type Activities**

Utility Plant additions in construction in progress, electric system, water main and sanitary sewers \$ 2,088,599

Additional information on the Village's capital assets can be found in Note 4 on pages 30-34.

**Long-Term Debt**

As of April 30, 2019, the Village had a total of \$5,105,480 of bonded and similar indebtedness outstanding. Of this amount, \$460,500 comprises debt backed by the full faith and credit of the government. \$2,598,000 of the debt represents bonds that are secured by specified revenue sources (i.e., revenue and alternative source revenue bonds). The Village also had \$2,046,980 of debt consisting of notes payable and capital leases.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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During Fiscal Year 2019, the Village entered into a seven-year note payable arrangement in the Water and Sewer Fund in the amount of \$1,112,800 to finance the painting of the water tower and ground storage tank. The Village also entered into a five-year lease agreement for an aerial truck in the Electric Fund that is accounted for as a capital lease in the amount of \$140,310.

**Table 5**  
**Bonded and Similar Indebtedness**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
General Obligation Bonds	\$ 460,500	\$ 479,500	\$ -	\$ -	\$ 460,500	\$ 479,500
Electric Alternate Source						
Revenue Bonds	-	-	2,598,000	2,858,000	2,598,000	2,858,000
Notes Payable	131,457	154,033	1,573,838	594,681	1,705,295	748,714
Capital Leases	<u>30,570</u>	<u>71,140</u>	<u>311,115</u>	<u>274,689</u>	<u>341,685</u>	<u>345,829</u>
<b>Total</b>	<u>\$ 622,527</u>	<u>\$ 704,673</u>	<u>\$ 4,482,953</u>	<u>\$ 3,727,370</u>	<u>\$ 5,105,480</u>	<u>\$ 4,432,043</u>

Additional information on the Village's long-term debt can be found in Note 6 on pages 37-44.

**Economic Factors**

Property taxes provide the Village with a stable revenue source, although the the source is subject to an annual tax cap. The Village still is experiencing growth in this area due to new residential developments.

The unemployment rate for the Village of Chatham was 3.0%, versus the State of Illinois average of 4.2%.

The Village continues to develop a budget based on conservative estimates in revenues and maintaining a low operating budget, utilizing reserves when necessary to fund unpredictable costs and capital improvements.

The Village implemented a new rate structure in fiscal year 2016 for the water and sewer operations that included a flat facility charge that did not include any consumption with a separate rate per 1000 gallons for consumption. This structure alleviated consumption risk experienced in the Water and Sewer Fund making it less reliant on high usage to balance the fund and shifted more of the cost to a fixed monthly portion to be able to fund capital improvements as well as provide rate stabilization. During Fiscal Year 2019, the Village increased the water consumption charge to pass along a water rate increase from the Village's water supplier and also increased electric rates due to an increase in operating and supplier costs.

**Contacting the Village's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's financial status. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Sherry Dierking, Chief Fiscal Officer, Village of Chatham, 116 E. Mulberry St., Chatham, Illinois 62629.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION**

April 30, 2019

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 3,077,201	\$ 4,514,151	\$ 7,591,352
Restricted accounts - cash	120,119	254,978	375,097
Receivables, net			
Accounts	-	1,352,482	1,352,482
Taxes	1,562,546	-	1,562,546
Other	67,634	-	67,634
Inventory	-	498,883	498,883
Due from other governments	78,045	-	78,045
Total current assets	4,905,545	6,620,494	11,526,039
Capital Assets:			
Capital assets, not being depreciated	1,681,076	1,868,338	3,549,414
Property and equipment	27,336,734	42,451,549	69,788,283
Less: accumulated depreciation	(7,455,421)	(21,509,091)	(28,964,512)
Total capital assets	21,562,389	22,810,796	44,373,185
Total assets	26,467,934	29,431,290	55,899,224
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to OPEB	54,142	23,425	77,567
Deferred outflows related to pensions	1,444,335	864,098	2,308,433
Total deferred outflows of resources	1,498,477	887,523	2,386,000
Total assets and deferred outflows of resources	\$ 27,966,411	\$ 30,318,813	\$ 58,285,224

(Continued)

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION**

April 30, 2019

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>			
Current Liabilities:			
Accounts payable	\$ 365,965	\$ 545,930	\$ 911,895
Unearned revenue	-	140,142	140,142
Accrued payroll	79,366	41,809	121,175
Other payables	6,624	7,975	14,599
Accrued compensated absences payable	19,210	15,249	34,459
Customer deposits	-	184,500	184,500
Accrued interest payable	4,590	47,755	52,345
OPEB liability - current	106,908	41,595	148,503
G.O. bonds payable - current	19,500	-	19,500
G.O. bonds (Alternate Revenue Source) payable - current	-	263,000	263,000
Notes payable - current	22,966	226,614	249,580
Capital lease payable - current	25,912	93,330	119,242
Total current liabilities	651,041	1,607,899	2,258,940
Noncurrent Liabilities:			
Accrued compensated absences payable	323,502	260,863	584,365
OPEB liability	3,111,966	1,210,777	4,322,743
Net pension liability	6,538,350	1,724,130	8,262,480
G.O. bonds payable	441,000	-	441,000
G.O. bonds (Alternate Revenue Source) payable	-	2,335,000	2,335,000
Notes payable	108,491	1,347,224	1,455,715
Capital lease payable	4,658	217,785	222,443
Total noncurrent liabilities	10,527,967	7,095,779	17,623,746
Total liabilities	11,179,008	8,703,678	19,882,686
Deferred Inflows of Resources:			
Deferred revenue - property taxes	1,327,916	-	1,327,916
Deferred inflows related to pensions	452,929	787,293	1,240,222
Total deferred inflows of resources	1,780,845	787,293	2,568,138
Total liabilities and deferred inflows of resources	12,959,853	9,490,971	22,450,824
Net Position:			
Net Investment in capital assets	20,991,362	18,693,865	39,685,227
Restricted for maintenance of roadways	212,678	-	212,678
Restricted for cemetery care	376,055	-	376,055
Restricted for public safety	51,657	-	51,657
Restricted for capital projects	51,499	-	51,499
Restricted for debt service	16,963	254,978	271,941
Unrestricted	(6,693,656)	1,878,999	(4,814,657)
Total net position	\$ 15,006,558	\$ 20,827,842	\$ 35,834,400

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHATHAM, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2019

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT</b>							
Governmental activities							
General government	\$ 779,204	\$ 476,482	\$ -	\$ -	\$ (302,722)	\$ -	\$ (302,722)
Cemetery	31,770	22,755	-	-	(9,015)	-	(9,015)
Culture and recreation	538,307	23,192	-	-	(515,115)	-	(515,115)
Public safety	3,156,536	84,114	17,066	-	(3,055,356)	-	(3,055,356)
Public works/transportation	1,418,716	241,464	306,944	669,640	(200,668)	-	(200,668)
Interest on long-term debt	16,679	-	-	-	(16,679)	-	(16,679)
Total governmental activities	5,941,212	848,007	324,010	669,640	(4,099,555)	-	(4,099,555)
Business-type activities							
Electric	10,017,887	10,598,508	-	-	-	580,621	580,621
Waterworks and Sewerage	6,716,079	6,911,516	-	216,958	-	412,395	412,395
Total business-type activities	16,733,966	17,510,024	-	216,958	-	993,016	993,016
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 22,675,178</b>	<b>\$ 18,358,031</b>	<b>\$ 324,010</b>	<b>\$ 886,598</b>	<b>(4,099,555)</b>	<b>993,016</b>	<b>(3,106,539)</b>
<b>General revenues:</b>							
Taxes							
Property taxes, levied for general purposes					1,269,035	-	1,269,035
Replacement taxes					2,457	-	2,457
Road and bridge taxes					23,141	-	23,141
Local use taxes					340,021	-	340,021
Telecommunications taxes					222,548	-	222,548
Video gaming taxes					92,477	-	92,477
Intergovernmental revenues					2,032,290	-	2,032,290
Investment income					24,907	32,078	56,985
Miscellaneous					79,527	-	79,527
Total general revenues					4,086,403	32,078	4,118,481
Change in net position					(13,152)	1,025,094	1,011,942
Net position beginning of year					17,209,013	20,672,552	37,881,565
Change in accounting principle					(2,189,303)	(869,804)	(3,059,107)
Net position beginning of year, restated					15,019,710	19,802,748	34,822,458
Net position end of year					\$ 15,006,558	\$ 20,827,842	\$ 35,834,400

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2019

	<b>General</b>	<b>Aggregate Nonmajor</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,794,440	\$ 1,282,761	\$ 3,077,201
Restricted accounts - cash	120,119	-	120,119
Taxes receivable	1,537,091	25,455	1,562,546
Other receivables	53,268	14,366	67,634
Due from other funds	56,363	9,885	66,248
Due from other governments	78,045	-	78,045
<b>TOTAL ASSETS</b>	<b><u>\$ 3,639,326</u></b>	<b><u>\$ 1,332,467</u></b>	<b><u>\$ 4,971,793</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 119,400	\$ 246,565	\$ 365,965
Accrued payroll	78,235	1,131	79,366
Other payables	6,411	213	6,624
Due to other funds	-	66,248	66,248
Total liabilities	<u>204,046</u>	<u>314,157</u>	<u>518,203</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	<u>1,327,916</u>	<u>-</u>	<u>1,327,916</u>
Total liabilities and deferred inflows of resources	<u>1,531,962</u>	<u>314,157</u>	<u>1,846,119</u>
<b>FUND BALANCES</b>			
Nonspendable			
Corpus of permanent fund	-	376,055	376,055
Restricted			
Debt service	16,963	-	16,963
Public works	-	212,678	212,678
Capital projects	51,499	-	51,499
Public safety	51,657	-	51,657
Economic development	-	-	-
Unrestricted			
Committed			
Veteran's memorial brick	-	11,511	11,511
Yard waste	-	291,664	291,664
Public safety	-	8,902	8,902
Public works	-	1,109	1,109
Cemetery	-	76,490	76,490
Parks	29,200	-	29,200
Assigned			
Capital projects	-	39,901	39,901
Unassigned	<u>1,958,045</u>	<u>-</u>	<u>1,958,045</u>
Total fund balances	<u>2,107,364</u>	<u>1,018,310</u>	<u>3,125,674</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 3,639,326</u></b>	<b><u>\$ 1,332,467</u></b>	<b><u>\$ 4,971,793</u></b>

The accompanying notes are an integral part of these financial statements.

## VILLAGE OF CHATHAM, ILLINOIS

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

April 30, 2019

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$</b>	<b>3,125,674</b>
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Amounts reported for governmental activities in the statement of  
net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	21,562,389
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Deferred outflows related to OPEB	54,142
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Deferred outflows related to pensions	1,444,335
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Deferred inflows related to pensions	(452,929)
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Long-term liabilities are not due and payable in the current period and,  
therefore, are not reported in the governmental funds.

Compensated absences payable	(342,712)
Accrued interest payable	(4,590)
G.O. bonds payable, current	(19,500)
Notes payable, current	(22,966)
Capital lease payable, current	(25,912)
G.O. bonds payable, noncurrent	(441,000)
Notes payable, noncurrent	(108,491)
Capital lease payable, noncurrent	(4,658)
Net pension liability	(6,538,350)
Net OPEB obligation	(3,218,874)
	<u>(10,727,053)</u>

<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b>15,006,558</b>
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The accompanying notes are an integral part of these financial statements.



**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2019

	<b>General</b>	<b>Aggregate Nonmajor</b>	<b>Total</b>
<b>REVENUES</b>			
Property taxes	\$ 1,269,035	\$ -	\$ 1,269,035
Replacement taxes	2,457	-	2,457
Road and bridge taxes	23,141	-	23,141
Local use tax	340,021	-	340,021
Motor fuel taxes	-	306,944	306,944
Telecommunications tax	178,038	44,510	222,548
Video gaming tax	92,477	-	92,477
Licenses, permits, fees, fines, and service charges	695,638	152,369	848,007
Investment income	16,474	8,433	24,907
Other	79,527	-	79,527
Intergovernmental revenues	2,032,290	-	2,032,290
Federal grants	8,109	-	8,109
State grants	8,957	-	8,957
Total revenues	<u>4,746,164</u>	<u>512,256</u>	<u>5,258,420</u>
<b>EXPENDITURES</b>			
Current operations:			
General government	741,428	-	741,428
Cemetery	29,302	800	30,102
Culture and recreation	442,528	805	443,333
Public safety	2,775,731	15,625	2,791,356
Public works/transportation	436,940	331,854	768,794
Capital outlay	33,346	700,571	733,917
Debt service:			
Principal	41,576	-	41,576
Interest	16,868	-	16,868
Total expenditures	<u>4,517,719</u>	<u>1,049,655</u>	<u>5,567,374</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>228,445</u>	<u>(537,399)</u>	<u>(308,954)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	449,348	449,348
Transfer out	<u>(449,348)</u>	<u>-</u>	<u>(449,348)</u>
Total other financing sources (uses)	<u>(449,348)</u>	<u>449,348</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(220,903)</u>	<u>(88,051)</u>	<u>(308,954)</u>
<b>FUND BALANCE - MAY 1, 2018</b>	<u>2,328,267</u>	<u>1,106,361</u>	<u>3,434,628</u>
<b>FUND BALANCE - APRIL 30, 2019</b>	<u><u>\$ 2,107,364</u></u>	<u><u>\$ 1,018,310</u></u>	<u><u>\$ 3,125,674</u></u>

The accompanying notes are an integral part of these financial statements.

## VILLAGE OF CHATHAM, 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

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ (308,954)</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount of capital outlays in the current year:

Capital outlays	733,917
Depreciation	(737,582)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to increase/decrease net position:

Donations of capital assets	669,640
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Accrued compensated absences	5,353
Pension expense	(294,568)
Other post-employment benefits	(163,293)

The issuance of long-term debt (e.g. bonds, loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

Repayment of G.O. bonds payable	19,000
Repayment of capital lease payable	40,570
Repayment of notes payable	22,576
Accrued interest payable	189

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ (13,152)</b>
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The accompanying notes are an integral part of these financial statements.

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**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

April 30, 2019

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 2,995,248	\$ 1,518,903	\$ 4,514,151
Restricted accounts - cash	201,005	53,973	254,978
Accounts receivable	786,262	566,220	1,352,482
Inventory	347,546	151,337	498,883
	<u>4,330,061</u>	<u>2,290,433</u>	<u>6,620,494</u>
Total current assets			
Other Assets:			
Interfund advance receivable	269,121	-	269,121
	<u>269,121</u>	<u>-</u>	<u>269,121</u>
Total other assets			
Capital Assets:			
Capital assets, not being depreciated	279,734	1,588,604	1,868,338
Property and equipment	20,579,212	21,872,337	42,451,549
Less: accumulated depreciation	(9,707,612)	(11,801,479)	(21,509,091)
	<u>11,151,334</u>	<u>11,659,462</u>	<u>22,810,796</u>
Capital assets, net			
Total assets	<u>15,750,516</u>	<u>13,949,895</u>	<u>29,700,411</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	534,004	330,094	864,098
Deferred outflows related to OPEB	13,676	9,749	23,425
	<u>547,680</u>	<u>339,843</u>	<u>887,523</u>
Total deferred outflows			
Total assets and deferred outflows of resources	<u>\$ 16,298,196</u>	<u>\$ 14,289,738</u>	<u>\$ 30,587,934</u>

(Continued)

The accompanying notes are an integral part of these financial statements.

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF NET POSITION PROPRIETARY FUNDS

April 30, 2019

	Electric	Waterworks and Sewerage	Total
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 47,869	\$ 498,061	\$ 545,930
Accrued payroll	23,751	18,058	41,809
Accrued compensated absences payable	10,166	5,083	15,249
Unearned revenue	85,162	54,980	140,142
Customer deposits	124,500	60,000	184,500
Accrued interest payable	45,696	2,059	47,755
Other payables	4,534	3,441	7,975
Current maturities of long term debt:			
OPEB liability	26,750	14,845	41,595
G.O. bonds (Alternate Revenue Source) payable	263,000	-	263,000
Loan payable	-	226,614	226,614
Capital lease payable	32,665	60,665	93,330
Total current liabilities	664,093	943,806	1,607,899
Long-Term Liabilities:			
Accrued compensated absences payable	186,580	74,283	260,863
Interfund advance payable	-	269,121	269,121
OPEB liability	778,661	432,116	1,210,777
Net pension liability	1,065,495	658,635	1,724,130
G.O. bonds (Alternate Revenue Source) payable	2,335,000	-	2,335,000
Loan payable	-	1,347,224	1,347,224
Capital lease payable	91,259	126,526	217,785
Total long-term liabilities	4,456,995	2,907,905	7,364,900
Total liabilities	5,121,088	3,851,711	8,972,799
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	486,539	300,754	787,293
Total liabilities and deferred inflows of resources	5,607,627	4,152,465	9,760,092
<b>NET POSITION</b>			
Net Investment in capital assets	8,429,410	10,264,455	18,693,865
Restricted for debt service	201,005	53,973	254,978
Unrestricted	2,060,154	(181,155)	1,878,999
Total net position	\$ 10,690,569	\$ 10,137,273	\$ 20,827,842

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

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

For the Year Ended April 30, 2019

	<u>Electric</u>	<u>Waterworks and Sewerage</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
User charges	\$ 10,497,291	\$ 6,663,421	\$ 17,160,712
Other income	101,217	248,095	349,312
Total operating revenues	<u>10,598,508</u>	<u>6,911,516</u>	<u>17,510,024</u>
<b>OPERATING EXPENSES</b>			
Electricity purchases	6,907,741	-	6,907,741
Water purchases/sewer expenses	-	4,445,689	4,445,689
Distribution and customer service	2,407,159	1,600,052	4,007,211
Depreciation	608,514	643,538	1,252,052
Total operating expenses	<u>9,923,414</u>	<u>6,689,279</u>	<u>16,612,693</u>
<b>OPERATING INCOME (LOSS)</b>	<u>675,094</u>	<u>222,237</u>	<u>897,331</u>
<b>NONOPERATING INCOME (EXPENSE)</b>			
Investment income	20,900	11,178	32,078
Interest expense	(94,473)	(26,800)	(121,273)
Total nonoperating income (expense)	<u>(73,573)</u>	<u>(15,622)</u>	<u>(89,195)</u>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTION REVENUE</b>	601,521	206,615	808,136
<b>CONTRIBUTION REVENUE</b>	<u>-</u>	<u>216,958</u>	<u>216,958</u>
<b>CHANGE IN NET POSITION</b>	<u>601,521</u>	<u>423,573</u>	<u>1,025,094</u>
<b>NET POSITION - MAY 1, 2018</b>	10,663,606	10,008,946	20,672,552
<b>CHANGE IN ACCOUNTING PRINCIPLE</b>	<u>(574,558)</u>	<u>(295,246)</u>	<u>(869,804)</u>
<b>NET POSITION - MAY 1, 2018 (restated)</b>	<u>10,089,048</u>	<u>9,713,700</u>	<u>19,802,748</u>
<b>NET POSITION - APRIL 30, 2019</b>	<u><u>\$ 10,690,569</u></u>	<u><u>\$ 10,137,273</u></u>	<u><u>\$ 20,827,842</u></u>

The accompanying notes are an integral part of these financial statements.

