COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the Eight Months Ended December 31, 2015

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS
33 South Arlington Heights Road
Arlington Heights, Illinois 60005-1499

VILLAGE OF
ARLINGTON HEIGHTS, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

for the Eight Months Ended December 31, 2015

Prepared by the Finance Department

Thomas F. Kuehne, Finance Director/Treasurer
Mary Juarez, Assistant Finance Director
Anthony Fashoda, Accounting Manager

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Arlington Heights including:

- Principal Officers
- Organization Structure
- Letter of Transmittal
- GFOA Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Principal Officers
December 31, 2015

VILLAGE BOARD

Thomas W. Hayes, Village President

Carol Blackwood	Bert Rosenberg
Joseph C. Farwell	John Scaletta
Thomas Glasgow	Michael Sidor
Robin La Bedz	Jim Tinaglia

ADMINISTRATION

Randall Recklaus, Village Manager

Mark Burkland, Village Attorney

Rebecca Hume, Village Clerk

Diana Mikula, Assistant Village Manager

Mary Rath, Director of Human Services

Robin Ward, In-House Counsel

Thomas F. Kuehne, Finance Director/Treasurer

Gerald Mourning, Chief of Police

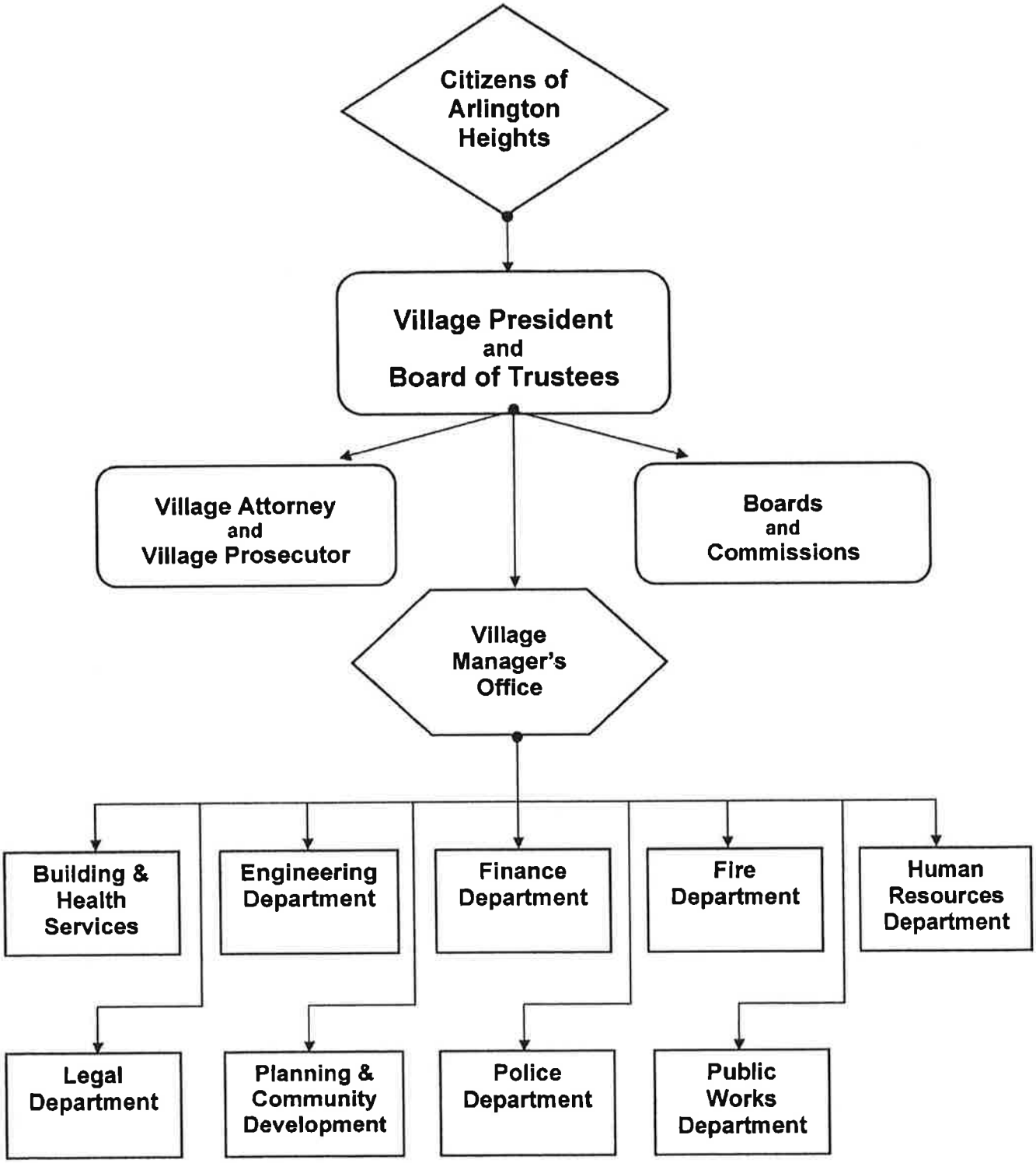
Kenneth Koeppen, Fire Chief

Charles Witherington-Perkins, Director of Planning and Community Development

James McCalister, Director of Building and Health Services

Jim Massarelli, Director of Engineering

Scott Shirley, Public Works Director


Citizens of Arlington Heights
Village President and Board of Trustees
Village Attorney and Village Prosecutor
Boards and Commissions
Village Manager's Office
Building & Health Services
Engineering Department
Finance Department
Fire Department
Human Resources Department
Legal Department
Planning & Community Development
Police Department
Public Works Department

Village of Arlington Heights

33 S. Arlington Heights Road
Arlington Heights, IL 60005-1499
(847-368-5000)
Website: www.vah.com

April 20, 2016

The President and Members
of the Board of Trustees and the
Village Manager of the
Village of Arlington Heights

The Comprehensive Annual Financial Report (CAFR) of the Village of Arlington Heights (Village) for the eight months ended December 31, 2015, is hereby submitted as required by the Illinois Compiled Statutes. State law requires that the Village issue annually a report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

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

The Village's financial statements have been audited by Lauterbach and Amen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Arlington Heights for the eight months ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor concluded, based upon audit, that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the eight months ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Village of Arlington Heights

The Village of Arlington Heights is located 25 miles northwest of the City of Chicago in Cook County, Illinois. It was incorporated in 1887. The Village's 2010 Census places the population at 75,101 and the Village has an area of approximately 16.6 square miles. It is a home rule community as defined by the Illinois Constitution. Arlington Heights is a very livable community with excellent schools, an outstanding park system, dependable village services, a diverse housing stock and easy access to the major expressways and O'Hare International Airport. There are 23,132 owner-occupied units and 7,319 rental units with considerable high-rise and multi-family residential development in and around the Downtown area.

The Village has a well-established reputation as a preeminent community located in the northwestern corridor of the Chicago metropolitan area. There is now relatively little undeveloped land in the Village. The Village's economic base is somewhat diversified with income and housing indices well above State levels. While primarily considered a residential community, there is a significant commercial base and a large retail sector. The Equalized Assessed Value of the property in the Village is split 69% residential and 31% commercial and industrial. Due to its healthy local economy, the Village of Arlington Heights has maintained a credit rating of Aa1 from Moody's Investor Service.

The Village operates under the Council/Manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a President and eight Trustees. The Village Board is responsible, among other things, for passing ordinances, adopting the budget, appointing members to Boards and Commissions and hiring the Village Manager, Village Attorney, and Prosecuting Attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village and for appointing employees including the heads of the Village's departments. The Board is elected on a non-partisan basis. Board members are elected for four-year staggered terms with four Board members elected every two years. The President is elected to a four-year term. The President and Village Trustees are elected at large.

The Village provides a full range of general government services including public safety, community development, community services and public works, as well as construction and maintenance of the Village's infrastructure. In addition to the Village's general governmental activities, the Village provides water and sewer services, Senior Center, Health Services, and maintains several parking garages and surface parking lots.

As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. The decision to include a component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the Village. Based on this criterion, the CAFR includes the financial activity of the Arlington Heights Memorial Library as a discretely presented component unit. It is reported in a separate column to emphasize that it is legally separate from the Village.

Long-Term Financial Planning and Major Initiatives

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the General Fund at the fiscal year end was 57.2% of total General Fund expenditures. This is within the minimum fund balance level established in the Village's financial performance goals. However, this reflects expenditures from a short eight month year as the Village transitions from a fiscal year ending April 30th to a calendar year ending on December 31st. When the unrestricted fund balance is compared to the prior year's General Fund expenditures, the fund balance percentage computes to be 41.9%. A statement of the financial performance goals is incorporated in the Village's annual budget. This statement includes goals for revenues, expenditures, reserves, investment performance, capital improvements, debt, and financial reporting.

On a biennial basis the Village Board completes a strategic plan which is included in the annual budget and helps guide the development of this document. The Village's annual budget and financial planning process begins with the preparation of a five-year capital improvement program and a separate three-year operating fund projection. These long-range planning documents project revenue and expense trends and allow the Village to anticipate structural budget concerns. The Village maintains dedicated revenue sources in its Capital

Projects Fund to ensure that its capital infrastructure is maintained at a high level. An internal service fund, the Fleet Fund, is also funded through annual operating transfers from the effected departments based on a vehicle depreciation schedule. The Village's current financial condition is healthy as the key operating funds, the General Fund and the Water & Sewer Fund, both have comfortable reserves.

The Village has retained a stable financial position, and the Village's General Fund ended with surpluses in FY2010 through 2015. The Village's ongoing economic strength is demonstrated by new businesses that continue to open in the Village. This includes the new Arlington Lexus car dealership opened during the calendar year. This is the largest Lexus dealership in the country and includes a number of customer service offerings that are unique to the industry including a workout facility and a small movie theater. The former 400-room Sheraton Chicago Northwest Hotel just west of Arlington International Racecourse closed in 2009 and is now the site of a $250 million multi-use redevelopment called Arlington Downs. The site includes the recently opened luxury apartments in the existing building that was completely gutted and redeveloped, plans for an expanded water park, future restaurants and retail shops, and a new separate hotel building located within the planned unit development. The Arlington Downs development is expected to be fully completed over the next couple of years.

The Village maintains a very aggressive economic development program. The components include business retention, business attraction, business assistance and special programs. This results in increased property and sales tax revenue, higher employment rates and a stable economic base. Arlington Heights also enjoys a thriving Downtown area, which contains a mix of multi-story housing, office space, restaurants, retailers, specialty stores and business services. Tax Increment Financing (TIF) Districts were instrumental in creating this vital commercial area and development activities are still occurring in the Downtown area.

The Village staff, following specific directives of the Village Board and the Village Manager, has been involved in a variety of projects throughout the eight months year ended December 31, 2015; these projects reflect the Village's commitment to ensuring that its citizens are able to live and work in a desirable environment. The most significant of these projects are discussed below:

- Over $3.7 million was spent on the ongoing street resurfacing and street reconstruction programs.
- $1.1 million was spent on water and sewer rehabilitation and replacement projects.
- Other significant capital expenses include $1.3 million toward the replacement of Village vehicles.
- In response to the invasion of the emerald ash borer (EAB) beetle the Village established an EAB Fund at the end of FY2012. The beetle is firmly established in the Village and is decimating the Village's parkway Ash trees which represent about one-third of the Village-owned tree inventory. The most cost effective way to deal with this issue is to remove and replace all of the Village's 13,000 parkway Ash trees over the next several years. The Village is using available capital funds to pay for the cost of this program.