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**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Year Ended April 30, 2019

	<b>Waterworks and</b>		
	<b>Electric</b>	<b>Sewerage</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 10,551,793	\$ 6,868,181	\$ 17,419,974
Payments to suppliers	(7,856,844)	(5,050,610)	(12,907,454)
Payments to employees	(1,360,536)	(887,531)	(2,248,067)
Net cash from operating activities	1,334,413	930,040	2,264,453
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Proceeds from interfund advance	89,707	-	89,707
Principal paid on interfund advance	-	(89,707)	(89,707)
Net cash from non-capital financing activities	89,707	(89,707)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from capital debt	-	1,112,800	1,112,800
Purchases of capital assets	(359,479)	(1,553,523)	(1,913,002)
Principal paid on capital debt	(304,888)	(192,639)	(497,527)
Interest paid on capital debt	(97,555)	(26,105)	(123,660)
Net cash from capital and related financing activities	(761,922)	(659,467)	(1,421,389)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends received	20,900	11,178	32,078
Net cash from investing activities	20,900	11,178	32,078
Net increase in cash	683,098	192,044	875,142
Cash and cash equivalents, beginning	2,513,155	1,380,832	3,893,987
Cash and cash equivalents, ending	\$ 3,196,253	\$ 1,572,876	\$ 4,769,129
Cash and cash equivalents consists of the following:			
Cash and cash equivalents	\$ 2,995,248	\$ 1,518,903	\$ 4,514,151
Restricted accounts - cash	201,005	53,973	254,978
	\$ 3,196,253	\$ 1,572,876	\$ 4,769,129

(Continued)

The accompanying notes are an integral part of these financial statements.



# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Year Ended April 30, 2019

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
Reconciliation of operating (loss) to net cash from operating activities:			
Operating income (loss)	\$ 675,094	\$ 222,237	\$ 897,331
Adjustments to reconcile income (loss) to net cash from operating activities:			
Depreciation	608,514	643,538	1,252,052
(Increase) decrease in assets:			
Accounts receivable	(46,715)	(43,335)	(90,050)
Interfund advance receivable		-	-
Inventories	(42,955)	34,107	(8,848)
Deferred outflows of resources	(332,171)	(215,929)	(548,100)
(Decrease) increase in liabilities:			
Accounts payable	(2,635)	(84,479)	(87,114)
Deferred revenue	(859)	1,810	951
Accrued payroll	3,824	5,834	9,658
Compensated absences	7,667	16,357	24,024
Net OPEB obligation	21,864	18,018	39,882
Net pension liability	608,068	400,184	1,008,252
Deferred inflows of resources	(169,259)	(69,779)	(239,038)
Interfund advance payable	-		-
Deposits payable	3,750	650	4,400
Other payables	226	827	1,053
Net cash from operating activities	<u>\$ 1,334,413</u>	<u>\$ 930,040</u>	<u>\$ 2,264,453</u>
Non-cash capital and related financing activities:			
Donated water and sewer infrastructure	\$ -	\$ 216,958	\$ 216,958
Capital lease issuance	140,310	-	140,310
Total non-cash capital and related financing activities	<u>\$ 140,310</u>	<u>\$ 216,958</u>	<u>\$ 357,268</u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

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

April 30, 2019

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**ASSETS**

Cash	\$ 307,429
Investments	
Mutual funds	3,467,691
Non-negotiable certificates of deposit	1,050,484
Corporate bonds	1,430,806
Government mortgage pool	284,462
Agency securities	1,129,133
U.S. Treasuries	215,010
CMO & asset backed securities	22,668
Accrued interest receivable	<u>33,900</u>
 Total Assets	 <u>7,941,583</u>

**LIABILITIES**

Accounts payable	<u>1,595</u>
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**NET POSITION, RESTRICTED FOR PENSIONS**

\$ 7,939,988

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

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

For the Year Ended April 30, 2019

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**ADDITIONS**

Contributions

Employer (property taxes)	\$ 604,324
Employee	<u>109,075</u>

Total contributions	<u>713,399</u>
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Investment income

Net appreciation in fair value of investments	90,981
Interest	285,946
Investment fees	<u>(17,916)</u>

Total net investment income	<u>359,011</u>
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Total additions	<u>1,072,410</u>
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**DEDUCTIONS**

Benefits and refunds

Retiree benefits	385,213
Contributions refunded	46,299
Administration	<u>15,416</u>

Total deductions	<u>446,928</u>
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<b>NET INCREASE</b>	625,482
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**NET POSITION, RESTRICTED FOR PENSIONS**

<b>MAY 1, 2018</b>	<u>7,314,506</u>
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<b>APRIL 30, 2019</b>	<u><u>\$ 7,939,988</u></u>
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The accompanying notes are an integral part of these financial statements.

# VILLAGE OF CHATHAM, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2019

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### 1. SIGNIFICANT ACCOUNTING POLICIES

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

- (a) Reporting Entity - The Village is a body corporate and politic established under Illinois Compiled Statutes (ILCS). The Village is considered to be a primary government as defined by GASB Statement No. 39, since it is legally separate and fiscally independent.

In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity is based upon the significance of its operational or financial relationship with the primary government. The Police Pension Plan is reported as if they were a part of the Village. The data is included in the Village's fiduciary fund financial statements because the fund is fiscally dependent on the Village and provides services entirely to the Village's current and former employees. The Police Pension Plan does not issue a separate component unit report.

Other than the Police Pension Plan, the Village has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the Village's financial statements.

In 2009, the Village, along with the Village of New Berlin, Illinois, established the South Sangamon Water Commission. A jointly operated Commission established to provide water service primarily to the Village of Chatham and Village of New Berlin. The Board of Trustees of the Commission are appointed, one each, by Sangamon County, the Village of New Berlin and the Village of Chatham and has the authority to make decisions, hire employees, and significantly influence operations. The Commission also has the primary accountability for fiscal matters.

- (b) Fund Accounting - The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

- (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 non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues and are reported separate 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 or segment is 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 that 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.

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

- (d) Measurement Focus, Basis of Accounting and Financial Statement Presentation - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In determining when to recognize intergovernmental revenue (grants and shared revenue), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, monies are virtually unrestricted as to the purpose of expenditure and are nearly irrevocable; therefore, these amounts are recognized as revenue at the time of their receipt or earlier if they meet the criteria of availability. In the other, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenue is recognized based upon the expenditures recorded.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay current liabilities.

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

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

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales and telecommunication taxes collected within 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relating to compensated absences, are recorded only when payment is due.

Property taxes, sales taxes, telecommunications taxes, licenses and permits, charges for services, fines and forfeits, miscellaneous revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Personal property replacement taxes are considered to be measurable when they have been collected and allocated by the state and are recognized as revenue at that time. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

*The General Fund* is used to account for all activities of the general government not accounted for in some other fund.

The Village reports the following proprietary funds, which are major funds:

*The Electric Fund* is used to account for the revenues and expenses related to operating and maintaining the Village's Electric operations.

*The Waterworks and Sewerage Fund* is used to account for the revenues and expenses related to operating and maintaining the Village's Water and Sewer operations.

Additionally, the Village reports the following fund types:

Special Revenue Funds are used to account for specific revenues from which the expenditures are externally imposed by outside entities or committed by ordinance.

The Capital Projects Fund accounts for the resources used for the acquisition or construction of capital facilities other than those financed by the enterprise fund activities.

The Permanent Fund is used to account for assets received and held for the perpetual care of the Village Cemetery.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

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

The Fiduciary Fund of the Village is used to account for assets held by the Village in a trustee capacity. The Police Pension Trust Fund is used to account for assets received and held for the payment of benefits to participants.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are administrative charges between the Village's General Fund and the Electric and Waterworks and Sewerage Funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for electric, water and sewer sales and service. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

- (e) Capital Assets - Capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. The Village records all capital items, which are individually greater than \$5,000, with a useful life of greater than one year, as capital assets. Except for certain infrastructure acquired or constructed, which were partially financed with Tax Increment Financing and General Obligation Bonds, infrastructure assets acquired prior to May 1, 2004, are not reported in the basic financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

(e) Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Improvements	10 to 40 years
Buildings and grounds	20 to 40 years
Vehicles	5 years
Equipment	5 years
Infrastructure	40 years
Utility plant	10 to 40 years

- (f) Cash and Cash Equivalents - For the purposes of the statement of cash flows, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

- (g) Fund Balance/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 reported for amounts constrained by legal restrictions from outside parties for use for specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board, which is considered the Village's highest level of decision making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose, but that are neither restricted nor committed. Any residual fund balance is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted and 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. It is the Village's policy to maintain an unassigned fund balance of a minimum of 17% to 25% of the total budgeted annual expenditures of the most recently approved budget.



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

(g) Fund Balance/Net Position (Continued)

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the Village. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

- (h) Concentration of Suppliers – The Village of Chatham has an agreement with the Illinois Municipal Electric Agency to purchase electric power through transmission lines owned by the City of Springfield. The agreement to purchase electric power expires September 30, 2035.

The Village of Chatham has an agreement with the Sangamon County Water Commission, whereby the Sangamon County Water Commission will supply water to the Village of Chatham until December 31, 2040, or 5 years after the expiration of the original issue of Commission's bonds, whichever is later. The Village pays for actual water usage and is not required to purchase a minimum amount of water.

- (i) Investments – Investments are stated at fair value, except for nonnegotiable certificates of deposits which are recorded at cost, using quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses on marketable securities are computed using the specific identification method.
- (j) Inventories – Inventories are stated at the lower of cost (using the first-in/first-out method) or market using the purchase method.
- (k) Compensated Absences – Vested or accumulated vacation leave and vested sick leave are accrued when incurred by the Village in the government-wide and proprietary fund financial statements. Vested or accumulated vacation leave of the proprietary fund is recorded as an expense and liability of that fund as the benefits accrued to employees. A liability in the governmental funds is reported only if the benefit has matured.
- (l) Long-Term Obligations – In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

(l) Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types 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 debt service expenditures.

(m) Interfund Transactions – Interfund services transactions are accounted for as revenues, expenditures or expenses. All other interfund transactions are reported as transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the fiscal year are referred to as “due to/from” and “interfund advance receivable/payable”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

(n) Interest Costs on Construction – Interest costs incurred before the end of a construction period are recognized as an expenditure or expense in the period in which the costs are incurred.

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

(p) Use of Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## **2. PROPERTY TAX CALENDAR**

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

- The property tax lien date is January 1, 2017.
- The annual tax levy ordinance for 2017 taxes received during fiscal year 2019 was passed December 2017.
- The first installment of property taxes is due to the County Collector on July 1 and the second installment is due to the County Collector on September 1.
- Significant amounts of property taxes for 2017 were distributed to the Village in June and September of 2018.

The annual tax levy ordinance for 2018 taxes to be received during fiscal year 2020 was passed December 2018. The 2018 taxes are intended to finance the 2020 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable revenue. The 2019 tax levy has not been recorded as a receivable at April 30, 2019. Although the tax attached as a lien on property as of January 1, 2019, the tax will not be levied until December 2019, and, accordingly, is not measurable at April 30, 2019.

## **3. CASH, CASH EQUIVALENTS AND INVESTMENTS**

The Village's Board of Trustees has adopted an investment policy to invest in instruments allowed by Illinois Compiled Statutes (ILCS). The policy further identifies allowable securities to include securities guaranteed by the full faith and credit of the United States of America, interest-bearing savings accounts, certificates of deposit, or time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by FDIC, short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of security legally issuable by savings and loan associations incorporated under the laws of State of Illinois, and Illinois Funds.

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, in order of priority are: safety of principal, diversity of investments, liquidity, return on investment, and maintaining public trust.

### **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 returned to them. To guard against credit risk for deposits with financial institutions, the Village's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by the Village or third party or escrow agent of the pledging institution, evidenced by a written safekeeping agreement.

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

**B. Investments**

*Interest rate risk* is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the Village's investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio so that investments will have maturities to have available sufficient cash for all operating purposes.

The policy limits investments of the General Fund and Special Revenue Funds to maturities of fifteen months from the date of purchase. For all other investments, any investment purchased with a maturity of longer than two years must be specifically pre-authorized by the Chair of the Administration Committee and the Village President.

*Credit risk* is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Village's investment policy does not specifically address credit risk.

*Concentration of credit risk* is the risk of loss resulting from the concertation of assets in a specific maturity, a specific issuer, or a specific class of securities. To reduce exposure to concentration of credit risk, the Village limits the amount a financial institution may hold of the Village's investment portfolio to \$100,000, excluding investments in U.S. Treasury securities held in safekeeping, investments in the Illinois Funds and investments at a financial institution in which the deposits in excess of \$100,000 are secured by collateral.

*Fair value hierarchy* – The Village categorizes its fair value measurements within the fair value established by generally accepted accounting principles. The hierarchy of inputs are used to measure the fair value of the asset. Level inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs. The Village had no general investments outside of the Police Pension Fund as of April 30, 2019.

**Police Pension Funds**

The Pension Board has adopted an investment policy to invest in instruments allowed by Illinois Compiled Statutes (ILCS). The statutes allow pension funds to invest in the same securities as the Village. The policy further identifies allowable securities to include securities guaranteed by the full faith and credit of the United States of America, separate accounts of a life insurance company authorized to do business in Illinois, savings accounts or certificates of deposit of a national or state bank, insured capital accounts and investments of state and federal chartered savings and loan associations and credit unions, and interest bearing bonds or tax anticipation warrants of the United States, State of Illinois, or of any county, township, or municipal corporation of the State of Illinois.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

Police Pension Funds (Continued)

The policy further allows for investment in corporate bonds managed through an investment advisor. In addition, the policy allows for investment in common and preferred stocks authorized for investments of trust funds under the laws of the State of IL if the fund's net assets exceed \$5,000,000. Such investments must meet specific criteria outlined in the policy.

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 Pension Fund's deposits may not be returned to them. To guard against credit risk for deposits with financial institutions the Pension Fund's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by an independent third party institution in the name of the Police Pension Fund and evidenced by a written collateral agreement.

B. Investments

*Interest rate risk* is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the Pension Fund's investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio so that investments will have maturities to have available sufficient cash for all operating purposes.

At April 30, 2019, the pension fund's investment balances were as follows:

Investment Type	Fair Value	Maturity			
		< 1 Year	1 - 5 Years	6 - 10 Years	> 10 Years
U.S. Treasuries	\$ 215,010	\$ -	\$ 109,470	\$ 105,540	\$ -
Agency Securities	1,129,133	-	112,423	1,016,710	-
Corporate Bonds	1,430,806	51,407	969,118	410,281	-
Mortgage Pools	284,462	-	-	-	284,462
Subject to interest rate risk	-	<u>\$ 51,407</u>	<u>\$ 1,191,011</u>	<u>\$ 1,532,531</u>	<u>\$ 284,462</u>
CMO & Asset					
Backed Securities	22,668				
Equity Mutual Funds	3,467,691				
Certificates of Deposits	1,050,484				
<b>Total</b>	<u>\$ 7,600,254</u>				

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

Police Pension Funds (Continued)

**B. Investments (Continued)**

*Credit risk* is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Pension Fund's investment policy limits its exposure to credit risk by requirement corporate bonds to be rated as investment grade by one of the two largest rating services at the time of purchase. If subsequently downgraded below investment grade, the bonds must be liquidated from the portfolio within 90 days after being downgraded.

At April 30, 2019, the pension fund's investment balances were rated as follows:

Investment Type	Fair Value	Standard & Poor's/Moody's			
		AAA/Aaa	AA/Aa	A/A	Not Rated
Agency Securities	\$ 1,129,133	\$ -	\$ 1,129,133	\$ -	\$ -
Corporate Bonds	1,430,806	161,042	1,016,945	252,819	-
Mortgage Pools	284,462	-	-	-	284,462
CMO & Asset					-
Backed Securities	22,668	-	-	-	22,668
Subject to credit risk	2,867,069	\$ 161,042	\$ 2,146,078	\$ 252,819	\$ 307,130
U.S. Treasuries	215,010				
Equity Mutual Funds	3,467,691				
Certificates of Deposits	1,050,484				
<b>Total</b>	<u>\$ 7,600,254</u>				

*Custodial credit risk* for investments is the risk that, in the event of the failure of the counterparty to the investment, the Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Pension Fund's investment policy does not specifically address custodial credit risk for investments. To limit its exposure, the Pension Fund's have a third party custodian acting as an agent to safe-keep the assets of the funds.

*Concentration of credit risk* is the risk of loss resulting from the concertation of assets in a specific maturity, a specific issuer, or a specific class of securities. While the Pension Fund places no limit on the amount the pension fund may invest in one issuer, the investment policy does states that allocation of assets shall be achieved through the prudent diversification of asset classes. The goal shall be to maintain liquidity while providing reasonable diversification consistent with the objectives and guidelines for the Fund. The Pension Fund invests in certificates of deposit, mutual funds, corporate and municipal bonds, and U.S. treasury and federal agency securities.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

Police Pension Funds (Continued)

**B. Investments (Continued)**

*Fair value hierarchy* – The Village categorizes its fair value measurements within the fair value established by generally accepted accounting principles. The hierarchy of inputs are used to measure the fair value of the asset. Level inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

Following is a description of the valuation techniques used for assets measured at fair value on a recurring basis. There have been no changes to the techniques used during the year ended April 30, 2019.

- U.S. Treasuries and equity mutual funds: Valued at the closing quoted price in an active market
- Corporate bonds: The investment grade corporate bonds and municipal obligations generally do not trade in active markets on the measurement date. Therefore, these securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, recent market price quotations (where observable), bond spreads, and fundamental data relating to the issuer.
- Agency securities, mortgage pools and asset backed securities: Valued by a pricing service using models that incorporate market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers and reference data.

Investment Type	Fair Value	Level 1	Level 2	Level 3
U.S. Treasuries	\$ 215,010	\$ 215,010	\$ -	\$ -
Agency Securities	1,129,133	-	1,129,133	-
Corporate Bonds	1,430,806	-	1,430,806	-
Mortgage Pools	284,462	-	284,462	-
CMO & Asset Backed Securities	22,668	-	-	22,668
Equity Mutual Funds	3,467,691	3,467,691	-	-
	6,549,770	<u>\$ 3,682,701</u>	<u>\$ 2,844,401</u>	<u>\$ 22,668</u>
Certificates of Deposits*	1,050,484			
<b>Total</b>	<u>\$ 7,600,254</u>			

\*Nonnegotiable certificates of deposit are recorded at cost and are not based on Level 1, 2, or 3 inputs.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS**

A. Governmental Activities

Capital asset activity for the year ending April 30, 2019 consists of the following:

	<u>Balances</u> <u>May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>April 30</u>
Land, not depreciated	\$ 546,400	\$ 83,200	\$ -	\$ 629,600
Construction in progress, not depreciated	<u>541,218</u>	<u>530,568</u>	<u>20,310</u>	<u>1,051,476</u>
Total capital assets, not depreciated	<u>1,087,618</u>	<u>613,768</u>	<u>20,310</u>	<u>1,681,076</u>
Improvements	1,330,697	2,932	-	1,333,629
Buildings and grounds	950,928	3,062	-	953,990
Vehicles	1,040,778	24,590	21,779	1,043,589
Equipment	907,363	2,763	-	910,126
Infrastructure	<u>22,318,648</u>	<u>776,752</u>	<u>-</u>	<u>23,095,400</u>
Total capital assets being depreciated	<u>26,548,414</u>	<u>810,099</u>	<u>21,779</u>	<u>27,336,734</u>
Total capital assets	<u>27,636,032</u>	<u>1,423,867</u>	<u>42,089</u>	<u>29,017,810</u>
Less accumulated depreciation for:				
Improvements	222,124	33,328	-	255,452
Buildings and grounds	416,338	26,213	-	442,551
Vehicles	857,204	70,869	21,779	906,294
Equipment	822,336	35,995	-	858,331
Infrastructure	<u>4,421,616</u>	<u>571,177</u>	<u>-</u>	<u>4,992,793</u>
Total accumulated depreciation	<u>6,739,618</u>	<u>737,582</u>	<u>21,779</u>	<u>7,455,421</u>
Total capital assets being depreciated, net	<u>19,808,796</u>	<u>72,517</u>	<u>-</u>	<u>19,881,313</u>
Total capital assets, net of accumulated depreciation	<u>\$ 20,896,414</u>	<u>\$ 686,285</u>	<u>\$ 20,310</u>	<u>\$ 21,562,389</u>



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities**

Capital asset activity for the year ended April 30, 2019 consists of the following:

<u>ELECTRIC</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 279,734	\$ -	\$ -	\$ 279,734
Total capital assets, not being depreciated	279,734	-	-	279,734
Improvements	65,760	2,931	-	68,691
Buildings and grounds	698,048	3,061	-	701,109
Vehicles	840,930	140,310	47,678	933,562
Equipment	856,753	2,762	-	859,515
Utility plant	17,665,610	350,725	-	18,016,335
Total capital assets being depreciated	20,127,101	499,789	47,678	20,579,212
Total capital assets	20,406,835	499,789	47,768	20,858,946
Less accumulated depreciation for:				
Improvements	35,060	1,416	-	36,476
Buildings and grounds	408,436	12,475	-	420,911
Vehicles	814,178	49,430	47,678	815,930
Equipment	640,768	55,570	-	696,338
Utility plant	7,248,334	489,623	-	7,737,957
Total accumulated depreciation	9,146,776	608,514	47,678	9,707,612
Total capital assets being depreciated, net	10,980,325	(108,725)	-	10,871,600
Total capital assets, net of accumulated depreciation	\$ 11,260,059	\$ (108,725)	\$ -	\$ 11,151,334

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities (Continued)**

<u>WATERWORKS &amp; SEWERAGE</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 39,000	\$ -	\$ -	\$ 39,000
Construction in progress, not depreciated	<u>268,375</u>	<u>1,281,229</u>	<u>-</u>	<u>1,549,604</u>
Total capital assets, not being depreciated	<u>307,375</u>	<u>1,281,229</u>	<u>-</u>	<u>1,588,604</u>
Improvements	10,400	2,931	-	13,331
Buildings and grounds	348,054	26,915	-	374,969
Vehicles	568,110	-	35,719	532,391
Equipment	561,320	2,763	12,345	551,738
Utility plant	<u>19,943,264</u>	<u>456,644</u>	<u>-</u>	<u>20,399,908</u>
Total capital assets being depreciated	<u>21,431,148</u>	<u>489,253</u>	<u>48,064</u>	<u>21,872,337</u>
Total capital assets	<u>21,738,523</u>	<u>1,770,482</u>	<u>48,064</u>	<u>23,460,941</u>
Less accumulated depreciation for:				
Improvements	1,204	401	-	1,605
Buildings and grounds	65,295	9,148	-	74,443
Vehicles	240,510	82,613	35,719	287,404
Equipment	386,727	52,365	12,345	426,747
Utility plant	<u>10,512,269</u>	<u>499,011</u>	<u>-</u>	<u>11,011,280</u>
Total accumulated depreciation	<u>11,206,005</u>	<u>643,538</u>	<u>48,064</u>	<u>11,801,479</u>
Total capital assets being depreciated, net	<u>10,225,143</u>	<u>(154,285)</u>	<u>-</u>	<u>10,070,858</u>
Total capital assets, net of accumulated depreciation	<u>\$ 10,532,518</u>	<u>\$ 1,126,944</u>	<u>\$ -</u>	<u>\$ 11,659,462</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities (Continued)**

<u>BUSINESS-TYPE ACTIVITIES</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 318,734	\$ -	\$ -	\$ 318,734
Construction in progress, not depreciated	<u>268,375</u>	<u>1,281,229</u>	<u>-</u>	<u>1,549,604</u>
Total capital assets, not being depreciated	<u>587,109</u>	<u>1,281,229</u>	<u>-</u>	<u>1,868,338</u>
Improvements	76,160	5,862	-	82,022
Buildings and grounds	1,046,102	29,976	-	1,076,078
Vehicles	1,409,040	140,310	83,397	1,465,953
Equipment	1,418,073	5,525	12,345	1,411,253
Utility plant	<u>37,608,874</u>	<u>807,369</u>	<u>-</u>	<u>38,416,243</u>
Total capital assets being depreciated	<u>41,558,249</u>	<u>989,042</u>	<u>95,742</u>	<u>42,451,549</u>
Total capital assets	<u>42,145,358</u>	<u>2,270,271</u>	<u>95,742</u>	<u>44,319,887</u>
Less accumulated depreciation for:				
Improvements	36,264	1,817	-	38,081
Buildings and grounds	473,731	21,623	-	495,354
Vehicles	1,054,688	132,043	83,397	1,103,334
Equipment	1,027,495	107,935	12,345	1,123,085
Utility plant	<u>17,760,603</u>	<u>988,634</u>	<u>-</u>	<u>18,749,237</u>
Total accumulated depreciation	<u>20,352,781</u>	<u>1,252,052</u>	<u>95,742</u>	<u>21,509,091</u>
Total capital assets being depreciated, net	<u>21,205,468</u>	<u>(263,010)</u>	<u>-</u>	<u>20,942,458</u>
Total capital assets, net of accumulated depreciation	<u>\$ 21,792,577</u>	<u>\$ 1,018,219</u>	<u>\$ -</u>	<u>\$ 22,810,796</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. CAPITAL ASSETS (Continued)**

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

Governmental activities:	
General government	\$ 4,342
Culture and recreation	68,978
Public safety	36,406
Public works/transportation	<u>627,856</u>
Total depreciation expense – governmental activities	<u>\$ 737,582</u>
Business-type activities:	
Electric	\$ 608,514
Waterworks and Sewerage	<u>643,538</u>
Total depreciation expense – business-type activities	<u>\$ 1,252,052</u>

**5. RESTRICTED ASSETS**

The Village reports restricted cash in the Electric Fund due to the issuance of the 2014 General Obligation Bonds (Alternative Revenue Source), restricted cash in the Waterworks and Sewerage Funds due to the issuance of the Water Promissory Note, Series 2014, and restricted cash in the General Fund due to the issuance of the 2017 General Obligation Bonds and other restrictions relating to law enforcement

Electric Fund

The Electric General Obligation Bonds (Alternate Revenue Source), Series 2014 require the funding by the utility of certain reserve accounts. These reserve account balances are required to be invested as the ordinances call for and segregated from the other funds. The following accounts were so segregated at April 30, 2019.

Electric Fund:	
Cash:	
Electric GO Bond and Interest	<u>\$ 201,005</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. RESTRICTED ASSETS (Continued)**

Electric Fund (Continued)

As of April 30, 2019, all accounts were funded as required by the bond ordinances. The funding requirements of these accounts are established by the general obligation bond ordinances and are outlined as follows for the 2014 general obligation bonds (alternate revenue source).

Operation and Maintenance Account, established to establish a balance sufficient to pay operation and maintenance expenses for the current month.

Junior Bond and Interest Account, established to accumulate an amount sufficient to pay principal or interest or both. There shall be deposited to the Junior Bond and Interest Account, a fractional amount of interest becoming due on the next succeeding interest payment date and a fractional amount of principal becoming due on the next succeeding principal maturity date of all of the Outstanding Junior Bonds.

Junior Bond Reserve Account, established to accumulate funds to be used to pay principal or interest on outstanding bonds at any time when there are insufficient funds available in the Junior Bond and Interest Account to pay the same.

Depreciation, Improvement, and Extension Account, established to accumulate funds established per bond ordinances for the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies for which no other funds are available.

Surplus Account, established to accumulate funds remaining in the System Fund, after crediting the required amounts to the respective accounts noted above and after making up any deficiency in the above accounts. Then, at the discretion of the Corporate Authorities, the funds shall be used, if at all, for one or more of the following purposes:

- (1) For the purpose of constructing or acquiring repairs, replacements, or improvements to the System or
- (2) For the purpose of purchasing Outstanding Bonds or
- (3) For any other lawful corporate purpose (including but not limited to payments in lieu of taxes and general supervision and administrative charges by the Issuer.)

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. RESTRICTED ASSETS (Continued)**

Waterworks and Sewerage Fund

The Water Promissory Note, Series 2015 require the funding by the utility of certain reserve accounts. These reserve account balances are required to be invested as the ordinances call for and segregated from the other funds. The following accounts were so segregated at April 30, 2019.

Waterworks and Sewerage Fund:

Cash:

Water Note Fund	\$ 53,973
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As of April 30, 2019, all accounts were funded as required by the Promissory Note. The funding requirements of these accounts are established by the promissory note ordinance and are outlined as follows.

Water Note Fund, established to fund for the payment of the principal and interest on the Note. Interest income or investment profit earned in the Water Note Fund shall be retained in the Fund for payment of the principal of or interest on the Promissory Note on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Village, transferred to such other fund as may be determined.

General Fund

The General Obligation Bonds, Series 2017 require the funding of a Debt Service account with taxes levied to be used for the sole purpose of paying principal of and interest on the Bonds. The General Obligation Bonds, Series 2017 also requires the proceeds of the sale of the bonds be deposited into a Bond Proceeds account. As of April 30, 2019, the account was funded as required by the ordinance. In addition, there are other restricted accounts relating to law enforcement.

General Fund

Cash:

2017 Debt Service	\$ 16,963
2017 Bond Proceeds	51,499
Crime Prevention	5,778
Drug Asset Forfeiture	6,459
DUI Equipment	7,361
Police Vehicle Fees	31,994
Police Article 36	65
Total	<u>\$ 120,119</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. LONG-TERM DEBT**

Governmental activities

General Obligation Bonds

The Village issues general obligation bonds to provide for the acquisition, construction and installation of various improvements and facilities. General obligation bonds outstanding at the end of the fiscal year are as follows:

\$500,000 General Obligation Bonds, Series 2017 payable through December 30, 2036 in various amounts ranging from \$19,000 to \$32,500; interest rate of 2.99% \$ 460,500

Future principal and interest payments on the general obligation bonds are as follows:

<u>Years ending April 30,</u>	Principal	Interest	Total
2020	\$ 19,500	\$ 13,769	\$ 33,269
2021	20,500	13,186	33,686
2022	21,000	12,573	33,573
2023	21,500	11,945	33,445
2024	22,000	11,302	33,302
2025-2029	121,000	46,181	167,181
2030-2034	140,500	26,956	167,456
2035-2037	94,500	5,712	100,212
Total	<u>\$ 460,500</u>	<u>\$ 141,624</u>	<u>\$ 602,124</u>

Street Shop Building Note

On October 15, 2014, the Village entered into an agreement with a financial institution to finance costs associated with the construction of a shop building for the street and water departments. The Village borrowed \$460,000 at an interest rate of 1.74% to be paid in monthly installments of \$4,185 beginning November 15, 2014, with a final payment due October 15, 2024. The assets and related obligation have been allocated half to the General Fund and half to the Waterworks and Sewerage Fund. The principal balance for the governmental activities as of April 30, 2019 is \$131,457 and the principal balance for the business-type activities as of April 30, 2019 is \$131,457 for a combined total of \$262,914.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Governmental activities (Continued)

Street Shop Building Note (Continued)

Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 22,966	\$ 2,141	\$ 25,107
2021	23,382	1,725	25,107
2022	23,796	1,311	25,107
2023	24,219	888	25,107
2024	24,649	458	25,107
2025	12,445	63	12,508
Total	<u>\$ 131,457</u>	<u>\$ 6,586</u>	<u>\$ 138,043</u>

Capital Lease

The Village is obligated under a vehicle lease accounted for as a capital lease. The leased asset (street truck) and related obligation are accounted for as governmental activities. The asset under the capital lease net of depreciation totaled \$28,034 at April 30, 2019. The following is a schedule of future minimum lease payments under the capital lease, together with the net present value of the minimum lease payments at April 30, 2019:

<u>Years ending April 30,</u>	
2020	\$ 18,691
2021	4,680
Future minimum lease payments	23,371
Less: Amount representing interest	232
Present value of minimum lease payments	<u>\$ 23,139</u>

The Village is obligated under a vehicle lease accounted for as a capital lease. The leased assets (police vehicle) and related obligation are accounted for as governmental activities. The asset under the capital lease net of depreciation totaled \$19,109 at April 30, 2019. The following is a schedule of future minimum lease payments under the capital lease, together with the net present value of the minimum lease payments at April 30, 2019:

<u>Years ending April 30,</u>	
2020	\$ 7,480
Future minimum lease payments	7,480
Less: Amount representing interest	49
Present value of minimum lease payments	<u>\$ 7,431</u>



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Governmental activities (Continued)

Following is a summary of the changes that occurred to the liabilities reported in the governmental activities of the Village for the year ended April 30, 2019.

	Balance May 1, 2018	Additions	Reductions	Balance April 30, 2019
G.O. bonds	\$ 479,500	\$ -	\$ 19,000	\$ 460,500
Notes payable	154,033	-	22,576	131,457
Capital lease	71,140	-	40,570	30,570
Net pension liability	5,872,391	665,959	-	6,538,350
OPEB liability	3,058,985	159,889	-	3,218,874
Compensated absences	348,065	342,712	348,065	342,712
	<u>\$ 9,984,114</u>	<u>\$ 1,168,560</u>	<u>\$ 430,211</u>	<u>\$ 10,722,463</u>

The General Fund and Yard Waste Recycling and Refuse Fund generally liquidate the pension, OPEB, and compensated absences liabilities.

Following are governmental activities obligations due within one year:

G.O. bonds	\$ 19,500
Notes payable	22,966
Capital lease	25,912
OPEB liability	106,908
Compensated absences	19,210
Total	<u>\$ 194,496</u>

The amount available for retirement of future general obligation bond debt is made up of the following:

Debt Service (General Fund)	<u>\$ 16,963</u>
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**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Business-type activities

General Obligation Bonds (Alternate Revenue Source)

The Village issues general obligation bonds (alternate revenue source) where the Village pledges revenue derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the fiscal year are as follows:

\$3,805,000 Electric General Obligation Refunding Bond  
 (Alternate Revenue Source, Series 2014, for the purpose  
 of refunding certain prior bonds of the Village, payable  
 through November 1, 2028 in various amounts ranging  
 from \$105,000 to \$336,000; interest rates ranging from  
 2.96 % to 3.78% \$ 2,598,000

Future principal and interest payments on the general obligation (alternate revenue source) bonds are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 263,000	\$ 89,391	\$ 352,391
2021	273,000	81,081	354,081
2022	279,000	72,126	351,126
2023	295,000	62,807	357,807
2024	306,000	52,719	358,719
2025-2029	<u>1,182,000</u>	<u>105,241</u>	<u>1,287,241</u>
Total	<u>\$ 2,598,000</u>	<u>\$ 463,365</u>	<u>\$ 3,061,365</u>

Water Shop Building Note

On October 15, 2014, the Village entered into an agreement with a financial institution to finance costs associated with the construction of a shop building for the street and water departments. The Village borrowed \$460,000 at an interest rate of 1.74% to be paid in monthly installments of \$4,185 beginning November 15, 2014, with a final payment due October 15, 2024. The assets and related obligation have been allocated half to the General Fund and half to the Waterworks and Sewerage Fund. The principal balance for the governmental activities as of April 30, 2019 is \$131,457 and the principal balance for the business-type activities as of April 30, 2019 is \$131,457 for a combined total of \$262,914.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Business-type activities (Continued)

Water Shop Building Note (Continued)

Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 22,966	\$ 2,141	\$ 25,107
2021	23,382	1,725	25,107
2022	23,796	1,311	25,107
2023	24,219	888	25,107
2024	24,649	458	25,107
2025	12,445	63	12,508
Total	<u>\$ 131,457</u>	<u>\$ 6,586</u>	<u>\$ 138,043</u>

Ground Storage Tank and Tower Painting Note

On January 31, 2019, the Village entered into an agreement with a financial institution to finance costs associated with improvements to the above ground storage tank and tower. The Village borrowed \$1,112,800 at an interest rate of 2.98% to be paid in monthly installments of \$14,693 beginning March 1, 2019, with a final payment due February 1, 2026. The assets and related obligation have been allocated to the Waterworks and Sewerage Fund. The principal balance for the business-type activities as of April 30, 2019 was \$1,076,359. Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 133,665	\$ 27,962	\$ 161,627
2021	150,263	26,058	176,321
2022	154,803	21,518	176,321
2023	159,480	16,841	176,321
2024	164,270	12,051	176,321
2025-2026	313,878	9,047	322,925
Total	<u>\$ 1,076,359</u>	<u>\$ 113,477</u>	<u>\$ 1,189,836</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Business-type activities (Continued)

Water Promissory Note, Series 2014

On March 7, 2014, the Village entered into an agreement with a financial institution to finance the costs of a settlement agreement with the City of Springfield, Illinois. The Village borrowed \$710,000 at an interest rate of 1.25 percent to be paid in semi-annual interest payments payable on August 1 and February 1 of each year beginning August 1, 2014. Principal will be paid in installments on February 1 of each of the years until maturity February 1, 2024. The interest rate remains fixed until January 31, 2019 and thereafter, the rate will change to a floating rate equal to the Prime Rate minus 2% not to exceed 2.25%. The principal balance for the business-type activities as of April 30, 2019 was \$366,022. The related obligation has been allocated to the Waterworks and Sewerage Fund. Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 69,983	\$ 8,236	\$ 78,219
2021	71,558	6,660	78,218
2022	73,168	5,050	78,218
2023	74,814	3,404	78,218
2024	76,499	1,720	78,219
Total	<u>\$ 366,022</u>	<u>\$ 25,070</u>	<u>\$ 391,092</u>

Capital Leases

The Village is obligated under an equipment lease accounted for as a capital lease. The leased asset (aerial truck) and related obligation are accounted for as business-type activities. The asset under the capital lease net of depreciation totaled \$3,874 at April 30, 2019. The following is a schedule of future minimum lease payments under the capital lease, together with the net present value of the minimum lease payments at April 30, 2019:

<u>Years ended April 30,</u>	
2020	\$ 5,636
Future minimum lease payments	5,636
Less: Amount representing interest	8
Present value of minimum lease payments	<u>\$ 5,628</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. LONG-TERM DEBT (Continued)**

Business-type activities (Continued)

Capital Leases (Continued)

The Village is obligated under a vehicle lease accounted for as a capital lease. The leased asset (sewer vac truck) and related obligation are accounted for as business-type activities. The asset under the capital lease net of depreciation totaled \$222,707 at April 30, 2019. The following is a schedule of future minimum lease payments under the capital lease, together with the net present value of the minimum lease payments at April 30, 2019:

Year ending April 30,

2020	\$ 65,960
2021	65,960
2022	<u>65,960</u>
Future minimum lease payments	197,880
Less: Amount representing interest	<u>10,689</u>
Present value of minimum lease payments	<u>\$ 187,191</u>

The Village is obligated under an equipment lease accounted for as a capital lease. The leased asset (aerial truck) and related obligation are accounted for as business-type activities. The asset under the capital lease net of depreciation totaled \$113,757 at April 30, 2019. The following is a schedule of future minimum lease payments under the capital lease, together with the net present value of the minimum lease payments at April 30, 2019:

Years ended April 30,

2020	\$ 30,326
2021	30,326
2022	30,326
2023	30,326
2024	<u>4,949</u>
Future minimum lease payments	126,253
Less: Amount representing interest	<u>7,957</u>
Present value of minimum lease payments	<u>\$ 118,296</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Business-type activities (Continued)

Following is a summary of the changes that occurred to the liabilities reported in the business-type activities of the Village for the year ended April 30, 2019.

	Balance May 1, 2018	Additions	Reductions	Balance April 30, 2019
G.O. bonds (Alternate Revenue Source)	\$ 2,858,000	\$ -	\$ 260,000	\$ 2,598,000
Notes payable	594,681	1,112,800	133,643	1,573,838
Capital leases	274,689	140,310	103,884	311,115
Net pension liability	715,878	1,008,252	-	1,724,130
OPEB liability	1,212,491	39,881	-	1,252,372
Compensated absences	252,088	276,112	252,088	276,112
	<u>\$ 5,907,827</u>	<u>\$ 2,577,355</u>	<u>\$ 749,615</u>	<u>\$ 7,735,567</u>

Following are business-type activities obligations due within one year:

G.O. bonds (Alternate Revenue Source)	\$ 263,000
Notes payable	226,614
Capital leases	93,330
OPEB liability	41,595
Compensated absences	15,249
Total	<u>\$ 639,788</u>

**7. PLEDGED REVENUES**

The Village has pledged all revenue from the Village's Electric operations to repay the \$3,805,000 Electric General Obligation Refunding Bonds (Alternate Revenue Source), Series 2014 through fiscal year 2029. The total principal and interest remaining to be paid on the bonds is \$3,061,365. Principal and interest paid and total revenues for fiscal year 2019 were \$357,555 and \$10,598,508, respectively.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**8. INTERFUND BALANCES AND TRANSFERS**

Interfund receivable and payable balances at April 30, 2019 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Aggregate Nonmajor Governmental Fund	\$ 56,363	\$ -
Aggregate Nonmajor Governmental Fund:		
General Fund	-	56,363
Aggregate Nonmajor Governmental Fund	<u>9,885</u>	<u>9,885</u>
Total	<u>\$ 66,248</u>	<u>\$ 66,248</u>

The purposes of the interfund receivable and payable balances are as follows:

- \$56,363 due from the Aggregate Nonmajor Governmental funds to the General fund. \$49,378 of the balance is due from the Motor Fuel Tax Fund to the General Fund for Village labor and equipment used for the MFT Program. \$1,435 of the balance is due from the Police and Public Works fund to the General fund as the result of an excess amount being transferred between the funds during the year. \$5,550 of the balance is due from the Yard Waste to the General Fund for payroll expense originally expensed in the General. The Village expects these interfund receivables/payables to be liquidated within one year.
- \$9,885 due from the Aggregate Nonmajor Governmental funds to the Aggregate Nonmajor Governmental funds. \$9,885 of the balance is due from the Capital Projects Fund to the Motor Fuel Tax Fund for expenditures related to the Park Street project.

	<u>Interfund Advance Receivables</u>	<u>Interfund Advance Payables</u>
Electric Fund:		
Waterworks and Sewerage Fund	\$ 269,121	\$ -
Waterworks and Sewerage Fund:		
Electric Fund	<u>-</u>	<u>269,121</u>
Total	<u>\$ 269,121</u>	<u>\$ 269,121</u>

- \$269,121 due from the Waterworks and Sewerage fund to the Electric fund for paying operations costs of the Waterworks and Sewerage fund. The Village does not expect the interfund advance receivable/payable will be liquidated within one year.

During fiscal year 2019, the General Fund made a \$449,348 budgeted transfer of Series 2017 bond proceeds to the Capital Projects Fund for street infrastructure projects. For the statement of activities, interfund transfers within the governmental or business-types activities are netted and eliminated.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLANS**

Illinois Municipal Retirement Fund

*Plan Description.* The Village of Chatham's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

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

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

*Plan Membership.* At December 31, 2018, the date of the most recent actuarial valuation, the IMRF membership consisted of:

Retirees and beneficiaries currently receiving benefits	28
Inactive employees entitled to, but not yet receiving benefits	9
Active plan members	<u>39</u>
Total	<u>76</u>

*Benefits Provided.* 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 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 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.



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Contributions.* As set by statute, the Village's plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar years 2019 and 2018 was 11.55% and 14.09%, respectively, of payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, with supplemental retirement benefits rate being set by statute.

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2018. The total pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability as of December 31, 2018.

Actuarial valuation date	December 31, 2018
Asset valuation method	Market Value of Assets
Actuarial cost method	Entry Age Normal
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.25%

Retirement Age - Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

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

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Single Discount Rate.* A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made rates equal to the difference between actuarially determine contribution rates and the member rate. The single discount rate reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.71%; and the resulting single discount rate is the expected rate of return on pension plan investments of 7.25%.

*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	\$ 11,845,574	\$ 10,697,413	\$ 1,148,161
Changes for the period:			
Service cost	230,684	-	230,685
Interest	879,549	-	879,549
Difference between expected and actual experience	(353,775)	-	(353,775)
Changes in assumptions	423,617	-	423,617
Employer contributions	-	343,850	(343,850)
Employee contributions	-	146,776	(146,772)
Net investment income	-	(862,097)	862,097
Benefit payments and refunds	(467,190)	(467,190)	-
Other	-	(16,315)	321,645
Net changes	712,885	(854,976)	1,567,862
Balances at December 31, 2018	\$ 12,558,459	\$ 9,842,437	\$ 2,716,022

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (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 pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) 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 (asset)	\$ 4,650,293	\$ 2,716,022	\$ 1,141,902

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended April 30, 2019, the Village reported recognized total pension expense of \$1,454,246, of which \$641,296 related to IMRF. 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	\$ 271,156	\$ 916,304
Changes in assumption	367,930	323,918
Net difference between projected and actual earnings on pension plan investments	618,088	-
Contributions made after measurement date	104,040	-
<b>TOTAL</b>	<b>\$ 1,361,214</b>	<b>\$ 1,240,222</b>

\$104,040 reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended April 30, 2019.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year ended April 30,	
2019	\$ 101,211
2020	(18,433)
2021	(68,421)
2022	72,535
2023	(71,443)
Thereafter	<u>1,503</u>
TOTAL	<u>\$ 16,952</u>

Police Pension Fund

*Plan Description.* Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single employer pension plan. The plan issues an annual report to the Illinois Department of Insurance; however, they do not issue their own stand-alone financial statements. The Village accounts for the plan as a pension trust fund and the plan is governed by a five-member Board. Two members are elected from active officers, two are appointed by the Village President, and one is elected from retired members. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

*Plan Membership.* At May 1, 2018, the date of the most recent actuarial valuation, the Police Pension membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	5
Inactive plan members, but not yet receiving benefits	1
Active plan members	<u>15</u>
Total	<u><u>21</u></u>

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Benefits Provided.* The 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 3.0% 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 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 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the 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's annual contribution to the plan is provided by property tax levy. These taxes are required to be of an amount necessary to finance 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. There is no formal funding policy that exists between the Pension Board and the Village. The informal funding policy that has been determined for future contributions is 102.21% of the actuarially determined contribution which is based on 100% amortization of the unfunded actuarially accrued liability. For the year ended April 30, 2019, the Village's contribution was 50.57% of covered payroll.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Net Pension Liability.* The Village's net pension liability was measured as of April 30, 2019. The total pension liability was determined by an actuarial valuation as of May 1, 2018.

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability as of April 30, 2019.

Actuarial valuation date	May 1, 2018
Actuarial cost method	Entry Age Normal
Asset valuation	Market Value
Long-term expected rate of return	6.25%
Salary increases	4.00% to 21.25%
Increase in total payroll	3.25%
Price inflation	2.50%
Percent married	85.0%

Mortality rates were based on RP-2014 Adjusted for Plan Status, Collar and Illinois Public Pension Data, as appropriate. Retirement rates were based on L&A Illinois Police Retirement Rates Capped at age 65.

All economic assumption rates are assumed to be annual rates, compounded on an annual basis.

The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. Long-term Real Rates of Return are shown as the Expected Rate of Return, net of the assumed inflation rate. There are multiple approaches seen to providing these rates. Typically, the information is either based on capital market projections, or historical rates seen for the asset classes.

Assumptions were changed from the prior year. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index which is unchanged from the prior year.

The rates provided in the table below are based on an arithmetic average.

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return</u>	<u>Long-Term Inflation Expectations</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Equities	10.00%	2.90%	7.10%	45.00%
Fixed Income	5.10%	2.90%	2.20%	52.50%
Cash	3.40%	2.90%	0.50%	2.50%

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Discount Rate.* The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.25%; the municipal bond rate is 3.79% based on the Bond Buyer G.O. 20-Bond Municipal Bond Index; and the resulting single discount rate is the expected rate of return on pension plan investments of 6.25%.

*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	\$ 12,754,614	\$ 7,314,506	\$ 5,440,108
Changes for the period:			
Service cost	374,057	-	374,057
Interest	783,679	-	783,679
Actuarial experience	5,608	-	5,608
Employer contributions	-	604,324	(604,324)
Employee contributions	-	109,075	(109,075)
Net investment income	-	359,011	(359,011)
Benefit payments and refunds	(431,512)	(431,512)	-
Administrative expense	-	(15,416)	15,416
Net changes	731,832	625,482	106,350
Balances at April 30, 2019	\$ 13,486,446	\$ 7,939,988	\$ 5,546,458

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. RETIREMENT PLANS (Continued)**

Police Pension 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 pension liability of the Village calculated using the discount rate of 6.25% 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 (5.25%) or 1 percentage point higher (7.25%) than the current rate.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net pension liability (asset)	\$ 7,934,692	\$ 5,546,458	\$ 3,648,577

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended April 30, 2019, the Village reported recognized total pension expense of \$1,454,246, of which \$812,950 related to the Police pension. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 174,358	\$ -
Changes in assumption	608,651	-
Net difference between projected and actual earnings on pension plan investments	164,210	-
<b>TOTAL</b>	<b>\$ 947,219</b>	<b>\$ -</b>

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

<u>Year ended April 30,</u>	
2020	214,702
2021	131,017
2022	151,855
2023	139,512
2024	118,219
Thereafter	191,914
<b>TOTAL</b>	<b>\$ 947,219</b>



**10. OTHER POST-EMPLOYMENT BENEFITS**

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. No contributions are made by the Village or its employees to fund a reserve for payment of benefits. Accordingly, there are no assets accumulated in a GASB-compliant trust. Since no reserve is maintained for benefit payments, the plan does not issue a separate stand-alone financial report. The OPEB obligation is generally liquidated through the funds in which the related employees' wages are paid.

Benefits Provided

The Village provides post retirement health benefits, as per the requirements of local ordinances and labor agreements. Retirees covered under the International Brotherhood of Electrical Workers, Local Number 51, the International Union of Operating Engineers, Local 965 AFL-CIO, and the International Fraternal Order of Police, Local Unit 58 are eligible to continue their health care coverage with the Village's carrier. The Village will pay the retirees single medical insurance coverage provided the employee is not eligible from other sources as per the following schedule upon retirement until said employee is eligible for Medicare benefits. If the employee is eligible for coverage from other sources, the Village will pay that amount provided it does not exceed the amount the Village regularly pays for single member premium coverage. If the premium contribution exceeds the costs of the Village contribution, the retiree will be eligible to remain on the Village plan. To be eligible for this benefit, the retiree shall be at least fifty-five years of age and has been an employee of the Village for a minimum of 10 years, with the exception of retirees under the International Fraternal Order of Police, Local Unit 58. Such retirees shall be at least fifty years of age .

10 years of employment with the Village = 25% of single medical coverage premium  
15 years of employment with the Village = 50% of single medical coverage premium  
20 years of employment with the Village = 100% of single medical coverage premium

All other Village retirees are eligible to continue their health coverage with the Village's carrier, provided the employee has completed a minimum of 20 years of service and is not eligible for equal insurance from another source. Non-union administrative retirees shall be at least fifty-five years of age and non-union police retirees shall be at least fifty years of age. The Village will pay the cost for medical insurance until the retiree is eligible for Medicare, provided the cost does not exceed the amount the Village regularly pays for single member premium coverage. 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.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Plan Membership

At April 30, 2019 (census date), membership consisted of:

Inactive employees currently receiving benefit payments	6
Inactive employees entitled to but not but not yet receiving benefit payments	-
Active employees	<u>53</u>
Total	<u>59</u>

Total OPEB Liability

The Village's total OPEB liability of \$4,471,246 was measured as of April 30, 2019 and was determined by an actuarial valuation as of May 1, 2018.

Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2019 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to April 30, 2019 including updating the discount rate at April 30, 2019 as noted below.

Actuarial cost method	Entry-age normal
Assumptions	
Payroll increases	2.75%
Discount rate	3.79%
Healthcare cost trend rates	2.81% to 7.10%
	5.00% ultimate
Asset valuation method	Market value

The discount rate was based on the municipal bond rate for the Bond Buyer 20-Bond G.O. Index. The 3.79% rate shown is the April 25, 2019. The 20-Bond G.O. Index is based on an average of certain general obligation bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

Mortality rates were based on the RP-2014 Study, with blue collar adjustments. These rates are improved generationally using MP-20116 improvement rates.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Changes in the Total OPEB Liability

Balances beginning May 1, 2018	\$ 4,271,477
Changes for the year:	
Service cost	99,198
Interest	166,628
Assumption changes	82,446
Benefit payments	(148,503)
Net changes	<u>199,769</u>
Balances ending April 30, 2019	<u>\$ 4,471,246</u>

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	\$ 4,976,298	\$ 4,471,246	\$ 4,040,546

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 2.81% to 7.10% 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 (1.81% to 6.10%) or 1 percentage point higher (3.81% to 8.10%) than the current rate:

	1% Decrease (Varies)	Current Discount Rate (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 3,938,242	\$ 4,471,246	\$ 5,101,473

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2019, the Village reported recognized total OPEB expense of \$199,768. The Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumption	77,567	-
Net difference between projected and actual earnings on pension plan investments	-	-
<b>TOTAL</b>	<b>\$ 77,567</b>	<b>\$ -</b>

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

<u>Year ended April 30,</u>	
2020	4,879
2021	4,879
2022	4,879
2023	4,879
2024	4,879
Thereafter	53,172
<b>TOTAL</b>	<b>\$ 77,567</b>

**11. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To insure against the losses, the Village participates in the Illinois Counties Risk Management Trust (ICRMT), a public entity risk pool with transfers of risk. The Village pays an annual premium to ICRMT for its coverage. Employee health risks are insured through the purchase of a commercial insurance plan. In addition, the Village has workers compensation coverage through the Illinois Public Risk Fund. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**12. JOINT VENTURE**

During fiscal year 2009, the Village, along with the Village of New Berlin, Illinois, established the South Sangamon Water Commission. The Commission is a municipal corporation established pursuant to the provisions of the Water Commission Act of the State of Illinois (65 ILCS 5/11-135-1 et. seq.) for the purpose of constructing and operating a water supply distribution system serving its customers.

During fiscal year 2010, the Village entered into a wholesale water agreement with the South Sangamon Water Commission whereby the Water Commission will supply water to the Village until December 31, 2040, or 5 years after the expiration of the original issue of the Commission's bonds, whichever is later. The agreement became effective when the treatment plant commenced operations in May 2012. Under this agreement, the Village paid \$3,028,818 to the Commission during fiscal year 2019 for the purchase of water.

The Commission's fiscal year end is April 30. Separate financial statements are available for the Commission by contacting the South Sangamon Water Commission. Summarized financial information of the Commission as of and for the year ended April 30, 2019, follows:

Statement of Net Position Information:

Assets:

Current assets	\$ 858,179
Restricted assets	2,369,289
Property and equipment, net	28,401,064
Net pension asset	15,319
Deferred outflows of resources	<u>4,992</u>
Total assets and deferred outflows of resources	<u>\$ 31,648,843</u>
Liabilities and net position:	
Current liabilities	\$ 1,584,662
Noncurrent liabilities	30,875,280
Deferred inflows of resources	21,172
Net position	<u>(832,271)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 31,648,843</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**12. JOINT VENTURE (Continued)**

Statement of Revenues, Expenses, and Changes in Net Position:

Operating revenue	\$ 3,367,999
Operating expenses	<u>2,022,434</u>
Operating income	1,345,565
Nonoperating revenue	35,026
Nonoperating expense	(1,684,475)
Capital contributions	<u>457,340</u>
Change in net position	153,456
Net position, beginning	<u>(985,727)</u>
Net position, ending	<u><u>\$ (832,271)</u></u>

**13. RESTATEMENT AND CHANGE IN ACCOUNTING PRINCIPLE**

During fiscal year 2019, the Village recorded a prior period adjustment for the implementation of GASB Statement No 75 to recognize the effect of recording the total OPEB liability resulting from its post-employment health insurance plan.

	<u>Governmental Activities</u>	<u>Business-type Service</u>	<u>Electric Fund</u>	<u>Waterworks and Sewerage Fund</u>
Net position, May 1, 2018, as previously reported	\$ 17,209,013	\$ 20,672,552	\$ 10,663,606	\$ 10,008,946
a) Total OPEB liability	(3,001,439)	(1,187,592)	(769,010)	(418,582)
b) Eliminate OPEB obligation	<u>812,136</u>	<u>317,788</u>	<u>194,452</u>	<u>123,336</u>
Net position, April 30, 2019, as restated	<u>\$ 15,019,710</u>	<u>\$ 19,802,748</u>	<u>\$ 10,089,048</u>	<u>\$ 9,713,700</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Calendar Years

<b>MEASUREMENT DATE DECEMBER 31</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 230,684	\$ 244,533	\$ 249,095	\$ 248,975
Interest	879,549	898,328	882,777	782,200
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(353,775)	(516,855)	(469,473)	681,972
Changes of assumptions	423,617	(410,496)	(68,605)	33,697
Benefit payments, including refunds of member contributions	(467,190)	(450,749)	(443,799)	(297,513)
	712,885	(235,239)	149,995	1,449,331
Total pension liability - beginning	<u>11,845,574</u>	<u>12,080,813</u>	<u>11,930,818</u>	<u>10,481,487</u>
<b>TOTAL PENSION LIABILITY - ENDING</b>	<u><u>\$ 12,558,459</u></u>	<u><u>\$ 11,845,574</u></u>	<u><u>\$ 12,080,813</u></u>	<u><u>\$ 11,930,818</u></u>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 343,850	\$ 355,417	\$ 339,165	\$ 425,528
Contributions - member	146,776	136,795	108,548	114,457
Net investment income	(862,097)	1,306,357	594,756	43,111
Benefit payments, including refunds of member contributions	(467,190)	(450,749)	(443,799)	(297,513)
Other income (expense)	(16,315)	45,042	61,553	(142,279)
	(854,976)	1,392,862	660,223	143,304
Plan fiduciary net position - beginning	<u>10,697,413</u>	<u>9,304,551</u>	<u>8,644,328</u>	<u>8,501,024</u>
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<u><u>\$ 9,842,437</u></u>	<u><u>\$ 10,697,413</u></u>	<u><u>\$ 9,304,551</u></u>	<u><u>\$ 8,644,328</u></u>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<u><u>\$ 2,716,022</u></u>	<u><u>\$ 1,148,161</u></u>	<u><u>\$ 2,776,262</u></u>	<u><u>\$ 3,286,490</u></u>
Plan fiduciary net position as a percentage of the total pension liability	78.37%	90.31%	77.02%	72.45%
Covered payroll	\$ 2,440,390	\$ 2,313,911	\$ 2,263,499	\$ 2,443,509
Employer's net pension liability (asset) as a percentage of covered-employee payroll	111.29%	49.62%	122.65%	134.50%

Year Ended December 31, 2018 - Changes in assumptions related to investment rate of return were made since the prior measurement date. Investment rate of return decreased from 7.50% to 7.25%.

Year Ended December 31, 2017 - Changes in assumptions related to price inflation, salary increases, retirement age and mortality were made since the prior measurement date. Price inflation and salary increases decreased from 2.75% and 3.75% - 14.50% to 2.50% and 3.39% - 14.25%, respectively. Retirement age assumptions were updated from the 2014 valuation pursuant to an experience study of the period 2011-2013 to the 2017 valuation pursuant to an experience study of the period 2014-2016. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2017 table.

Year Ended December 31, 2016 - Changes in assumptions related to investment rate of return and mortality were made since the prior measurement date.

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.