Relevant Financial Policies

During FY2015 the Village Board unanimously approved changing the Village's fiscal year-end from April 30th to a calendar year-end of December 31st. One of the key reasons for this change was to align the budget and property tax levy processes, with the intent of making the tax levy process less confusing for interested parties. As a result of this change in fiscal year the Village used an eight-month transition year starting on May 1, 2015 and ending on December 31, 2015. The Village's first calendar year period will start on January 1, 2016.

Awards and acknowledgements - The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2015. This was the twenty-sixth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation especially to Mary Juarez, Assistant Finance Director, Alexis Smulson, Accounting Manager, and all other members of the Department who assisted and contributed to the preparation of this report. Credit also must be given to the Village Board and Village Manager for their continued support in maintaining the highest standards of professionalism in the management of the Village of Arlington Heights' finances.

Respectfully submitted,

Thomas F. Kuehne
Finance Director/Treasurer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Arlington Heights

Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITORS' REPORT

Lauterbach & Amen, LLP
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INDEPENDENT AUDITORS' REPORT

April 20, 2016

The Honorable Village President
Members of the Board of Trustees
Village of Arlington Heights, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Arlington Heights, Illinois, as of and for the eight months ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Arlington Heights, Illinois, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the eight months then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 Arlington Heights, Illinois', basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

Lauterbach & Amen LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2015

The Village of Arlington Heights (the "Village") management's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and, (5) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on Page iv) and the Village's financial statements (beginning on Page 3).

Financial Highlights

- The Village's total net position decreased by $82.6 million or 33.4% during the eight months ended December 31, 2015. The governmental net position decreased by $80.7 million and the business-type activities net position decreased by $1.9 million.
- The Village's combined Governmental Funds ending fund balance increased $4.8 million as of December 31, 2015.
- At the end of the current fiscal year, the unrestricted fund balance for the General Fund was $28,353,196 or 57.2% of General Fund expenditures. Although, this is for a short eight-month year as the Village is transitioning from a fiscal year ending April 30th to a calendar year ending December 31st.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statement's 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 (see Pages 3-6) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see Pages 5-6) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including police, fire, planning and community development, engineering, building and health services, public works and administration. Property taxes, shared State sales, local utility and shared State income, home rule sales and food and beverage taxes finance the majority of these services. The business-type activities reflect private sector type operations (Water & Sewer Fund and Solid Waste Disposal Fund), where the fee for service typically covers all or most of the cost of operations, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fund Financial Statements allow the demonstration of source and uses and/or

budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds
The Governmental Major Fund presentation (see Pages 7-8 and 10-11) is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clean and appropriate focus of any analysis of a government. The focus of governmental funds is narrower than that of the Government-Wide Financial Statements. The Village maintains 17 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Debt Service and Capital Projects Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds
The Village maintains two different types of proprietary funds. Enterprise Funds are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its fleet operations, self-insurance and technology programs.

Proprietary Fund Financial Statements (see Pages 13-16) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water & Sewer Fund is considered a major fund of the Village and is presented in a separate column in the Proprietary Fund Financial Statements. The Solid Waste Disposal Fund is the Village's only non-major enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Internal Service Funds is presented elsewhere in the report.

Fiduciary Funds
The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension Fund, Firefighters' Pension Fund and Agency Funds, see Pages 17-18). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Statements.

While the Business-type Activities column on the Proprietary Fund Financial Statements is the same as the Business-type column at the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see Pages 9 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements). The reconciliation also includes the Internal Service Funds' activities given that the Internal Service Funds serve primarily the Governmental Funds.

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 19-77 of this report.

Other Information
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the major governmental fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary

information can be found on Pages 78-88 of this report. The combining and individual fund statements for the governmental, enterprise and internal service funds are presented on Pages 89-151 of this report, immediately following the required supplementary information.

Infrastructure Assets

The Village depreciates its assets (infrastructure – roads, bridges, storm sewers, etc.) over their useful life. If a road project is considered a recurring cost that does not extend the road's original useful life or expand its capacity, the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's combined net position decreased by $82.6 million from FY2015, decreasing from $247.2 million to $164.6 million. The following analysis will look at net position and net expenses of the governmental and business-type activities separately. The total net position for the governmental activities decreased by $80.7 million from $195.5 million to $114.8 million. This decrease was due to new accounting standards outlined under GASB 68, which require that governments include Net Pension Liabilities on their financial statements. The business-type activities net position decreased by $1.9 million from $51.7 million to $49.8 million. Table 1 reflects the condensed Statement of Net Position compared to FY2015. Table 2 focuses on the changes in net position of the governmental and business-type activities.

Table 1: Statement of Net Position as of December 31, 2015
(In Millions)

	Governmental Actvities		Business-Type Actvities		Total Primary Government	
	12/31/2015	4/30/2015	12/31/2015	4/30/2015	12/31/2015	4/30/2015
Revenue						
Program Revenues						
Charges for Services	$ 8.6	$ 11.9	$ 11.7	$ 15.9	$ 20.3	$ 27.8
Operating Grants	1.8	4.7	0.0	0.0	1.8	4.7
Capital Grants	0.0	0.1	0.0	0.0	0.0	0.1
General Revenues						
Property Taxes & Replacement Taxes	32.2	32.1	0.0	0.0	32.2	32.1
Other Taxes	27.5	40.5	0.4	0.5	27.9	41.0
Other Revenue	1.0	1.3	0.3	0.2	1.3	1.5
Total Revenues	**$ 71.1**	**$ 90.6**	**$ 12.4**	**$ 16.6**	**$ 83.5**	**$ 107.2**
Expenses						
Governmental Activities						
General Government	5.6	7.0	0.0	0.0	5.6	7.0
Public Safety	43.0	44.8	0.0	0.0	43.0	44.8
Highways & Streets	11.7	23.0	0.0	0.0	11.7	23.0
Community Development	4.4	5.9	0.0	0.0	4.4	5.9
Health & Welfare	3.0	2.3	0.0	0.0	3.0	2.3
Interest	0.9	1.5	0.0	0.0	0.9	1.5
Business Type						
Water & Sewer	0.0	0.0	12.7	16.2	12.7	16.2
Solid Waste Disposal	0.0	0.0	1.0	1.3	1.0	1.3
Arts, Ent. & Events	0.0	0.0	0.6	1.0	0.6	1.0
Total Expenses	**$ 68.6**	**$ 84.5**	**$ 14.3**	**$ 18.5**	**$ 82.9**	**$ 103.0**
Change in Net Position	2.5	6.1	(1.9)	(1.9)	0.6	4.2
Beginning Net Position	195.5	189.3	51.7	53.6	247.2	242.9
Restatement	(83.2)	0.0	0.0	0.0	(83.2)	0.0
Ending Net Position	**$ 114.8**	**$ 195.4**	**$ 49.8**	**$ 51.7**	**$ 164.6**	**$ 247.2**