**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
POLICE PENSION TRUST FUND

Last Five Fiscal Years

MEASUREMENT DATE MAY 1	2019	2018	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>					
Service cost	\$ 374,057	\$ 365,889	\$ 344,366	\$ 306,768	\$ 330,691
Interest	783,679	737,681	670,000	582,946	491,643
Differences between expected and actual experience	5,608	14,574	98,527	143,983	675,793
Changes of assumptions	-	-	291,257	659,242	525,246
Benefit payments, including refunds of member contributions	(431,512)	(332,855)	(309,649)	(290,496)	(211,806)
	731,832	785,289	1,094,501	1,402,443	1,811,567
Total pension liability - beginning	12,754,614	11,969,325	10,874,824	9,472,381	7,660,814
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 13,486,446</b>	<b>\$ 12,754,614</b>	<b>\$ 11,969,325</b>	<b>\$ 10,874,824</b>	<b>\$ 9,472,381</b>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	\$ 604,324	\$ 530,523	\$ 510,127	\$ 326,628	\$ 341,113
Contributions - member	109,075	118,016	111,324	108,237	107,716
Net investment income	359,011	363,359	480,550	(52,244)	295,773
Benefit payments, including refunds of member contributions	(431,512)	(332,855)	(309,649)	(290,496)	(211,806)
Administrative expense	(15,416)	(15,672)	(13,463)	(13,674)	(4,221)
	625,482	663,371	778,889	78,451	528,575
Plan fiduciary net position - beginning	7,314,506	6,651,135	5,872,246	5,793,795	5,265,220
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 7,939,988</b>	<b>\$ 7,314,506</b>	<b>\$ 6,651,135</b>	<b>\$ 5,872,246</b>	<b>\$ 5,793,795</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 5,546,458</b>	<b>\$ 5,440,108</b>	<b>\$ 5,318,190</b>	<b>\$ 5,002,578</b>	<b>\$ 3,678,586</b>
Plan fiduciary net position as a percentage of the total pension liability	58.87%	57.35%	55.57%	54.00%	61.17%
Covered payroll	\$ 1,195,048	\$ 1,251,466	\$ 1,212,074	\$ 1,185,936	\$ 1,136,776
Employer's net pension liability (asset) as a percentage of covered-employee payroll	464.12%	434.70%	438.77%	421.83%	323.60%

Year ended April 30, 2019 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79%

Year ended April 30, 2018 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97%

Year ended April 30, 2017 - Changes in assumptions related to the bond rate and mortality were made since the prior measurement date. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.32% to 3.82%. Also, mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis.

Year ended April 30, 2016 - Changes in assumptions related to the bond rate, discount rate and demographics were made since the prior measurement date. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.62% to 3.32%. The single discount rate used was changed from 6.50% to 6.25%. Also, changes to demographic assumptions were made based on a study of Police officers and Police Pension Funds in Illinois. The change in demographic assumptions impacted mortality rates, mortality improvement rates, retirements rates, disability rates, and termination rates.

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.

## VILLAGE OF CHATHAM, ILLINOIS

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

<b>FISCAL YEAR ENDING APRIL 30</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Actuarially determined contribution	\$ 335,774	\$ 351,115	\$ 330,816	\$ 332,775
Contributions in relation to the actuarially determined contribution	<u>335,774</u>	<u>351,115</u>	<u>330,774</u>	<u>332,775</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,545,451	\$ 2,351,697	\$ 2,273,112	\$ 2,446,564
Contributions as a percentage of covered payroll	13.19%	14.93%	14.55%	13.60%

#### Notes to schedule:

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 payroll, closed and the amortization period was 25 years; the asset valuation method was 5-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 postretirement benefit increases of 3.00% compounded annually.

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.

**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION TRUST FUND

Last Five Fiscal Years

<b>FISCAL YEAR ENDING APRIL 30</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contribution	\$ 604,307	\$ 531,274	\$ 510,280	\$ 327,052	\$ 306,391
Contributions in relation to the actuarially determined contribution	<u>604,324</u>	<u>530,523</u>	<u>510,127</u>	<u>326,628</u>	<u>341,113</u>
Contribution deficiency (excess)	<u>\$ (17)</u>	<u>\$ 751</u>	<u>\$ 153</u>	<u>\$ 424</u>	<u>\$ (34,722)</u>
Covered-employee payroll	\$ 1,195,048	\$ 1,251,466	\$ 1,212,074	\$ 1,185,936	\$ 1,136,776
Contributions as a percentage of covered payroll	50.57%	42.39%	42.09%	27.54%	30.01%

Notes to schedule:

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 payroll, closed and the amortization period was 18 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 6.25% annually, and projected salary increases assumption of 4.00% to 21.25% compounded annually.

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.

# VILLAGE OF CHATHAM, ILLINOIS

## REQUIRED SUPPLEMENTARY INFORMATION TOTAL OPEB LIABILITY AND RELATED RATIOS OTHER POST-EMPLOYMENT BENEFIT PLAN

Last One Fiscal Year

<b>MEASUREMENT DATE MAY 1</b>	<b>2019</b>
<b>TOTAL OPEB LIABILITY</b>	
Service cost	\$ 99,197
Interest	166,628
Changes of assumptions	82,446
Benefit payments, including refunds of member contributions	<u>(148,503)</u>
	199,768
Total OPEB liability - beginning	<u>4,271,477</u>
<b>TOTAL OPEB LIABILITY - ENDING</b>	<u><u>\$ 4,471,245</u></u>
<b>OPEB PLAN NET POSITION</b>	<u><u>\$ -</u></u>
<b>EMPLOYER'S NET OPEB LIABILITY</b>	<u><u>\$ 4,471,245</u></u>
Covered-employee payroll	\$ 3,655,376
Employer's net pension liability (asset) as a percentage of covered payroll	122.32%

Year ended April 30, 2019 - Because this is implementation year, the beginning total OPEB liability is based on the same data and plan provisions as the ending total OPEB liability. For the purpose of developing changes in OPEB liability, the only change in assumptions was the discount rate from 3.97% to 3.79%.

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

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.

**VILLAGE OF CHATHAM, ILLINOIS**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION TRUST FUND**

Last Five Fiscal Years

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<b><u>FISCAL YEAR ENDING APRIL 30</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Annual money-weighted rate of return	4.74%	5.23%	7.85%	-0.80%	5.21%

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.

VILLAGE OF CHATHAM, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual	Over/(Under)
<b>REVENUES</b>				
Property taxes	\$ 1,269,605	\$ 1,269,605	\$ 1,269,035	\$ (570)
Replacement tax	3,000	3,000	2,457	(543)
Road and bridge taxes	22,200	22,200	23,141	941
Local use tax	307,625	307,625	340,021	32,396
Telecommunications tax	190,000	190,000	178,038	(11,962)
Gaming tax	87,000	87,000	92,477	5,477
Franchise fees	257,600	257,600	249,582	(8,018)
Business licenses	23,200	23,200	20,900	(2,300)
Building and zoning fees	76,750	76,750	74,503	(2,247)
Fines	95,300	95,300	84,114	(11,186)
Recreation program fees and contributions	36,500	36,500	22,842	(13,658)
Cemetery fees	14,475	14,475	13,955	(520)
Charges for services	50,200	50,200	23,742	(26,458)
Administration fee	206,000	206,000	206,000	-
Investment income	6,300	6,300	16,474	10,174
Other	115,950	115,950	79,527	(36,423)
Intergovernmental revenues	1,956,800	1,956,800	2,032,290	75,490
Federal grants	19,000	19,000	8,109	(10,891)
State grants	4,700	4,700	8,957	4,257
Total revenues	4,742,205	4,742,205	4,746,164	3,959
<b>EXPENDITURES</b>				
General government:				
Salaries and overtime	220,200	232,700	222,177	(10,523)
Village officials	53,000	53,000	51,350	(1,650)
Other payroll expenditures	88,250	88,250	78,032	(10,218)
Travel and training	9,000	9,000	3,257	(5,743)
Legal fees	120,000	128,000	115,094	(12,906)
Professional services	192,961	159,461	111,141	(48,320)
Accounting and auditing fees	2,850	2,850	2,700	(150)
Building and grounds maintenance	16,907	16,907	13,467	(3,440)
Vehicle and equipment maintenance	2,258	2,258	657	(1,601)
Office expenditures	29,950	29,950	20,095	(9,855)
IT & GIS	38,761	43,761	33,884	(9,877)
Code enforcement	57,350	65,350	59,251	(6,099)
General insurance	29,780	29,780	28,474	(1,306)
Emergency services	18,250	18,250	1,584	(16,666)
Refunds	4,000	4,000	265	(3,735)
Total general government	883,517	883,517	741,428	(142,089)

(continued)

VILLAGE OF CHATHAM, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual	Over/(Under)
Cemetery:				
Salaries and overtime	\$ 13,800	\$ 13,800	\$ 11,883	\$ (1,917)
Other payroll expenditures	6,410	5,410	4,664	(746)
Building and grounds maintenance	13,445	14,445	12,755	(1,690)
Total cemetery	33,655	33,655	29,302	(4,353)
Culture and recreation:				
Salaries and overtime	265,210	259,110	240,560	(18,550)
Other payroll expenditures	92,650	83,950	78,948	(5,002)
Travel and training	500	500	120	(380)
Professional services	-	50,000	6,000	(44,000)
Building and grounds maintenance	94,414	61,414	56,843	(4,571)
Program expenditures	31,846	23,846	20,155	(3,691)
4th of July	7,400	7,400	7,400	-
Vehicle and equipment maintenance	20,800	24,800	21,748	(3,052)
Office expenditures	1,873	2,173	1,999	(174)
Equipment purchase	5,907	7,407	4,650	(2,757)
Uniforms and supplies	5,388	5,388	4,105	(1,283)
Total culture and recreation	525,988	525,988	442,528	(83,460)
Public safety:				
Salaries and overtime	1,677,050	1,642,650	1,469,752	(172,898)
Other payroll expenditures	537,405	537,405	475,636	(61,769)
Travel and training	14,000	14,000	12,110	(1,890)
Professional services	5,246	7,246	5,899	(1,347)
Building and grounds maintenance	8,925	8,925	4,290	(4,635)
Vehicle and equipment maintenance	49,400	52,900	46,738	(6,162)
Office expenditures	50,684	50,684	46,221	(4,463)
IT	13,908	14,908	13,387	(1,521)
General insurance	42,777	43,777	43,008	(769)
Equipment purchase	9,292	21,692	15,812	(5,880)
Pension contribution	604,307	604,307	603,979	(328)
Uniforms and supplies	32,700	35,200	31,201	(3,999)
Crime prevention	33,821	45,821	7,698	(38,123)
Total public safety	3,079,515	3,079,515	2,775,731	(303,784)

(continued)

VILLAGE OF CHATHAM, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual	Over/(Under)
Public works/transportation:				
Employee salaries and overtime	\$ 297,600	\$ 270,100	\$ 200,774	\$ (69,326)
Other payroll expenditures	141,300	134,300	101,188	(33,112)
Travel and training	500	500	476	(24)
Building and ground maintenance	8,068	26,068	20,600	(5,468)
Vehicle and equipment maintenance	67,084	67,084	58,899	(8,185)
General insurance	22,350	26,850	26,218	(632)
Equipment purchase	10,122	10,122	723	(9,399)
Uniforms and supplies	11,385	14,385	11,621	(2,764)
Street maintenance	9,942	18,942	15,775	(3,167)
Office expenditures	1,011	1,011	666	(345)
Total public works/transportation	569,362	569,362	436,940	(132,422)
Debt service				
Principal	41,681	41,681	41,576	(105)
Interest	16,869	16,869	16,868	(1)
Total debt service	58,550	58,550	58,444	(106)
Capital outlays:				
Equipment purchase	33,346	33,346	33,346	-
Total expenditures	5,183,933	5,183,933	4,517,719	(666,214)
EXCESS OR DEFICIENCIES OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(441,728)	(441,728)	228,445	670,173
OTHER FINANCING SOURCES (USES)				
Transfer out	(500,000)	(500,000)	(449,348)	50,652
Total other financing (uses)	(500,000)	(500,000)	(449,348)	50,652
NET CHANGE IN FUND BALANCE	<u>\$ (941,728)</u>	<u>\$ (941,728)</u>	(220,903)	<u>\$ 720,825</u> (concluded)
FUND BALANCE - MAY 1, 2018			2,328,267	
FUND BALANCE - APRIL 30, 2019			<u>\$ 2,107,364</u>	



VILLAGE OF CHATHAM, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2019

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**1. BUDGETARY CONTROLS**

The President and Board of Trustees legally enact the budget through passage of an ordinance which is developed on the modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Permanent Fund and the accrual basis of accounting for the Proprietary Funds and the Fiduciary Funds. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by operational line item which constitutes the legal level of control. Expenditures may not exceed appropriations. All budget revisions must be approved by the Board of Trustees. The budget lapses at year end. The Village has adopted an annual budget for all funds.

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

# VILLAGE OF CHATHAM, ILLINOIS

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

April 30, 2019

	Special Revenue				Capital Projects	Permanent	
	Motor Fuel Tax	Veteran's Memorial Brick	Yard Waste, Recycling and Refuse	Police and Public Works Utility Tax	Capital Projects	Cemetery Trust	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 431,558	\$ 11,511	\$ 287,078	\$ 11,446	\$ 89,786	\$ 451,382	\$ 1,282,761
Taxes receivable	25,455	-	-	-	-	-	25,455
Due from other funds	9,885	-	-	-	-	-	9,885
Other receivables	-	-	13,203	-	-	1,163	14,366
<b>TOTAL ASSETS</b>	<u>\$ 466,898</u>	<u>\$ 11,511</u>	<u>\$ 300,281</u>	<u>\$ 11,446</u>	<u>\$ 89,786</u>	<u>\$ 452,545</u>	<u>\$ 1,332,467</u>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 204,842	\$ -	\$ 1,723	\$ -	\$ 40,000	\$ -	\$ 246,565
Accrued payroll	-	-	1,131	-	-	-	1,131
Payroll tax liabilities	-	-	213	-	-	-	213
Due to other funds	49,378	-	5,550	1,435	9,885	-	66,248
<b>TOTAL LIABILITIES</b>	<u>254,220</u>	<u>-</u>	<u>8,617</u>	<u>1,435</u>	<u>49,885</u>	<u>-</u>	<u>314,157</u>
<b>FUND BALANCE</b>							
Nonspendable							
Corpus of permanent fund	-	-	-	-	-	376,055	376,055
Restricted							
Public works	212,678	-	-	-	-	-	212,678
Unrestricted							
Committed							
Veteran's memorial brick	-	11,511	-	-	-	-	11,511
Yard waste	-	-	291,664	-	-	-	291,664
Public safety	-	-	-	8,902	-	-	8,902
Public works	-	-	-	1,109	-	-	1,109
Cemetery	-	-	-	-	-	76,490	76,490
Assigned							
Capital projects	-	-	-	-	39,901	-	39,901
<b>Total fund balance</b>	<u>212,678</u>	<u>11,511</u>	<u>291,664</u>	<u>10,011</u>	<u>39,901</u>	<u>452,545</u>	<u>1,018,310</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 466,898</u>	<u>\$ 11,511</u>	<u>\$ 300,281</u>	<u>\$ 11,446</u>	<u>\$ 89,786</u>	<u>\$ 452,545</u>	<u>\$ 1,332,467</u>

**VILLAGE OF CHATHAM, ILLINOIS**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2019

	Special Revenue				Capital Projects	Permanent	
	Motor Fuel Tax	Veteran's Memorial Brick	Yard Waste, Recycling and Refuse	Police and Public Works Utility Tax	Capital Projects	Cemetery Trust	Total
<b>REVENUES</b>							
Motor fuel taxes	\$ 306,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 306,944
Telecommunications tax	-	-	-	44,510	-	-	44,510
Fees and service charges	-	350	143,219	-	-	8,800	152,369
Investment income	1,545	39	2,686	8	412	3,743	8,433
<b>Total revenues</b>	<b>308,489</b>	<b>389</b>	<b>145,905</b>	<b>44,518</b>	<b>412</b>	<b>12,543</b>	<b>512,256</b>
<b>EXPENDITURES</b>							
Current							
Cemetery	-	-	-	-	-	800	800
Culture and recreation	-	805	-	-	-	-	805
Public safety	-	-	-	15,625	-	-	15,625
Public works/transportation	126,419	-	182,494	22,941	-	-	331,854
Capital outlay	200,078	-	-	-	500,493	-	700,571
<b>Total expenditures</b>	<b>326,497</b>	<b>805</b>	<b>182,494</b>	<b>38,566</b>	<b>500,493</b>	<b>800</b>	<b>1,049,655</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>(18,008)</b>	<b>(416)</b>	<b>(36,589)</b>	<b>5,952</b>	<b>(500,081)</b>	<b>11,743</b>	<b>(537,399)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfer in	-	-	-	-	449,348	-	449,348
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>449,348</b>	<b>-</b>	<b>449,348</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(18,008)</b>	<b>(416)</b>	<b>(36,589)</b>	<b>5,952</b>	<b>(50,733)</b>	<b>11,743</b>	<b>(88,051)</b>
<b>FUND BALANCE - MAY 1, 2018</b>	<b>230,686</b>	<b>11,927</b>	<b>328,253</b>	<b>4,059</b>	<b>90,634</b>	<b>440,802</b>	<b>1,106,361</b>
<b>FUND BALANCE - APRIL 30, 2019</b>	<b>\$ 212,678</b>	<b>\$ 11,511</b>	<b>\$ 291,664</b>	<b>\$ 10,011</b>	<b>\$ 39,901</b>	<b>\$ 452,545</b>	<b>\$ 1,018,310</b>

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2019

	Motor Fuel Tax		Veteran's Memorial Brick	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Motor fuel tax	\$ 293,825	\$ 306,944	\$ -	\$ -
Telecommunications tax	-	-	-	-
Fees and service charges	-	-	600	350
Investment income	800	1,545	20	39
Total revenues	<u>294,625</u>	<u>308,489</u>	<u>620</u>	<u>389</u>
EXPENDITURES				
Salaries and overtime	-	-	-	-
Other payroll expenditures	-	-	-	-
Street maintenance and improvements	107,241	102,988	-	-
Clean-up and beautification	-	-	-	-
Yard waste supplies and services	-	-	-	-
Professional services	23,431	23,431	-	-
Building and grounds maintenance	-	-	1,200	805
Vehicle and equipment maintenance	-	-	-	-
Equipment	-	-	-	-
Capital Outlay	206,804	200,078	-	-
Total expenditures	<u>337,476</u>	<u>326,497</u>	<u>1,200</u>	<u>805</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>(42,851)</u>	<u>(18,008)</u>	<u>(580)</u>	<u>(416)</u>
OTHER FINANCING SOURCES (USES)				
Capital leases issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (42,851)</u>	<u>(18,008)</u>	<u>\$ (580)</u>	<u>(416)</u>
FUND BALANCE - MAY 1, 2018		<u>230,686</u>		<u>11,927</u>
FUND BALANCE - APRIL 30, 2019		<u>\$ 212,678</u>		<u>\$ 11,511</u>

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2019

	Yard Waste, Recycling and Refuse		Police and Public Works Utility Tax	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Motor fuel tax	\$ -	\$ -	\$ -	\$ -
Telecommunications tax	-	-	47,500	44,510
Fees and service charges	138,000	143,219	-	-
Investment income	900	2,686	-	8
Total revenues	<u>138,900</u>	<u>145,905</u>	<u>47,500</u>	<u>44,518</u>
EXPENDITURES				
Salaries and overtime	99,090	80,700	-	-
Other payroll expenditures	50,328	44,974	-	-
Street maintenance and improvements	-	-	-	-
Clean-up and beautification	12,000	9,450	-	-
Yard waste supplies and services	42,000	36,462	-	-
Professional services	-	-	-	-
Building and grounds maintenance	-	-	-	-
Vehicle and equipment maintenance	24,000	10,908	-	-
Equipment	-	-	77,500	38,566
Capital Outlay	-	-	-	-
Total expenditures	<u>227,418</u>	<u>182,494</u>	<u>77,500</u>	<u>38,566</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>(88,518)</u>	<u>(36,589)</u>	<u>(30,000)</u>	<u>5,952</u>
OTHER FINANCING SOURCES (USES)				
Capital leases issued	-	-	30,000	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (88,518)</u>	<u>(36,589)</u>	<u>\$ -</u>	<u>5,952</u>
FUND BALANCE - MAY 1, 2018		<u>328,253</u>		<u>4,059</u>
FUND BALANCE - APRIL 30, 2019		<u>\$ 291,664</u>		<u>\$ 10,011</u>

VILLAGE OF CHATHAM, ILLINOIS

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

For the Year Ended April 30, 2019

	Capital Projects	
	Final Budget	Actual
REVENUES		
Investment income	\$ -	\$ 412
Total revenues	-	412
EXPENDITURES		
Construction	600,000	500,493
Total expenditures	600,000	500,493
(DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES	(600,000)	(500,081)
OTHER FINANCING SOURCES		
Transfer in	500,000	449,348
Total other financing sources	500,000	449,348
NET CHANGE IN FUND BALANCE	\$ (100,000)	(50,733)
FUND BALANCE - MAY 1, 2018		90,634
FUND BALANCE - APRIL 30, 2019		\$ 39,901