For more detailed information see the Statement of Net Position (Page 3-4).

Normal Impacts on Net Position

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

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

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase invested in capital assets, net of related debt.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase invested in capital assets, net of related debt.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of related debt.

Current Year Impacts on Net Position

The Village's $82.6 million decrease of combined net position (which is the Village's bottom line) was the result of the governmental activities net position decreasing by $80.7 million and the business-type activities net position decreasing $1.9 million. The governmental activities total assets and deferred outflow of resources increased by $20.8 million and the governmental activities total liabilities and deferred inflows of resources increased by $101.6 million.

The governmental activities total assets increase of $4.3 million is due to a $3.6 million increase in current assets and a $.7 million increase in capital assets. The Village's public buildings and vehicles are depreciated over time which decreases capital assets. However, this depreciation was offset by increases in the governmental activity capital assets due to additions of a right-of-way dedication of $3.4 million from Christina Court Subdivision along with increases of infrastructure from Street and Sidewalk Rehabilitation of $348,000. The governmental activities cash position decreased by about $9.3 million due to the timing of the first installment of the 2015 Property Tax payments which were not received before year end. In prior years, the fiscal year-end was April 30th and first installment payments were received before April 30th. The year-end date change now aligns the budget and property tax levy process. As a result of this date change for year end, the Village used an eight-month transition year starting on May 1, 2015 and ending on December 31, 2015. The Governmental Activities' property tax receivables shows an increase of about $19 million due the whole Property Tax installment being a receivable versus only the second installment in prior years. Accounts receivables decreased by about $5 million for this same period since there is no longer a receivable from the Police and Fire Pension Funds as there was in previous years from the General Fund advancing the Pension's first installment of property taxes received before the revenue was earned by the Pension Funds. This again, is a change due to the timing of year end and 2015 Property Taxes being received after year end. Prepaid/inventories decreased by about $500,000 as of the end of December 31, 2015, due to delivery of two ambulances.

Total governmental activity liabilities increased by $98.3 million compared to the prior year. Current liabilities decreased by about $3.4 million primarily from the current portion of Compensated Absences decreasing along with accrued payroll and interest. Accounts Payable decreased about $790,000 mainly due to a combined change of accruals of approximately a $260,000 decrease in the General Fund and a $530,000 decrease in the Emerald Ash Borer Fund. These decreases were offset by an increase in long-term liabilities primarily from the Net Pension Liability of $101.7 million from the implementation of GASB 68. In addition there was a decrease in the long-term liabilities of General Obligation Bonds Payable of $6.5 million.

The Village's other post-employment benefits (OPEB) obligation increased by about $100,000, from a combination of a decrease in the Annual OPEB cost and a decrease in the annual contributions. As required by the Governmental Accounting Standards Board (GASB) Statement No. 45, the Village must recognize liabilities associated with explicit and implicit post-employment benefits. The only explicit OPEB offered by the Village is 100% life-time health insurance coverage for public safety officers disabled on the job as was mandated by the State. The Village's implicit OPEB liability arises from implicit rate subsidies under which health care premiums are typically based on a blended premium for active employees and retirees. Under the Village's current benefit package, retirees can participate in the Village's health care plan, but must pay 100% of the premium. However, as retiree costs are actuarially more significant than active employee's health care costs, the Village implicitly subsidizes the retiree rates. On a bi-annual basis, the Village must hire an actuary to calculate the value of the explicit OPEB cost and implicit subsidy.

Deferred inflows of resources includes the 2015 property tax levy and property tax increment monies from the Village's tax increment financing districts that were levied during the eight month calendar year ending December 31, 2015, but are now reported as deferred inflows of resources which reflect unavailable revenue from property taxes. At the start of year ending December 31, 2016, these property tax receipts will become available and will be classified as revenue at that time. The unamortized loss on refunding reflects the amount required to repay the old debt and the net carrying amount of the old debt.

The total assets of the business-type activities decreased by $2.0 million from $52.8 million to $50.8 million. This was due to a $.7 million decrease in current assets, along with a $1.3 million decrease in capital assets. Capital assets decreased due to depreciation on existing water and sewer buildings and infrastructure that exceeded current year infrastructure additions. Total liabilities of business-type activities decreased mainly from a decrease in compensated absences.