VILLAGE OF CHATHAM, ILLINOIS

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

For the Year Ended April 30, 2019

	Cemetery Trust	
	Final Budget	Actual
REVENUES		
Fees and service charges	\$ 11,200	\$ 8,800
Investment income	1,300	3,743
Total revenues	<u>12,500</u>	<u>12,543</u>
EXPENDITURES		
Refund	<u>5,000</u>	<u>800</u>
Total expenditures	<u>5,000</u>	<u>800</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,500</u>	11,743
FUND BALANCE - MAY 1, 2018		<u>440,802</u>
FUND BALANCE - APRIL 30, 2019		<u>\$ 452,545</u>

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## **SUPPLEMENTARY FINANCIAL INFORMATION**

VILLAGE OF CHATHAM, ILLINOIS

STATEMENT OF NET POSITION  
ELECTRIC FUND

April 30, 2019  
(With Comparative Actual Amounts for April 30, 2018)

	2019	2018
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,995,248	\$ 2,313,272
Restricted accounts - cash	201,005	199,883
Accounts receivable	786,262	739,547
Inventory	347,546	304,591
Total current assets	4,330,061	3,557,293
Other Assets:		
Interfund advance receivable	269,121	358,828
Total other assets	269,121	358,828
Capital Assets:		
Capital assets, not being depreciated	279,734	279,734
Property and equipment	20,579,212	20,127,101
Less: accumulated depreciation	(9,707,612)	(9,146,776)
Capital assets, net	11,151,334	11,260,059
Total assets	15,750,516	15,176,180
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	534,004	200,972
Deferred outflows related to OPEB	13,676	-
	547,680	200,972
Total assets and deferred outflows of resources	16,298,196	15,377,152
		(Continued)

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF NET POSITION ELECTRIC FUND

April 30, 2019  
(With Comparative Actual Amounts for April 30, 2018)

	2019	2018
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	47,869	50,504
Accrued payroll	23,751	19,927
Accrued compensated absences payable	10,166	8,348
Unearned revenue	85,162	86,021
Customer deposits	124,500	120,750
Accrued interest payable	45,696	48,778
Other payables	4,534	4,308
Current maturities of long term debt:		
Net OPEB obligation	26,750	-
G.O. bonds (Alternate Revenue Source) payable	263,000	260,000
Capital lease payable	32,665	22,873
Total current liabilities	<u>664,093</u>	<u>621,509</u>
Long-Term Liabilities:		
Accrued compensated absences payable	186,580	180,731
Net OPEB obligation	778,661	194,452
Net pension liability	1,065,495	457,427
G.O. bonds (Alternate Revenue Source) payable	2,335,000	2,598,000
Capital lease payable	91,259	5,629
Total long-term liabilities	<u>4,456,995</u>	<u>3,436,239</u>
Total liabilities	<u>5,121,088</u>	<u>4,057,748</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	486,539	655,798
Total liabilities and deferred inflows of resources	<u>5,607,627</u>	<u>4,713,546</u>
<b>NET POSITION</b>		
Investment in capital assets	8,429,410	8,373,557
Restricted for debt service	201,005	199,883
Unrestricted	2,060,154	2,090,166
Total net position	<u><u>\$ 10,690,569</u></u>	<u><u>\$ 10,663,606</u></u>

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION ELECTRIC FUND

For the Year Ended April 30, 2019  
(With Comparative Actual Amounts for the Year Ended April 30, 2018)

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
User charges	\$ 10,497,291	\$ 9,840,337
Other income	<u>101,217</u>	<u>299,734</u>
Total revenues	<u>10,598,508</u>	<u>10,140,071</u>
OPERATING EXPENSES		
Electricity purchases	6,907,741	6,721,366
Distribution and customer service	2,407,159	2,311,194
Depreciation	<u>608,514</u>	<u>557,837</u>
Total expenses	<u>9,923,414</u>	<u>9,590,397</u>
OPERATING INCOME	<u>675,094</u>	<u>549,674</u>
NONOPERATING INCOME (EXPENSE)		
Investment income	20,900	6,450
Interest expense	<u>(94,473)</u>	<u>(101,421)</u>
Total nonoperating (expense)	<u>(73,573)</u>	<u>(94,971)</u>
CHANGE IN NET POSITION	<u>601,521</u>	<u>454,703</u>
NET POSITION - MAY 1, 2018	10,663,606	10,208,903
CHANGE IN ACCOUNTING PRINCIPLE	<u>(574,558)</u>	<u>-</u>
NET POSITION - MAY 1, 2018 (restated)	<u>10,089,048</u>	<u>10,208,903</u>
NET POSITION - APRIL 30, 2019	<u><u>\$ 10,690,569</u></u>	<u><u>\$ 10,663,606</u></u>

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**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF OUTSTANDING BONDS  
GOVERNMENTAL ACTIVITIES**

April 30, 2019

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	General Obligation Bonds Series, 2017		Total Debt Service Requirements
	Principal	Interest	
2019-2020	\$ 19,500	\$ 13,769	\$ 33,269
2020-2021	20,500	13,186	33,686
2021-2022	21,000	12,573	33,573
2022-2023	21,500	11,945	33,445
2023-2024	22,000	11,302	33,302
2024-2025	23,000	10,644	33,644
2025-2026	23,500	9,957	33,457
2026-2027	24,000	9,254	33,254
2027-2028	25,000	8,537	33,537
2028-2029	25,500	7,789	33,289
2029-2030	26,500	7,027	33,527
2030-2031	27,500	6,234	33,734
2031-2032	28,000	5,412	33,412
2032-2033	29,000	4,575	33,575
2033-2034	29,500	3,708	33,208
2034-2035	30,500	2,826	33,326
2035-2036	31,500	1,914	33,414
2036-2037	32,500	972	33,472
	<u>\$ 460,500</u>	<u>\$ 141,624</u>	<u>\$ 602,124</u>



**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF OUTSTANDING BONDS  
BUSINESS-TYPE ACTIVITIES**

April 30, 2019

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	Electric General Obligation (Alternative Revenue Source) Bonds, Series 2014		Total Debt Service Requirements
	Principal	Interest	
2019-2020	\$ 263,000	\$ 89,391	\$ 352,391
2020-2021	273,000	81,081	354,081
2021-2022	279,000	72,126	351,126
2022-2023	295,000	62,807	357,807
2023-2024	306,000	52,719	358,719
2024-2025	314,000	42,192	356,192
2025-2026	321,000	31,234	352,234
2026-2027	336,000	19,870	355,870
2027-2028	106,000	7,976	113,976
2028-2029	105,000	3,969	108,969
	<u>\$ 2,598,000</u>	<u>\$ 463,365</u>	<u>\$ 3,061,365</u>

**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF INVESTMENTS**

April 30, 2019

	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity</u>
<b>Police Pension Fund</b>				
<u>Charles Schwab Account:</u>				
<b>Mutual Funds</b>				
<b>Equity Funds:</b>				
Champlain Small Company	\$ 334,294	\$ 418,210		
Harding Loevner Inst	155,000	198,723		
Ishares Core S & P 500	345,694	449,437		
Longleaf Partners Small	297,669	228,151		
Nuance Concentrated	225,000	238,613		
Oakmark Fund	332,388	415,289		
Primecap Odyssey Growth	334,000	504,079		
Tweedy Browne Global	255,669	269,712		
Vanguard FTSE Developed	334,968	366,586		
Vangaurd Russell 2000	325,282	378,891		
Total Equity Funds	<u>2,939,964</u>	<u>3,467,691</u>		
<b>Fixed Income:</b>				
<b>US Treasuries:</b>				
INFL Index	102,921	109,470	0.63%	01/15/2024
INFL Index	105,705	105,540	0.25%	01/15/2025
Total US Treasuries	<u>208,626</u>	<u>215,010</u>		
<b>Agencies Securities</b>				
Federal Farm Credit	\$ 99,900	\$ 98,149	2.28%	12/16/2024
Federal Home Loan	100,000	99,621	2.65%	12/21/2023
Federal Home Loan	140,040	145,382	2.36%	11/17/2026
Federal Farm Credit	100,000	99,238	2.69%	6/19/2025
Federal Farm Credit System	149,955	150,746	3.82%	11/5/2026
FHLB	124,913	123,787	2.64%	8/28/2025
FHLB	149,618	150,281	3.84%	7/16/2027
FHLB	9,823	12,802	2.13%	12/13/2022
FED	99,770	99,742	2.90%	5/28/2025
FED	150,000	149,385	2.92%	12/5/2025
Total Agency Securities	<u>1,124,019</u>	<u>1,129,133</u>		
		(Continued)		

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF INVESTMENTS

April 30, 2019

	Cost	Fair Value	Interest Rate	Maturity
<b>Corporate Bonds:</b>				
Apple Inc	\$ 50,167	\$ 50,323	2.85%	05/06/2021
Apple Inc	74,548	75,275	2.70%	05/13/2022
Apple Inc	152,647	152,547	3.20%	05/13/2025
Berkshire Hathaway	102,469	101,445	3.00%	05/15/2022
Berkshire Hathaway	50,308	50,327	2.90%	10/15/2020
Chevron Corporation	101,547	99,802	2.42%	11/17/2020
Chevron Corporation	100,806	102,481	3.33%	11/17/2025
Coca-Cola Company	45,146	46,159	3.20%	11/01/2023
Exxon Mobil Corp	100,159	100,311	2.73%	03/01/2023
Exxon Mobil Corp	104,953	102,332	3.18%	03/15/2024
IBM Corp	53,004	51,407	8.38%	11/01/2019
Microsoft Corp	61,980	62,335	2.65%	11/03/2022
Microsoft Corp	97,263	98,707	2.13%	11/15/2022
Target Corporation	156,016	155,253	3.50%	07/01/2024
Wal-Mart Stores	101,060	101,132	3.25%	10/25/2020
Wal-Mart Stores	82,113	80,970	6.75%	10/15/2023
Total Corporate Bonds	<u>1,434,186</u>	<u>1,430,806</u>		
<b>Mortgage Pools:</b>				
GNMA Pool AE4614	60,062	59,869	3.50%	05/15/2043
GNMA Pool AL2591	72,756	71,382	3.00%	03/15/2045
GNMA Pool AL5347	67,337	65,706	3.00%	05/15/2043
GNMA Pool BD5850	35,111	35,644	3.50%	10/15/2047
GNMA Pool BE7877	51,016	51,861	3.50%	12/15/2047
Total Mortgage Pools	<u>286,282</u>	<u>284,462</u>		
<b>CMO &amp; Asset Backed Securities:</b>				
Government Nation	<u>23,732</u>	<u>22,668</u>	3.50%	07/20/2036
<b>Certificate of Deposits:</b>				
Capital One	99,665	99,819	2.40%	08/19/2020
Capital One	99,790	99,666	1.25%	08/26/2019
Capital One	99,515	99,460	2.35%	06/17/2021
Citibank	149,453	153,261	3.50%	01/09/2026
First National Bank of America	148,904	149,911	3.10%	03/08/2027
Synchrony Bank	99,640	99,975	2.05%	06/20/2019
Synchrony Bank	99,515	99,913	2.60%	09/13/2021
TIAA, FSB	99,765	97,528	1.55%	09/07/2021
Wells Fargo Bank	149,452	150,951	3.00%	09/04/2026
Total Certificate of Deposit	<u>1,045,699</u>	<u>1,050,484</u>		
<b>Total Charles Schwab</b>	<u><u>7,062,508</u></u>	<u><u>7,600,254</u></u>		

**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF INSURANCE**

April 30, 2019

Type of Coverage and Name of Company	Policy Number	Policy Period		Details of Coverage	Liability Limits	Annual Premium
From	To					
General Liability Illinois Counties Risk Management Trust	P2-1000510- 1819-01	12/1/2018	12/1/2019	General Liability Property Damage	Coverage Applies to: \$1,000,000 General Aggregate \$3,000,000 Products/Completed Operation Annual Aggregate \$1,000,000	\$ 126,578
Excess Liability Illinois Counties Risk Management Trust	P2-1000510- 1819-01	12/1/2018	12/1/2019	Excess Liability	\$10,000,000 limit	
Automobile Liability & Physical Damage Illinois Counties Risk Management Trust	P2-1000510- 1819-01	12/1/2018	12/1/2019	Automobile Liability Automobile Physical Damage	Each Occurrence \$1,000,000 \$1,920,698 Total Physical Damage Scheduled Value	
Property/Inland Marine/Auto Coverage Physical Damage Illinois Counties Risk Management Trust	P2-1000510- 1819-01	12/1/2018	12/1/2019	Property	\$23,596,364 limit	
Worker's Compensation Illinois Public Risk Fund	P1387-2019	1/1/2019	1/1/2020	Workers Compensation Employers Liability	Statutory \$3,000,000 per occurrence	\$ 98,376

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF ELECTRIC RATES CHARGED

April 30, 2019

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The Electric System served an average of 5,823 customers during fiscal year 2019. The Village provided 81,460,853 kilowatt hours to its customers during fiscal year 2019. The electric rates as of April 30, 2019 charged by the Village are as follows (effective September 1, 2018):

### Standard Residential Service Rates

- (1) Rate: \$0.1135/kwh
- (2) Facility Charge: \$11.57 per month

### Senior Citizen Residential and Village Park Service Rate

- (1) Rate: \$0.1022/kwh
- (2) Facility Charge: \$11.57 per month

### Governmental Service

- (1) Rate: \$0.1022/kwh
- (2) Demand Charge: \$6.2738/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month)
- (3) Facility Charge: \$24.87 per month

### General Service – Commercial without Demand

- (1) Rate: \$0.1339/kwh
- (2) Facility Charge – Commercial, institutional, and non-residential or for three phase, residential, non-residential, institutional, and commercial use taken through a single meter at the utility standard secondary voltage without Demand metering.
  - a) \$11.57 per month single phase
  - b) \$25.87 per month three phase

### General Service – Commercial with Demand

- (1) Rate: \$0.1061/kwh
- (2) Demand Charge: \$6.2738/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month)
- (3) Facility Charge – Commercial, institutional, and non-residential or for three phase, residential, non-residential, institutional, and commercial use taken through a single meter at the utility standard secondary voltage without Demand metering.
  - a) \$11.57 per month single phase
  - b) \$24.87 per month three phase

### Industrial Service

- (1) Rate: \$0.0928/kwh
- (2) Demand Charge: \$8.3543/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month, minimum of 70kw. The Village may determine the actual demand either by permanently installed instruments or by tests.)
- (3) Facility Charge
  - a) \$19.90 per month single phase
  - b) \$49.75 per month three phase
- (4) Security Lighting Rate: \$8.45/kwh

## **STATISTICAL SECTION**

## VILLAGE OF CHATHAM, ILLINOIS

### STATISTICAL SECTION

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

#### CONTENTS

##### Financial Trends

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

##### Revenue Capacity

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

##### Debt Capacity

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

##### Demographic and Economic Information

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

##### Operating Information

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

# VILLAGE OF CHATHAM, ILLINOIS

## NET POSITION BY COMPONENT

### LAST TEN FISCAL YEARS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities				
Net invested in capital assets	\$ 11,160,971	\$ 11,387,806	\$ 11,587,892	\$ 11,580,668
Restricted	577,697	851,430	1,414,203	1,649,568
Unrestricted	<u>(563,270)</u>	<u>(608,258)</u>	<u>(459,984)</u>	<u>(240,600)</u>
Total governmental activities net assets	<u>\$ 11,175,398</u>	<u>\$ 11,630,978</u>	<u>\$ 12,542,111</u>	<u>\$ 12,989,636</u>
Business-type activities				
Net invested in capital assets	\$ 14,823,811	\$ 15,010,270	\$ 14,709,783	\$ 14,930,360
Restricted	162,076	204,749	173,114	210,272
Unrestricted	<u>1,068,269</u>	<u>1,288,850</u>	<u>2,395,753</u>	<u>2,189,915</u>
Total business-type activities net position	<u>\$ 16,054,156</u>	<u>\$ 16,503,869</u>	<u>\$ 17,278,650</u>	<u>\$ 17,330,547</u>
Primary government				
Net invested in capital assets	\$ 25,984,782	\$ 26,398,076	\$ 26,297,675	\$ 26,511,028
Restricted	739,773	1,056,179	1,587,317	1,859,840
Unrestricted	<u>504,999</u>	<u>680,592</u>	<u>1,935,769</u>	<u>1,949,315</u>
Total primary government net position	<u>\$ 27,229,554</u>	<u>\$ 28,134,847</u>	<u>\$ 29,820,761</u>	<u>\$ 30,320,183</u>

Source: Audited Financial Statements

\*GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, was implemented in fiscal year 2016.

\*GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was implemented in fiscal year 2019.



<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 12,582,113	\$ 15,360,931	\$ 15,390,867	\$ 18,787,798	\$ 20,671,241	\$ 20,991,362
1,858,516	660,783	1,199,613	723,568	636,627	708,852
<u>(221,764)</u>	<u>(160,710)</u>	<u>(4,086,718)</u>	<u>(3,665,344)</u>	<u>(4,098,855)</u>	<u>(6,693,656)</u>
<u>\$ 14,218,865</u>	<u>\$ 15,861,004</u>	<u>\$ 12,503,762</u>	<u>\$ 15,846,022</u>	<u>\$ 17,209,013</u>	<u>\$ 15,006,558</u>
\$ 14,069,999	\$ 14,776,580	\$ 14,879,229	\$ 17,241,187	\$ 18,501,744	\$ 18,693,865
162,047	370,231	287,472	291,743	253,524	254,978
<u>1,716,996</u>	<u>1,298,337</u>	<u>1,102,357</u>	<u>1,439,419</u>	<u>1,917,284</u>	<u>1,878,999</u>
<u>\$ 15,949,042</u>	<u>\$ 16,445,148</u>	<u>\$ 16,269,058</u>	<u>\$ 18,972,349</u>	<u>\$ 20,672,552</u>	<u>\$ 20,827,842</u>
\$ 26,652,112	\$ 30,137,511	\$ 30,270,096	\$ 36,028,985	\$ 39,172,985	\$ 39,685,227
2,020,563	1,031,014	1,487,085	1,015,311	890,151	963,830
<u>1,495,232</u>	<u>1,137,627</u>	<u>(2,984,361)</u>	<u>(2,225,925)</u>	<u>(2,181,571)</u>	<u>(4,814,657)</u>
<u>\$ 30,167,907</u>	<u>\$ 32,306,152</u>	<u>\$ 28,772,820</u>	<u>\$ 34,818,371</u>	<u>\$ 37,881,565</u>	<u>\$ 35,834,400</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**CHANGES IN NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

	2010	2011	2012	2013
<b>Expenses</b>				
Governmental activities:				
General government	\$ 602,243	\$ 683,104	\$ 975,862	\$ 706,910
Cemetery	51,199	57,089	53,712	45,142
Culture and recreation	433,122	458,070	472,502	442,815
Public safety	2,006,722	2,122,145	2,208,626	2,265,947
Public works/transportation	1,208,077	1,168,790	1,019,056	1,424,984
Economic development	34,483	55,452	37,361	34,683
Interest on long-term debt	39,750	24,949	21,985	18,388
Total governmental activities expenses	<u>4,375,596</u>	<u>4,569,599</u>	<u>4,789,104</u>	<u>4,938,869</u>
Business-type activities:				
Electric Fund	6,978,418	7,868,191	7,825,942	8,454,775
Water and Sewer Fund	3,048,002	3,482,330	4,085,172	4,866,833
Total business-type activities expenses	<u>10,026,420</u>	<u>11,350,521</u>	<u>11,911,114</u>	<u>13,321,608</u>
<b>Total primary government expenses</b>	<u><u>\$ 14,402,016</u></u>	<u><u>\$ 15,920,120</u></u>	<u><u>\$ 16,700,218</u></u>	<u><u>\$ 18,260,477</u></u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General government	\$ 468,832	\$ 502,956	\$ 546,841	\$ 549,540
Cemetery	26,674	39,547	49,925	31,275
Culture and recreation	19,471	19,939	21,708	29,598
Public safety	42,972	61,931	80,271	119,182
Public works/transportation	90,092	89,605	131,096	134,662
Operating grants and contributions:				
General government	-	-	250,000	-
Public safety	-	-	14,120	10,308
Public works/transportation	269,655	317,978	367,362	331,740
Capital grants and contributions:				
Culture and recreation	-	-	-	-
Public safety	-	-	12,790	-
Public works/transportation	217,990	368,293	256,158	186,642
<b>Total governmental activities program revenue</b>	<u>1,135,686</u>	<u>1,400,249</u>	<u>1,730,271</u>	<u>1,392,947</u>