Changes in Net Position

The Village's combined change in net position between the current year and the previous year decreased by $82.6 million in the calendar year ending December 31, 2015. The change was a larger proportion compared to the prior year as a result of the 12 month fiscal year end change to the shortened eight month calendar year. The Village's total revenue decreased by 23.7 million. The Village's cost of all programs decreased by $20.1 million. The following table shows the condensed revenues and expenses of the Village's activities:

Table 2: Changes in Net Position for the Eight Months Ended December 31, 2015
(In Millions)

	Governmental Actvities		Business-Type Actvities		Total Primary Government	
	12/31/2015	4/30/2015	12/31/2015	4/30/2015	12/31/2015	4/30/2015
Revenue						
Program Revenues						
Charges for Services	$ 8.6	$ 11.9	$ 11.7	$ 15.9	$ 20.3	$ 27.8
Operating Grants	1.8	4.7	0.0	0.0	1.8	4.7
Capital Grants	0.0	0.1	0.0	0.0	0.0	0.1
General Revenues						
Property Taxes & Replacement Taxes	32.2	32.1	0.0	0.0	32.2	32.1
Other Taxes	27.5	40.5	0.4	0.5	27.9	41.0
Other Revenue	1.0	1.3	0.3	0.2	1.3	1.5
Total Revenues	**$ 71.1**	**$ 90.6**	**$ 12.4**	**$ 16.6**	**$ 83.5**	**$ 107.2**
Expenses						
Governmental Activities						
General Government	5.6	7.0	0.0	0.0	5.6	7.0
Public Safety	43.0	44.8	0.0	0.0	43.0	44.8
Highways & Streets	11.7	23.0	0.0	0.0	11.7	23.0
Community Development	4.4	5.9	0.0	0.0	4.4	5.9
Health & Welfare	3.0	2.3	0.0	0.0	3.0	2.3
Interest	0.9	1.5	0.0	0.0	0.9	1.5
Business Type						
Water & Sewer	0.0	0.0	12.7	16.2	12.7	16.2
Solid Waste Disposal	0.0	0.0	1.0	1.3	1.0	1.3
Arts, Ent. & Events	0.0	0.0	0.6	1.0	0.6	1.0
Total Expenses	**$ 68.6**	**$ 84.5**	**$ 14.3**	**$ 18.5**	**$ 82.9**	**$ 103.0**
Change in Net Position	2.5	6.1	(1.9)	(1.9)	0.6	4.2
Beginning Net Position	195.5	189.3	51.7	53.6	247.2	242.9
Restatement	(83.2)	0.0	0.0	0.0	(83.2)	0.0
Ending Net Position	**$ 114.8**	**$ 195.4**	**$ 49.8**	**$ 51.7**	**$ 247.7**	**$ 247.2**

Normal Impacts on Revenues and Expenses

There are eight basic impacts on revenues and expenses as reflected below.

Revenues:

Economic Condition – which can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village-Approved Rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (property taxes, water, sewer, building fees, home rule sales tax, prepared food tax, etc.)

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

Market Impacts on Investment Income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Program – within the functional expense categories (General Government, Public Safety and Streets and Highways, etc.), individual programs may be added or deleted to meet changing community needs.

Increase/Decrease in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 81% of the Village's General Fund and 39% of Water & Sewer Fund operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

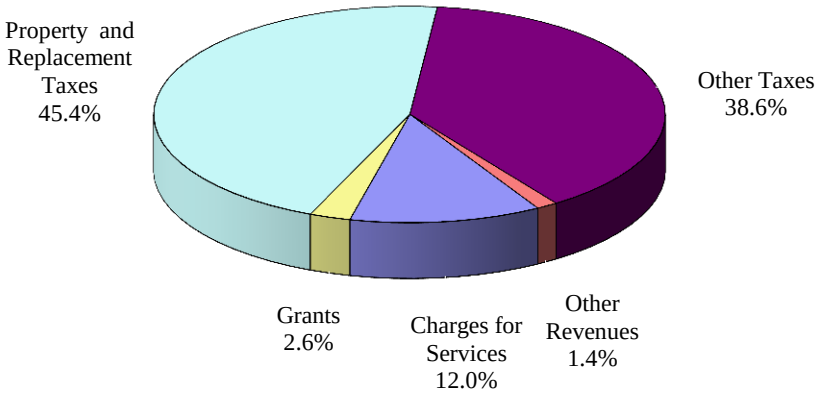
Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity-specific increases.

Current Year Impacts

Governmental Activities

Revenues:

12/31/15 Governmental Activities
Revenues by Source



For the fiscal year ended December 31, 2015, revenues from Governmental Activities totaled $71.1 million, which was $19.5 million less than the prior year total. During the fiscal year property taxes and replacement taxes continued to be one of the Village's largest revenue categories coming in at $32.2 million and representing 45.4% of total Government Activity revenue. This includes property tax increment revenue generated by the Village's tax increment financing (TIF) districts, which brought in $890,000 during the fiscal year. Property tax receipts increased about $410,000 compared to the prior fiscal year. This is a result of an overall increase of tax receipts during the year for the General Fund.

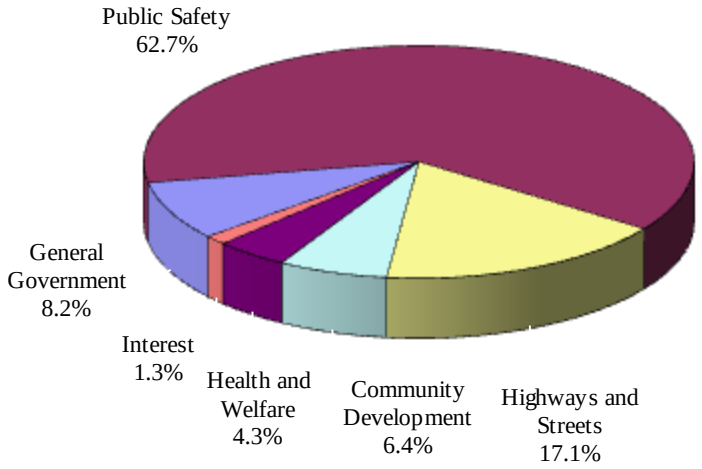
As a result of the shortened year to eight months, changes between the current year and prior year will be a a 33% base decrease in relation to having a shorter year. Other taxes, including sales tax revenues combined with the telecommunications tax, food and beverage tax, use tax, home-rule sales tax, shared State income tax revenues, and other miscellaneous taxes total $27.4 million representing 38.6% of the total Governmental Activity revenue. Village sales tax receipts decreased by about $4.2 million or 30% lower than the prior fiscal year. Income tax receipts came in lower than last year, decreasing by about $2.1 million. Telecommunication tax receipts decreased by about $1.2 million or 36%. Electric and natural gas utility tax receipts decreased by about $2.7 million due to the shortened year which did not include the cold winter months.