2014	2015	2016	2017	2018	2019
\$ 682,431	\$ 667,302	\$ 696,626	\$ 1,014,063	\$ 788,007	\$ 779,204
45,007	46,854	45,791	41,887	31,271	31,770
504,938	530,004	460,039	470,468	479,961	538,307
2,394,534	2,376,929	2,604,840	3,027,738	3,141,695	3,156,536
1,380,482	1,364,512	1,195,975	1,452,476	1,686,736	1,418,716
45,429	49,969	31,276	31,480	-	-
14,222	11,494	7,914	7,874	16,863	16,679
5,067,043	5,047,064	5,042,461	6,045,986	6,144,533	5,941,212
9,084,473	9,096,569	9,181,668	9,445,691	9,691,818	10,017,887
6,013,821	5,530,677	5,306,341	5,448,465	6,092,018	6,716,079
15,098,294	14,627,246	14,488,009	14,894,156	15,783,836	16,733,966
\$ 20,165,337	\$ 19,674,310	\$ 19,530,470	\$ 20,940,142	\$ 21,928,369	\$ 22,675,178
\$ 561,775	\$ 535,026	\$ 443,887	\$ 458,556	\$ 479,117	\$ 476,482
33,425	37,250	22,000	21,125	23,075	22,755
41,045	42,289	34,120	42,296	32,563	23,192
126,860	93,703	76,157	91,607	82,085	84,114
149,863	215,943	219,568	254,980	229,488	241,464
-	-	-	-	-	-
10,912	12,784	15,611	21,902	13,184	17,066
388,748	341,987	326,385	306,972	308,846	306,944
-	-	-	-	-	-
-	-	-	-	-	-
831,171	1,171,228	289,479	3,043,570	2,426,318	669,640
2,143,799	2,450,210	1,427,207	4,241,008	3,594,676	1,841,657
					(Continued)

**VILLAGE OF CHATHAM, ILLINOIS**  
**CHANGES IN NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

	2010	2011	2012	2013
<b>Program Revenues</b>				
Business type Activities:				
Charges for Services:				
Electric Fund	\$ 7,148,975	\$ 8,485,823	\$ 8,345,357	\$ 8,632,117
Water and Sewer Fund	2,856,573	3,222,551	4,276,008	4,666,183
Operating grants and contributions:				
Electric Fund	7,026	26,146	2,477	-
Capital grants and contributions:				
Electric Fund	-	-	-	-
Water and Sewer Fund	306,606	63,000	102,500	65,500
<b>Total business-type activities</b>				
<b>program revenue</b>	<u>10,319,180</u>	<u>11,797,520</u>	<u>12,726,342</u>	<u>13,363,800</u>
<b>Total primary government</b>				
<b>program revenue</b>	<u><u>\$ 11,454,866</u></u>	<u><u>\$ 13,197,769</u></u>	<u><u>\$ 14,456,613</u></u>	<u><u>\$ 14,756,747</u></u>
Net(expense) revenue:				
Governmental activities	\$ (3,239,910)	\$ (3,169,350)	\$ (3,058,833)	\$ (3,545,922)
Business-type activities	<u>292,760</u>	<u>446,999</u>	<u>815,228</u>	<u>42,192</u>
<b>Total primary government</b>				
<b>net expense</b>	<u><u>\$ (2,947,150)</u></u>	<u><u>\$ (2,722,351)</u></u>	<u><u>\$ (2,243,605)</u></u>	<u><u>\$ (3,503,730)</u></u>
<b>General Revenues and Other</b>				
<b>Changes in Net Position</b>				
Governmental activities:				
General revenue				
Property tax	\$ 1,307,975	\$ 1,352,376	\$ 1,410,938	\$ 1,476,571
Replacement taxes	2,472	2,748	2,479	2,458
Road and bridge taxes	56,409	56,786	58,708	59,688
Local use taxes	123,036	141,818	167,622	183,179
Telecommunications taxes	323,099	309,862	335,144	339,349
Video gaming taxes	-	-	-	-
Intergovernmental revenues	1,543,687	1,567,375	1,845,502	1,887,108
Investment income	7,277	7,586	9,854	8,124
Miscellaneous	35,805	186,379	93,455	36,970
Transfers	<u>-</u>	<u>-</u>	<u>46,264</u>	<u>-</u>
Total governmental activities	<u>3,399,760</u>	<u>3,624,930</u>	<u>3,969,966</u>	<u>3,993,447</u>
Business-type activities:				
Investment income	\$ 3,306	\$ 2,714	\$ 5,817	\$ 9,705
Transfers	<u>-</u>	<u>-</u>	<u>(46,264)</u>	<u>-</u>
Total business-type activities	<u>3,306</u>	<u>2,714</u>	<u>(40,447)</u>	<u>9,705</u>
<b>Total primary government</b>	<u><u>\$ 3,403,066</u></u>	<u><u>\$ 3,627,644</u></u>	<u><u>\$ 3,929,519</u></u>	<u><u>\$ 4,003,152</u></u>
<b>Changes in Net Position Post</b>				
<b>Prior Period Adjustment</b>				
Governmental activities	\$ 159,850	\$ 455,580	\$ 911,133	\$ 447,525
Business-type activities	<u>296,066</u>	<u>449,713</u>	<u>774,781</u>	<u>51,897</u>
<b>Total primary government</b>	<u><u>\$ 455,916</u></u>	<u><u>\$ 905,293</u></u>	<u><u>\$ 1,685,914</u></u>	<u><u>\$ 499,422</u></u>

Source: Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ 8,759,413 4,897,554	\$ 9,425,246 5,105,633	\$ 9,770,310 5,584,652	\$ 10,120,727 6,040,429	\$ 10,140,071 6,543,655	\$ 10,598,508 6,911,516
-	-	-	-	-	-
55,529 -	- 589,496	34,482 128,300	- 1,429,415	- 790,152	- 216,958
13,712,496	15,120,375	15,517,744	17,590,571	17,473,878	17,726,982
<u>\$ 15,856,295</u>	<u>\$ 17,570,585</u>	<u>\$ 16,944,951</u>	<u>\$ 21,831,579</u>	<u>\$ 21,068,554</u>	<u>\$ 19,568,639</u>
\$ (2,923,244) (1,385,798)	\$ (2,596,854) 493,129	\$ (3,615,254) 1,029,735	\$ (1,804,978) 2,696,415	\$ (2,549,857) 1,690,042	\$ (4,099,555) 993,016
<u>\$ (4,309,042)</u>	<u>\$ (2,103,725)</u>	<u>\$ (2,585,519)</u>	<u>\$ 891,437</u>	<u>\$ (859,815)</u>	<u>\$ (3,106,539)</u>
\$ 1,556,217 2,813 49,588 196,316 332,436 32,163 1,909,902 8,425 64,613 -	\$ 1,621,673 2,744 26,284 221,456 251,648 46,430 2,042,135 6,048 20,575 -	\$ 1,696,421 2,780 23,867 264,653 285,038 57,601 2,158,935 7,099 103,382 -	\$ 1,739,128 2,921 18,814 280,974 250,346 74,128 1,906,613 8,916 140,308 -	\$ 1,217,149 2,381 22,130 298,323 232,323 87,064 1,970,628 9,486 73,364 -	\$ 1,269,035 2,457 23,141 340,021 222,548 92,477 2,032,290 24,907 79,527 -
<u>4,152,473</u>	<u>4,238,993</u>	<u>4,599,776</u>	<u>4,422,148</u>	<u>3,912,848</u>	<u>4,086,403</u>
\$ 4,293 -	\$ 2,977 -	\$ 3,961 -	\$ 6,876 -	\$ 10,161 -	\$ 32,078 -
<u>4,293</u>	<u>2,977</u>	<u>3,961</u>	<u>6,876</u>	<u>10,161</u>	<u>32,078</u>
<u>\$ 4,156,766</u>	<u>\$ 4,241,970</u>	<u>\$ 4,603,737</u>	<u>\$ 4,429,024</u>	<u>\$ 3,923,009</u>	<u>\$ 4,118,481</u>
\$ 1,229,229 (1,381,505)	\$ 1,642,139 496,106	\$ 984,522 1,033,696	\$ 2,617,170 2,703,291	\$ 1,362,991 1,700,203	\$ (13,152) 1,025,094
<u>\$ (152,276)</u>	<u>\$ 2,138,245</u>	<u>\$ 2,018,218</u>	<u>\$ 5,320,461</u>	<u>\$ 3,063,194</u>	<u>\$ 1,011,942</u>

# VILLAGE OF CHATHAM, ILLINOIS

## FUND BALANCES - GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

	2010	2011	2012	2013
General Fund				
Reserved	\$ 47,310	\$ 52,717	\$ -	\$ -
Unreserved	364,608	328,930	-	-
Total general fund	<u>411,918</u>	<u>381,647</u>	<u>-</u>	<u>-</u>
All other governmental funds				
Reserved	\$ 530,387	\$ 798,713	\$ -	\$ -
Unreserved reported in:				
Special revenue funds	143,599	162,805	-	-
Capital projects funds	80,159	133,730	-	-
Debt service funds	55,786	59,671	-	-
Total all other governmental funds	<u>809,931</u>	<u>1,154,919</u>	<u>-</u>	<u>-</u>
<b>Total governmental funds</b>	<u><u>\$ 1,221,849</u></u>	<u><u>\$ 1,536,566</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	21,618	19,563
Committed	-	-	15,479	45,130
Assigned	-	-	-	-
Unassigned	-	-	481,246	692,236
Total general fund	<u>-</u>	<u>-</u>	<u>518,343</u>	<u>756,929</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ 282,093	\$ 301,293
Restricted	-	-	1,110,492	1,328,712
Committed	-	-	273,920	296,887
Assigned	-	-	149,327	214,425
Unassigned	-	-	-	-
Total all other governmental funds	<u>-</u>	<u>-</u>	<u>1,815,832</u>	<u>2,141,317</u>
<b>Total governmental funds</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,334,175</u></u>	<u><u>\$ 2,898,246</u></u>

Note: The Village implemented GASB 54 in 2012, which adjusted the fund balance presentation.

Source: Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19,338	18,446	17,227	516,838	517,386	120,119
33,959	48,821	57,620	34,687	37,969	29,200
-	-	-	-	-	-
820,101	1,076,299	1,745,380	1,792,800	1,772,912	1,958,045
873,398	1,143,566	1,820,227	2,344,325	2,328,267	2,107,364
\$ 321,342	\$ 342,055	\$ 347,655	\$ 358,855	\$ 368,055	\$ 376,055
1,517,836	300,282	834,731	347,954	230,686	212,678
308,711	340,547	333,420	366,127	416,986	389,676
255,231	295,568	162,546	162,846	90,634	39,901
-	-	-	-	-	-
2,403,120	1,278,452	1,678,352	1,235,782	1,106,361	1,018,310
\$ 3,276,518	\$ 2,422,018	\$ 3,498,579	\$ 3,580,107	\$ 3,434,628	\$ 3,125,674

# VILLAGE OF CHATHAM, ILLINOIS

## CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

	2010	2011	2012	2013
<b>Revenue</b>				
Property taxes	\$ 1,307,975	\$ 1,352,376	\$ 1,410,938	\$ 1,476,571
Replacement taxes	2,472	2,748	2,479	2,458
Road and bridge taxes	56,409	56,786	58,708	59,688
Local use tax	123,036	141,818	167,622	183,179
Motor fuel taxes	269,655	317,978	334,094	331,740
Telecommunications tax	323,099	309,862	335,144	339,349
Video gaming tax	-	-	-	-
Licenses, permits, fees, fines and service charges	648,041	713,978	829,841	864,257
Investment income	7,277	7,586	9,854	8,124
Other	35,805	186,379	93,455	36,970
Intergovernmental revenues	1,543,687	1,567,375	1,845,502	1,887,108
Federal grants	-	-	37,058	27,108
State grants	55,388	54,917	306,825	-
<b>Total Revenues</b>	<b>4,372,844</b>	<b>4,711,803</b>	<b>5,431,520</b>	<b>5,216,552</b>
<b>Expenditures</b>				
General government	588,996	664,500	953,412	676,494
Cemetery	50,976	56,659	53,567	44,432
Culture and recreation	383,477	406,320	423,205	398,880
Public safety	1,977,528	2,059,417	2,101,532	2,167,279
Public works/transportation	899,583	835,723	710,233	1,072,721
Economic Development	34,483	55,452	37,361	34,683
Capital outlay	1,646,064	156,441	343,747	202,592
Debt service:				
Principal	591,000	137,000	138,000	140,000
Interest	44,863	25,574	22,763	19,273
<b>Total expenditures</b>	<b>6,216,970</b>	<b>4,397,086</b>	<b>4,783,820</b>	<b>4,756,354</b>
Excess of revenues over(under) expenditures	(1,844,126)	314,717	647,700	460,198
<b>Other Financing Sources (Uses)</b>				
Transfer in	519,883	271,344	219,113	207,022
Transfer out	(519,883)	(271,344)	(219,113)	(207,022)
Bond proceeds	690,000	-	-	-
Loan proceeds	-	-	23,435	-
Capital leases issued	25,000	-	126,474	103,873
<b>Total other financing sources (uses)</b>	<b>715,000</b>	<b>-</b>	<b>149,909</b>	<b>103,873</b>
<b>Net change in fund balance</b>	<b>\$ (1,129,126)</b>	<b>\$ 314,717</b>	<b>\$ 797,609</b>	<b>\$ 564,071</b>
Debt service as a percentage of noncapital expenditures	13.91%	3.83%	3.62%	3.50%

Source: Audited Financial Statements



2014	2015	2016	2017	2018	2019
\$ 1,556,217	\$ 1,621,673	\$ 1,696,421	\$ 1,739,128	\$ 1,217,149	\$ 1,269,035
2,813	2,744	2,780	2,921	2,381	2,457
49,588	26,284	23,867	18,814	22,130	23,141
196,316	221,456	264,653	280,974	298,323	340,021
388,748	341,987	309,629	306,972	308,846	306,944
332,436	251,648	285,038	250,346	232,323	222,548
32,163	46,430	57,601	74,128	87,064	92,477
912,968	924,212	795,732	868,564	846,328	848,007
8,425	6,048	7,099	8,916	9,486	24,907
66,345	34,123	103,382	140,308	73,364	79,527
1,909,902	2,042,135	2,158,935	1,906,613	1,970,628	2,032,290
47,996	12,784	32,367	21,902	13,184	8,109
-	-	-	-	-	8,957
5,503,917	5,531,524	5,737,504	5,619,586	5,081,206	5,258,420
668,651	648,907	667,035	985,698	782,639	741,428
44,504	46,000	46,778	41,717	31,084	30,102
458,305	471,989	416,985	413,138	418,366	443,333
2,262,674	2,334,414	2,280,367	2,703,473	2,778,865	2,791,356
1,002,805	951,169	731,286	900,048	1,051,204	768,794
45,429	49,969	31,276	31,480	-	-
569,268	1,937,423	449,185	932,596	106,378	733,917
146,000	163,575	181,410	57,811	42,687	41,576
15,209	12,578	9,122	5,096	15,462	16,868
5,212,845	6,616,024	4,813,444	6,071,057	5,226,685	5,567,374
291,072	(1,084,500)	924,060	(451,471)	(145,479)	(308,954)
512,847	2,043,107	94,359	763,927	-	449,348
(512,847)	(2,043,107)	(94,359)	(763,927)	-	(449,348)
-	-	-	500,000	-	-
-	230,000	152,500	-	-	-
87,200	-	-	33,000	-	-
87,200	230,000	152,500	533,000	-	-
\$ 378,272	\$ (854,500)	\$ 1,076,560	\$ 81,529	\$ (145,479)	\$ (308,954)
3.47%	3.77%	4.37%	1.22%	1.14%	1.21%

# VILLAGE OF CHATHAM, ILLINOIS

## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

### LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Assessed Value as a % of Estimated Actual Value
2010	178,160,789	11,763,543	512,663	445,259	87,087	190,969,341	0.4594	578,694,973	33.00%
2011	184,898,296	11,953,032	512,663	506,743	108,940	197,979,674	0.4654	599,938,406	33.00%
2012	193,610,197	13,783,851	512,663	575,013	115,774	208,597,498	0.4654	632,113,630	33.00%
2013	199,119,246	16,235,494	512,663	784,153	130,998	216,782,554	0.4757	656,916,830	33.00%
2014	206,953,615	17,705,984	512,663	871,863	161,882	226,206,007	0.4754	685,472,748	33.00%
2015	217,527,403	20,017,170	512,663	928,892	168,810	239,154,938	0.4698	724,711,933	33.00%
2016	227,713,787	20,868,182	499,427	947,532	202,736	250,231,664	0.4630	758,277,770	33.00%
2017	240,660,750	28,372,687	875,808	1,070,621	206,287	271,186,153	0.4495	821,776,221	33.00%
2018	250,996,956	29,594,472	894,288	1,192,708	210,468	282,888,892	0.4488	857,239,067	33.00%
2019	258,023,209	32,872,181	904,125	1,112,529	226,168	293,138,212	0.4530	888,297,612	33.00%

Source: County Clerk's Office

# VILLAGE OF CHATHAM, ILLINOIS

## DIRECT AND OVERLAPPING PROPERTY TAX RATES

### LAST TEN TAX YEARS

<b><u>Overlapping Rates</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>
Village	0.4594	0.4654	0.4654	0.4757	0.4754	0.4698	0.4630	0.4495	0.4488	0.4530
Chatham School District Unit #5	4.1632	4.3131	4.3502	4.4404	4.4852	4.5079	4.4552	4.3887	4.4098	4.4448
Lincoln Land Junior College District #526	0.4579	0.4604	0.4619	0.4650	0.4690	0.4736	0.5021	0.5041	0.4884	0.4917
Chatham Township	0.1797	0.1814	0.1785	0.1786	0.1758	0.1723	0.1683	0.1611	0.1409	0.1185
Chatham Township Road & Bridge	0.3982	0.4020	0.3975	0.3970	0.3878	0.3864	0.3737	0.3604	0.3324	0.2882
Chatham Fire Protection District	0.5299	0.5352	0.5366	0.5435	0.5451	0.5389	0.5320	0.5199	0.5199	0.5249
Sangamon County Water Reclamation District	0.0854	0.0871	0.0886	0.0915	0.0935	0.0955	0.0956	0.0951	0.0959	0.0970
Chatham Library	0.2606	0.2636	0.2647	0.2694	0.2708	0.2682	0.2650	0.2591	0.2590	0.2640
Chatham Library Bond	0.0449	0.0446	0.0440	0.0436	-	0.0680	0.0668	-	-	-
Chatham Library Bond #2	0.0431	0.0414	0.0397	0.0382	0.0698	-	-	0.0635	0.0644	0.0651
Sangamon County	0.6828	0.6940	0.7035	0.7204	0.7360	0.7507	0.7546	0.7512	0.7583	0.7691
<b>Total</b>	<b>7.3051</b>	<b>7.4882</b>	<b>7.5306</b>	<b>7.6633</b>	<b>7.7084</b>	<b>7.7313</b>	<b>7.6763</b>	<b>7.5526</b>	<b>7.5178</b>	<b>7.5163</b>
<b><u>Direct Rates</u></b>										
General	0.2190	0.2301	0.2139	0.2379	0.2379	0.2270	0.1693	0.1664	0.1619	0.1633
Police Pension	0.1480	0.1395	0.1561	0.1336	0.1336	0.1367	0.2039	0.1959	0.2136	0.2164
IMRF	0.0450	0.0505	0.0479	0.0489	0.0489	0.0487	0.0464	0.0428	0.0300	0.0290
Police Protection	0.0474	0.0453	0.0475	0.0553	0.0553	0.0574	0.0434	0.0444	0.0433	0.0443
<b>Total</b>	<b>0.4594</b>	<b>0.4654</b>	<b>0.4654</b>	<b>0.4757</b>	<b>0.4757</b>	<b>0.4698</b>	<b>0.4630</b>	<b>0.4495</b>	<b>0.4488</b>	<b>0.4530</b>

Part of the Village of Chatham is in Chatham Township and part is in Ball Township. A small part of the Village is also in Woodside Township. One of the township rates would apply depending on the property's location.