Charges for Services came in at $8.6 million or 12.0% of total Government Activity revenue. These revenues include Building Permits, Engineering Services charges, Ambulance Fees, Cable Franchise Fees, General Fund Service Charges to the Municipal Parking, TIF, and Water & Sewer Funds, parking lot fees and fines, and other charges. Charges for Services decreased by about $3.3 million or 28% mainly due to the shortened year.

Grants decreased by about $3.0 million from the prior year. This decrease is due primarily to revenue recognized from seizures from the Department of Justice of $1.6 million in the prior year.

Expenses:

12/31/15 Governmental Activities
Expenses by Function



Expenses:

As a result of the shortened year to eight months, changes between the current year and prior year will be a a 33% base decrease in relation to having a shorter year. For the year ended December 31, 2015, expenses from Governmental Activities totaled $68.6 million, a decrease of $15.9 million or 19.0% over the prior year. General Government expenses decreased from the prior year by $1.4 million. This included the Illinois Metropolitan Investment Fund (IMET) additional 10% loss expense incurred of $131,000. IMET is an intergovernmental investment fund of which the Village is a member. The fund provides a pooled short term investment option for local governments. During FY2015 one of IMET's investments was subjected to a potential loss due to a fraud perpetrated by a firm in which IMET holds a portion of its investment portfolio. Efforts to recoup these losses are ongoing, but to be conservative the Village booked an additional 10% loss based on recovery results. If assets above this amount are recovered in the future, the Village would recognize this as additional revenue at that time.

Public Safety expenses did not decrease in relation to the shorter eight month year due to the additional GASB 68 pension expense of $8.7 million.

Business-Type Activities

Revenues:

As a result of the shortened year to eight months, changes between the current year and prior year will be a a 33% base decrease in relation to having a shorter year. The total revenue for the business-type activities decreased by $4.2 million. Water and sewer rates increased five percent per the Village's five-year rate plan. The Art, Entertainment and Events Fund did increase $36,000 over the prior year.

Expenses:

Expenses from business-type activities decreased by about $4.2 million compared to the prior year. The expected base line decrease from the shortened eight month year in the Water & Sewer Fund was offset by higher than normal contractual Services and Commodities from Water Main breaks and the associated necessary repairs. In addition, a full year of depreciation was taken. The AE&E Fund expenses decreased an additional 12% due to the decrease in the subsidy, over the expected baseline decrease of 33% from the short eight month year.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At December 31, 2015 the Governmental Funds (as presented on Page 7-8) reported a combined fund balance of $64,300,780, which is a 8% increase from the beginning of the year balance of $59,527,303 due to a full year of Property Tax Revenue along with the decrease in expenditures from the shorter eight month year. Of the total fund balance, $27,536,053 is unrestricted and unassigned indicating availability for continuing Village services. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Restricted fund balance reflects amounts that can be spent only for specific purposes stipulated by creditors, grantors, contributors, or imposed by law through enabling legislation adopted by the Village. Restricted fund balances totaling $22,074,564 include $1,500,506 for debt service, $6,479,403 for capital projects, $2,526,627 for public safety (Foreign Fire Insurance and Drug Forfeiture Funds), $4,162,239 for highways and streets (MFT Fund), and $3,734,690 for community development (TIF Funds), and $3,671,099 for Flood V Fund reserves. Assigned fund balances are intended to be used by the Village for specific purposes and are designated by the Village's Finance Director for reporting purposes. Assigned fund balances totaling $14,146,981 include $5,260,207 for public parking, $1,332,496 for public buildings, $6,736,865 for emerald ash borer purposes, and $817,413 for other miscellaneous purposes.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance of the General Fund increased by $4.2 million or 17.3% over 4/30/2015. Revenues came in over expenditures by $6,709,579. There were one-time transfers out totaling $2.5 million with $2,000,000 to the Municipal Parking Operations Fund to subsidize the rehabilitation of all four Parking Garages and $500,000 to the Storm Water control Fund for Storm Water improvements.

Proprietary Funds

At December 31, 2015 the Proprietary Funds (as presented on Pages 13-16) total net position decreased by $1,878,845 or 3.6%. Accumulated depreciation increased by $1.4 million and depreciable assets increased by $108,000.

In the Water & Sewer Fund cash and investments and customer receivables decreased by $1.0 million due to planned expenses coming in higher than revenues. Solid Waste Disposal Fund cash and investments decreased by $386,000. In the A, E & E Fund cash and investments decreased $57,000 due to one-time payments to Performing Arts at Metropolis (PAM).

GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual
Revenues	$ 54,998,800	$ 55,001,300	$ 56,281,295
Expenditures	52,165,900	52,336,180	49,571,716
Excess of Revenues Over Expenditures	$ 2,832,900	$ 2,665,120	$ 6,709,579
Other Financing Sources (Uses)	(2,800,000)	(2,800,000)	(2,500,000)
Net Changes in Fund Balance	**$ 32,900**	**$ (134,880)**	**$ 4,209,579**

Over the course of the fiscal year, as shown on page 88 the Village amended the General Fund expenditure budget at various times for a total of $167,280 or .3% over the original budget. The expenditure budget amendments can be summarized as follows:

$ 150,480	Encumbrance rollover-purchase orders for goods ordered the prior year, but not received until this fiscal year.
16,800	Miscellaneous budget amendments.
$ 167,280	Total General Fund expenditure budget amendments.

General Fund revenues ended the fiscal year positively with $1,279,995 more than the final budget. Sales, home rule sales, and State use tax receipts came in a combined $1,015,265 over budget. Income tax receipts exceeded the budget by $405,000. Food and Beverage Tax came in over budget by $137,000. Cable Franchise fees outperformed the budget by $161,000. Electric utility tax receipts came in $153,000 under budget, along with natural gas utility tax receipts underperforming by $649,000. Building permit revenue came in over budget by $405,000. Telecommunications tax receipts came in under budget by $63,000 but ambulance service charges came in over budget by $21,000.

The year-end results for General Fund expenditures were also positive as expenditures came in under budget by $2,764,464. Of this amount salary and fringe expenditures for Police Officers came in under budget by about $348,000 due to normal vacancies and temporary workers' compensation related vacancies. There were also a number of vacancies in the Public Works, Planning, Building and Engineering Departments that resulted in wages and fringes coming in under budget in these departments by a combined $319,000. Police and Fire Petroleum Products came in under budget by a combined $80,000. The Fire Department was also under budget in equipment maintenance, training, clothing and small tools and equipment for a total of $87,000. Engineering was under budget in Contractual Services coming in under budget $26,000 in the Professional Services and training accounts. The Planning Department's Contractual Services were $14,000 under budget. Other expenditures came in under budget by a combined $89,000 due to decreased spending in the supplies, Promote Economic Business Development, Discover Arlington and Zero Interest Loan Program accounts. The Building Department also came in $19,000 under budget in Contractual Services mainly due to less than budgeted Elevator Inspections and training. The Health Department came in under budget $117,000, primarily from Property Maintenance and the Wellness Program being $49,000 and $14,800 under budget.

The Public Works Department also came in under budget by $1,300,000 in Contractual services and Commodities. These under budget expenditure areas include accounts for equipment maintenance, street and sidewalk Supplies and Maintenance, Utility and Tree Services. Other Village expenditures came in under budget including the unused budgeted contingency amount of $249,000.

Other Financing Uses came in under the amended budget as the $300,000 budgeted transfer to the Health Insurance Fund was not required. During the year the Village transferred $2,000,000 to the Municipal Parking Operations Fund and $500,000 to the Storm Water Control Fund for Storm Water improvements. The General Fund's total net change in fund balance increased by $4,209,579 as a result of revenues coming in over expenditures by $6,709,579 net of other financing sources (uses) totaling ($2,500,000).

CAPITAL ASSETS

At the end of FY2015, the Village had a combined total of $197.6 million invested in a broad range of capital assets including police and fire equipment, buildings, Village facilities, roads, and water and sewer lines. The following tables summarize the changes in Capital Assets which are presented in detail on Pages 38-39 in the Notes to the Financial Statements. Table 4 shows that total capital assets had a net decrease (including additions and deletions) of $570,000. Table 5 focuses on the changes in capital assets of the governmental and business-type activities.

Table 4: Capital Assets at Year End Net of Depreciation
(In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	12/31/2015	4/30/2015	12/31/2015	4/30/2015	12/31/2015	4/30/2015
Land	$13.54	$13.54	$3.12	$3.12	$16.66	$16.66
Land Right-of-Way (ROW)	77.30	73.89	--	--	77.30	73.89
Construction in Progress	0.00	0.00	--	--	0.00	0.00
Building	60.60	63.09	9.80	10.23	70.40	73.32
Machinery & Equipment	8.90	8.80	1.90	2.11	10.80	10.91
Infrastructure (Streets)	9.70	9.99	--	--	9.70	9.99
Underground Systems (Water & Sewer)	--	--	12.70	13.43	12.70	13.43
Total Capital Assets, Net	**$170.04**	**$169.31**	**$27.61**	**$28.89**	**$197.56**	**$198.20**

Table 5: Change in Capital Assets
(In Millions)

	Governmental Activities	Busines-Type Activities	Total
Beginning Balance	$169.31	$28.89	$198.20
Additions			
Depreciable	1.81	0.10	1.91
Non-Depreciable	3.40	-	3.40
CIP	-	-	-
Retirements			
Depreciable	(0.63)	-	(0.63)
Non-Depreciable	-	-	-
CIP	-	-	-
Depreciation	(4.48)	(1.38)	(5.86)
Retirement	0.63	-	0.63
Ending Balance	**$170.04**	**$27.61**	**$197.56**

The governmental activities net capital assets increased by $706,187 or .004% due to the right-of-way dedication of $3.4 million from the Christina Court Subdivision, the addition of infrastructure from sidewalks of $348,000 and Equipment and Vehicles of $1,457,000, including a Water Utility Truck for $232,000 and two ambulances for $457,000. These additions are netted against Depreciation Expense of $4,480,000 million. For business-type activities, the capital assets net of depreciation decreased by $1.28 million or 4.4% due primarily to depreciation on existing assets.

DEBT OUTSTANDING

As of December 31, 2015 total General Obligation Bonds outstanding for governmental activities amounted to $36.1 million. Of this amount, $26.4 million for reconstruction of public buildings, $.3 million for TIF projects, $1.8 million for the NWCDS building, $.3 million for the Senior Center**,** $6.4 million is for road improvements, and $.9 million is for other miscellaneous purposes. The Village, under its home rule authority, does not have a legal debt limit. The Village's bond rating of Aa1 by Moody's Investors Service was reaffirmed in August 2014 citing the Village's well-managed financial operations, aggressive retirement of its general obligation bonds, and its ability to implement additional revenue sources. Additional information on the Village's long-term debt can be found in the Notes to the Financial Statements on Pages 38-43.

ECONOMIC FACTORS AND NEXT YEAR'S FY2016 BUDGET

This fiscal year ended positively as the Village's General Fund ended with a surplus. This operating fund pays for most Village services, except for water and sewer expenses. The financial condition of the General Fund has improved significantly over the last five fiscal years. Aggressive budgetary actions on both the expenditure and revenue sides of the ledger in prior fiscal years enabled the Village to maintain a strong fund balance throughout the last recession. As of mid-April of 2016, the Village's revenue and expenditure budget assumptions for the period ending December 31, 2016 are continuing to come in better than expected.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Thomas F. Kuehne, Finance Director/Treasurer, Village of Arlington Heights, and 33 S. Arlington Heights Road, Arlington Heights, IL 60005.