For illustrative purposes, the chart represents the components of the Chatham Township rate.

Source: County Clerk's Office

# VILLAGE OF CHATHAM, ILLINOIS

## PRINCIPAL PROPERTY TAX PAYERS

### CURRENT YEAR AND NINE YEARS AGO

Fiscal Year	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Chatham Dev Group LLC	\$ 3,795,827	1	1.29%	\$ -		0.00%
The Villa's at Hollybrook	1,997,792	2	0.68%	-		0.00%
Lake Area Development Group	1,813,919	3	0.62%	-		0.00%
Chatham Dev Group LLC	1,501,327	4	0.51%	-		0.00%
Foxx LLC	1,344,682	5	0.46%	-		0.00%
RHC Investments Inc.	1,342,167	6	0.46%	-		0.00%
Reflections Memory Care Center	899,039	7	0.31%	-		0.00%
STM Stables LLC	868,112	8	0.30%			0.00%
Envision Chatham LLC	698,367	9	0.24%			0.00%
Henry Technologies	656,046	10	0.22%	580,882	1	0.30%
Illinois National Bank				575,737	2	0.30%
Walgreens				490,806	3	0.26%
Chatham Crossing LP				459,953	4	0.24%
Bishop Hardware				413,391	5	0.22%
Memorial Health System				410,056	6	0.21%
Niemann Holdings				405,558	7	0.21%
United Community Bank				342,617	8	0.18%
MACS Convenience Stores				331,480	9	0.17%
Checkpoint Investments Inc.				319,915	10	0.17%
	<u>\$ 14,917,278</u>		<u>5.09%</u>	<u>\$ 4,330,395</u>		<u>2.27%</u>
EAV			293,138,212			190,969,341

Source: County Clerks Office

**VILLAGE OF CHATHAM, ILLINOIS****PROPERTY TAX LEVIES AND COLLECTIONS****LAST TEN FISCAL YEARS**

Fiscal Year Ended April 30	Tax Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year	
			Amount	Percentage of Levy
2010	2008	843,205	844,858	100.20%
2011	2009	877,313	878,496	100.13%
2012	2010	921,397	920,589	99.91%
2013	2011	970,813	977,580	100.70%
2014	2012	1,031,235	1,029,916	99.87%
2015	2013	1,075,383	1,073,195	99.80%
2016	2014	1,123,550	1,122,508	99.91%
2017	2015	1,158,573	1,158,335	99.98%
2018	2016	1,218,982	1,217,149	99.85%
2019	2017	1,269,605	1,269,035	99.96%

Collections within the fiscal year may include taxes collected attributable to prior years. These collections, are immaterial as 99% or greater of the current year's tax levy has historically been collected during the respective fiscal year. Additionally, information to associate any non-current tax collections to a specific tax levy year is not readily available.

Source: County Clerks Office

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF VILLAGE TAXABLE SALES BY CATEGORY

### LAST TEN CALENDAR YEARS

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Food	\$ 157,956	\$ 170,023	\$ 201,729	\$ 205,513
Drinking and eating places	86,300	85,445	89,853	99,931
Apparel	590 *	1,757	2,990	5,782
Furniture/Household/Radio	747	973 *	1,052 *	1,088 *
Lumber/Building/Hardware	115,596	117,021	110,937	127,402
Auto and gas stations	92,333	104,056	115,832	118,260
Drugs and miscellaneous retail	191,816	190,760	292,631	194,159
Agriculture and all others	70,664	71,841	81,596	90,858
Manufacturers	<u>5,352</u>	<u>4,571</u>	<u>5,324</u>	<u>3,345</u>
Total	<u>\$ 721,354</u>	<u>\$ 746,447</u>	<u>\$ 901,944</u>	<u>\$ 846,338</u>
Village sales tax rate	1.00%	1.00%	1.00%	1.00%
Number of Taxpayers	203	205	218	233

\*Certain categories are estimated because they not shown in the State report, due to fewer than four taxpayers

Source: Illinois Department of Revenue Categories by Standard Industrial Codes (SIC)

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 208,910	\$ 209,484	\$ 232,308	\$ 212,832	\$ 208,432	\$ 208,548
93,832	93,192	98,916	101,029	107,521	114,635
6,511	5,642	7,555	9,050	10,186	6,339
740	770 *	799	1,341	1,871	1,899
102,367	119,060 *	118,390	119,461	118,945	115,091
144,609	149,599	170,306	138,210	151,999	166,062
167,929	226,485	265,910	246,568	232,261	267,448
85,361	67,347	35,815	37,037	43,749 *	38,788
4,532	4,177	3,137	3,672	2,370 *	1,276
<u>\$ 814,791</u>	<u>\$ 875,756</u>	<u>\$ 933,136</u>	<u>\$ 869,200</u>	<u>\$ 877,334</u>	<u>\$ 920,086</u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
243	243	249	261	272	259

## VILLAGE OF CHATHAM, ILLINOIS

### DIRECT AND OVERLAPPING SALES TAX RATES

#### LAST TEN FISCAL YEARS

Fiscal Year	Village Share	Sangamon County Share	State of Illinois Share	Total Rate
2010	1.00%	0.25%	5.00%	6.25%
2011	1.00%	0.25%	5.00%	6.25%
2012	1.00%	0.25%	5.00%	6.25%
2013	1.00%	0.25%	5.00%	6.25%
2014	1.00%	0.25%	5.00%	6.25%
2015	1.00%	0.25%	5.00%	6.25%
2016	1.00%	0.25%	5.00%	6.25%
2017	1.00%	0.25%	5.00%	6.25%
2018	1.00%	0.25%	5.00%	6.25%
2019	1.00%	0.25%	5.00%	6.25%

Source: Village records and Illinois Department of Revenue



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# VILLAGE OF CHATHAM, ILLINOIS

## RATIOS OF OUTSTANDING DEBT BY TYPE

### LAST TEN FISCAL YEARS

Governmental Activities					Business Type Activities		
Fiscal Year	General Obligation Bonds	Tax Incremental Bonds	Notes Payable	Capital Leases	General Obligation Bonds (Electric Alternative Revenue Source)	Debt Certificates	Notes Payable
2010	220,000	690,000	-	84,155	4,555,000	2,967,418	-
2011	193,000	580,000	-	25,040	4,375,000	200,000	-
2012	165,000	245,000	23,435	107,942	4,190,000	165,000	93,740
2013	135,000	360,000	10,034	155,785	3,990,000	125,000	40,135
2014	104,000	245,000	-	160,243	3,805,000	85,000	910,191
2015	71,000	125,000	219,442	90,484	3,571,000	45,000	1,015,101
2016	36,000	-	198,031	168,408	3,340,000	-	877,156
2017	500,000	-	176,220	133,600	3,105,000	-	737,040
2018	479,500	-	154,033	71,140	2,858,000	-	594,681
2019	460,500	-	131,457	30,570	2,598,000	-	1,573,838

\* - Information not available

(1) US Department of Commerce, Bureau of Economic Statistics

Details of the Village's outstanding debt may be found in the notes to the basic financial statements.

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Business Type Activities

Lines of Credit	Capital Leases	Total Primary Government	Percentage of Estimated Actual Property Value	Chatham Personal Income	Percentage of Personal Income	Per Capita
1,391,223	50,294	9,958,090	1.72%	387,407,934	2.57%	967
175,000	140,989	5,689,029	0.95%	446,763,500	1.27%	495
-	57,794	5,047,911	0.80%	464,439,000	1.09%	439
-	33,052	4,849,006	0.74%	466,532,000	1.04%	422
-	7,632	5,317,066	0.78%	476,755,500	1.12%	462
-	142,048	5,279,075	0.73%	490,854,500	1.08%	459
-	97,607	4,717,202	0.62%	503,815,000	0.94%	410
-	52,511	4,704,371	0.57%	512,014,500	0.92%	409
-	274,689	4,432,043	0.52%	532,737,500	0.83%	385
-	311,115	5,105,480	0.57%	*	*	444

# VILLAGE OF CHATHAM, ILLINOIS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Direct:			
Village of Chatham	\$ 622,527	100.00%	\$ 622,527
Overlapping:			
Ball Chatham CUSD #5	\$ 71,765,367	37.17%	\$ 26,675,187
Auburn Unit #10	7,924,897	0.11%	8,717
Lincoln Land Junior College District #526	24,359,775	7.04%	1,714,928
Woodside Township	-	3.08%	-
Ball Township	-	74.20%	-
Chatham Township	-	89.18%	-
Curran Township	-	0.21%	-
Springfield Airport Authority	13,505,742	6.34%	856,264
Chatham Fire Protection District	-	76.19%	-
Springfield Metro Expo Authority	7,366,189	0.30%	22,099
Sangamon Mass Transit District	-	0.38%	-
Curran-Gardner Water Public Water District	6,964,799	0.06%	4,179
Sangamon County Water Reclamation District	217,573,252	9.10%	19,799,166
Chatham Area Library	2,326,000	64.81%	1,507,481
Sangamon County	17,062,416	6.98%	1,190,957
Total Overlapping Debt	368,848,437		51,778,978
Total Direct and Overlapping Debt	\$ 369,470,964		\$ 52,401,505

Source: County Clerks Office and Illinois State Comptroller's website

The Sangamon County Clerk's Office provides an annual overlap report. The report specifies each overlapping district's EAV dollars and percentage. The overlapping district percentage is applied to their outstanding debt. The debt amount is obtained from financial reports filed and available on the Illinois State Comptroller's website.

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## VILLAGE OF CHATHAM, ILLINOIS

### GENERAL BONDED DEBT CAPACITY AND RATIOS

#### LAST TEN YEARS

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Calendar Year	Equalized Assessed Value	General Bonded Debt	Less Amounts Available in Debt Service	General Net Bonded Debt
2009	190,969,341	220,000	26,301	193,699
2010	197,979,674	368,000	26,113	341,887
2011	208,597,498	165,000	21,618	143,382
2012	216,782,554	135,000	19,563	115,437
2013	226,206,007	104,000	19,338	84,662
2014	239,154,938	71,000	18,446	52,554
2015	250,231,664	36,000	17,227	18,773
2016	271,186,153	500,000	16,759	483,241
2017	282,888,892	479,500	16,808	462,692
2018	293,138,212	460,500	16,963	443,537

Source: Additional Schedules Village Financial Statements

(1) The debt limit for non-home rule governments is 8.625% of assessed valuation (65 ILCS 5/8 5-1).

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General Net Bonded Debt to Assessed Value	Debt Limit (1)	Legal Debt Margin	Legal Debt Margin as a % of Debt Limit
0.10%	16,471,106	16,277,407	98.82%
0.17%	17,075,747	16,733,860	98.00%
0.07%	17,991,534	17,848,152	99.20%
0.05%	18,697,495	18,582,058	99.38%
0.04%	19,510,268	19,425,606	99.57%
0.02%	20,627,113	20,574,559	99.75%
0.01%	21,582,481	21,563,708	99.91%
0.18%	23,389,806	22,906,565	97.93%
0.16%	24,399,167	23,936,475	98.10%
0.15%	25,283,171	24,839,634	98.25%

# VILLAGE OF CHATHAM, ILLINOIS

## PLEDGED REVENUE COVERAGE

### LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Electric Alternate Revenue Source Bonds					
	Gross	Less	Net	Current Maturities		Coverage
	Revenues *	Operating Expenses*	Available Revenue	Principal	Interest	
2010	\$ 7,148,975	\$ 6,591,471	\$ 557,504	\$ 180,000	\$ 185,968	1.52
2011	8,485,823	7,155,462	1,330,361	185,000	179,842	3.65
2012	8,345,357	7,124,644	1,220,713	200,000	173,340	3.27
2013	8,632,117	7,761,998	870,119	205,000	166,064	2.34
2014	8,759,413	8,407,437	351,976	234,000	97,665	1.06
2015	9,425,246	8,428,392	996,854	231,000	119,547	2.84
2016	9,770,310	8,552,449	1,217,861	235,000	112,501	3.50
2017	10,120,727	8,795,027	1,325,700	247,000	105,287	3.76
2018	10,140,071	9,032,560	1,107,511	260,000	97,555	3.10
2019	10,598,508	9,314,900	1,283,608	263,000	89,391	3.64

\* Electric Fund revenue includes electric user fees and other revenues, operating expenses do not include depreciation expense



**VILLAGE OF CHATHAM, ILLINOIS**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN YEARS**

Calendar Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2009	10,293	\$ 37,638	\$ 387,407,934	35.0	4412	6.60%
2010	11,500	38,849	446,763,500	36.1	4471	5.80%
2011	11,500	40,386	464,439,000	36.1	4490	5.30%
2012	11,500	40,568	466,532,000	36.1	4544	5.40%
2013	11,500	41,457	476,755,500	36.1	4454	5.80%
2014	11,500	42,683	490,854,500	36.1	4612	4.30%
2015	11,500	43,810	503,815,000	36.1	4661	4.20%
2016	11,500	44,523	512,014,500	36.1	4730	3.70%
2017	11,500	46,325	532,737,500	36.1	4807	3.20%
2018	11,500	N/A	N/A	36.1	4809	3.00%

(1) Population data based on latest census data

(2) Information obtained from the U.S. Department of Commerce Bureau of Economic Analysis  
Figures for the most current year are unavailable.

(3) Census Data

(4) Ball-Chatham District 5 -Annual Financial Report

(5) Unemployment data from the Illinois Department of Employment Security

## VILLAGE OF CHATHAM, ILLINOIS

### PRINCIPAL EMPLOYERS

April 30, 2019

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<u>Employer</u>	<u>Approx. # Employees</u>	<u>Rank</u>	<u>% of Total Population</u>
Ball Chatham CUSD #5	500-999	1	4.3%-8.7%
Henry Technologies	250-499	2	2.2%-4.3%
Chatham Expresscare	100-249	3	.9%-2.2%
Memorial Physician Services	100-249	3	.9%-2.2%
McDonalds	50-99	4	.4%-.9%
TruGreen	50-99	4	.4%-.9%
United Community Bank	50-99	4	.4%-.9%
Village of Chatham	50-99	4	.4%-.9%
Villas of Hollybrook/Reflections Memory Care	50-99	4	.4%-.9%

Source: Illinois Virtual Labor Market Data - Illinois Department of Employment Website

Information was not available for nine years ago

## VILLAGE OF CHATHAM, ILLINOIS

### FULL-TIME EQUIVALENT VILLAGE EMPLOYEES BY FUNCTIONS/PROGRAMS

#### LAST TEN FISCAL YEARS

Department	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Administration and Finance	10	12	12	12	12	11	10	9	9	10
Police	21	21	21	21	22	22	21	22	20	20
Public Utilities	12	11	10	11	12	11	11	13	13	14
Public Properties and Public Works	10	9	9	10	9	9	9	9	9	9
Total Full-Time Equivalent Employees	<u>53</u>	<u>53</u>	<u>52</u>	<u>54</u>	<u>55</u>	<u>53</u>	<u>51</u>	<u>53</u>	<u>51</u>	<u>53</u>

Source: Village records

# VILLAGE OF CHATHAM, ILLINOIS

## OPERATING INDICATORS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS

	2010	2011	2012	2013
<b>Public Works</b>				
Total Building Permits issued	190	188	184	160
Single Family Homes	78	71	69	69
Duplexes	20	10	13	14
Apartments	32	3	5	2
Commercial	1	2	6	3
Additions	6	8	7	8
Remodel, Alteration or Repair	3	20	15	10
Garages, Sheds, Pool Houses	5	6	9	4
Fences	42	59	47	38
Pools	2	5	10	9
Sprinkler Systems	1	4	3	3
Number of Cemetery Lots Sold	34	64	78	48
Number of grave openings	30	40	54	33
<b>Police - Information presented on Calendar Year Basis</b>				
Calls for Service	6,664	6,732	6,818	7,015
Traffic Violations				
Citations Issued	1,548	1,593	1,810	1,631
Written Warnings Issued	1,310	1,458	1,817	1,959
Index Crimes*	149	109	64	128
Index Crime and Drug Arrests	35	87	122	155
<b>Public Utilities</b>				
Electric Customers	4,897	5,041	5,169	5,224
Water Customers	4,727	4,879	5,001	5,202
Kilowatt hours provided to customers	66,712,844	75,087,003	73,204,068	75,244,700
Gallons of water provided to customers	281,647,194	277,312,703	281,041,869	306,941,537
<b>Administration</b>				
Accounts Payable Checks Processed**	3,856	3,726	3,464	2,714
Liquor Licenses Issued	16	21	27	29

\* Index Crime includes: Criminal Homicide, Rape, Robbery, Aggravated Assault/Aggregated Battery, Burglary, Theft, Motor Vehicle Theft, Arson, Human Trafficking

\*\* During fiscal year 2013 the Village began processing accounts payable out of one bank account prior to this each fund had a bank account that processed accounts payable checks, this reduced the number of accounts payable checks issued.

Source: Various Village Departments

2014	2015	2016	2017	2018	2019
194	216	226	188	173	114
69	79	78	62	40	29
6	8	14	8	3	-
-	1	-	4	5	7
5	1	9	7	8	3
7	5	7	2	6	3
25	35	27	20	25	10
10	7	6	5	4	6
56	65	66	52	59	41
13	9	6	16	10	8
3	6	13	12	13	7
53	57	23	28	21	9
39	46	29	30	35	35
7,374	7,536	7,786	9,153	9,841	N/A
1,548	1,402	1,261	1,381	1,278	N/A
2,278	1,441	1,239	1,398	1,277	N/A
105	111	87	117	100	N/A
118	101	93	24	17	N/A
5,311	5,433	5,496	5,622	5,748	5,877
5,303	5,441	5,522	5,630	5,757	5,894
76,054,006	75,891,180	75,857,545	76,897,052	77,091,817	81,460,853
291,436,700	276,099,100	278,235,000	281,997,700	286,688,900	291,726,800
2,171	2,157	2,044	2,045	1,979	1,946
26	23	25	26	28	26

# VILLAGE OF CHATHAM, ILLINOIS

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Village</b>										
Number of Vehicles	48	48	53	53	54	52	52	54	56	54
Number of Buildings	14	14	14	14	14	14	14	14	14	14
<b>Public Works</b>										
Miles of Streets	72.79	73.25	73.25	73.37	73.37	74.38	74.63	76.17	78.21	79.42
Miles of Storm Sewer	52.99	53.61	53.61	53.77	53.77	54.78	55.07	55.5	56.65	57.37
<b>Public Utilities</b>										
Miles of Primary Underground Electric Lines (1)	32.52	33.05	33.05	33.29	33.29	34.99	35.3	38.5	40.16	42.23
Miles of Secondary Underground Electric Lines(1)	27.99	28.63	28.63	28.63	28.63	30.66	31.14	33.9	35.67	37.43
Miles of Primary Overhead Electric Lines (1)	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Miles of Secondary Overhead Electric Lines (1)	18.80	18.80	18.80	18.80	18.80	18.80	18.80	18.80	18.80	18.80
Miles of Water Main	76.15	77.53	77.53	77.68	77.68	78.75	79.07	82.63	85.19	87.07
Miles of Sanitary Sewer	67.51	68.04	68.04	68.25	68.25	69.32	69.55	70.70	72.36	73.39

Source: Various Village Departments

(1) Miles of Primary and Secondary Underground and Primary and Secondary Overhead reflects miles subsequent to completion of GIS mapping.