(See independent auditor's report.)

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

  Governmental Funds

  Proprietary Funds

  Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Net Position
December 31, 2015

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Net Position
December 31, 2015

	Governmental Activities	Business-Type Activities	Totals	Component Unit Arlington Heights Memorial Library
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ 78,086,758	$ 5,530,598	$ 83,617,356	$ 14,027,457
Receivables - Net of Allowances				
Property Taxes	34,411,688	-	34,411,688	13,830,091
Other Taxes	7,706,177	-	7,706,177	-
Accounts	-	2,097,954	2,097,954	69,361
Accrued Interest	52,622	4,489	57,111	8,460
Other	5,237,548	81,461	5,319,009	-
Prepaids/Inventories	618,678	747,758	1,366,436	244,857
Total Current Assets	126,113,471	8,462,260	134,575,731	28,180,226
Noncurrent Assets				
Capital Assets				
Nondepreciable	90,817,324	3,124,150	93,941,474	220,917
Depreciable	176,383,943	101,499,120	277,883,063	18,444,313
Accumulated Depreciation	(97,178,033)	(77,009,889)	(174,187,922)	(10,912,999)
	170,023,234	27,613,381	197,636,615	7,752,231
Other Assets				
Invested in Joint Venture	-	14,695,560	14,695,560	-
Total Noncurrent Assets	170,023,234	42,308,941	212,332,175	7,752,231
Total Assets	296,136,705	50,771,201	346,907,906	35,932,457
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	6,655,282	-	6,655,282	1,769,125
Deferred Items - Police Pension	4,726,239	-	4,726,239	-
Deferred Items - Firefighters' Pension	5,393,338	-	5,393,338	-
Unamortized Loss on Refunding	1,331,590	-	1,331,590	-
Total Deferred Outflows of Resources	18,106,449	-	18,106,449	1,769,125
Total Assets and Deferred Outflows of Resources	314,243,154	50,771,201	365,014,355	37,701,582

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals	Component Unit Arlington Heights Memorial Library
LIABILITIES				
Current Liabilities				
Accounts Payable	$ 3,058,801	$ 478,734	$ 3,537,535	$ 348,891
Accrued Payroll	448,240	72,227	520,467	181,306
Accrued Interest	95,058	-	95,058	-
Claims Payable	3,725,309	-	3,725,309	-
Other Payables	2,260,640	-	2,260,640	1,540
Due to Other Governments	299,946	-	299,946	-
Current Portion of Long-Term Liabilities	5,881,287	46,403	5,927,689	52,982
Total Current Liabilities	15,769,281	597,364	16,366,644	584,719
Noncurrent Liabilities				
Compensated Absences Payable	1,563,795	185,611	1,749,407	211,927
Net Pension Liability	110,231,484	-	110,231,484	4,783,152
Net Other Post-Employment Benefits Obligation Payable	4,386,159	173,856	4,560,015	75,468
General Obligation Bonds Payable - Net	31,763,908	-	31,763,908	-
Total Noncurrent Liabilities	147,945,346	359,467	148,304,814	5,070,547
Total Liabilities	163,714,627	956,831	164,671,458	5,655,266
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	374,853	-	374,853	99,644
Deferred Items - Police Pension	835,613	-	835,613	-
Property Taxes	34,411,688	-	34,411,688	13,830,091
Grants	129,051	-	129,051	-
Total Deferred Inflows of Resources	35,751,205	-	35,751,205	13,929,735
Total Liabilities and Deferred Inflows of Resources	199,465,832	956,831	200,422,663	19,585,001
NET POSITION				
Net Investment in Capital Assets	134,100,576	27,613,381	161,713,957	7,752,231
Restricted - Debt Service	1,405,448	-	1,405,448	-
Restricted - Capital Projects	6,479,403	-	6,479,403	-
Restricted - Motor Fuel Taxes	4,162,239	-	4,162,239	-
Restricted - Foreign Fire Insurance	482,262	-	482,262	-
Restricted - Criminal Investigation	2,044,365	-	2,044,365	-
Restricted - Tax Increment Financing	3,734,690	-	3,734,690	-
Restricted - Stormwater Control	3,671,099	-	3,671,099	-
Restricted - Social Security	-	-	-	301,728
Restricted - Culture, Recreation and Education	-	-	-	10,062,622
Unrestricted	(41,302,760)	22,200,989	(19,101,771)	-
Total Net Position	$ 114,777,322	$ 49,814,370	$ 164,591,692	$ 18,116,581

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Activities
For the Eight Months Ended December 31, 2015

		Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	$ 5,640,281	$ 3,105,322	$ 23,000	$ -
Public Safety	42,999,869	2,088,265	210,174	-
Highways and Streets	11,731,508	2,322,624	1,279,482	-
Health and Welfare	2,951,484	22,680	22,037	-
Community Development	4,396,910	1,055,370	299,685	-
Interest on Long-Term Debt	888,689	-	-	-
Total Governmental Activities	68,608,741	8,594,261	1,834,378	-
Business-Type Activities				
Water and Sewer	12,744,878	10,323,750	-	-
Solid Waste Disposal	961,329	1,310,604	-	-
Arts, Entertainment and Events	570,146	85,288	-	-
Total Business-Type Activities	14,276,353	11,719,642	-	-
Total Primary Government	$ 82,885,094	$ 20,313,903	$ 1,834,378	$ -
Component Unit				
Arlington Heights Memorial Library	$ 9,715,881	$ 142,093	$ 156,255	$ -

General Revenues
- Taxes
  - Property
  - Utility
  - Home Rule Sales
  - Food and Beverage
  - Hotel/Motel
  - Telecommunications
  - Foreign Fire Insurance
  - Other
- Intergovernmental - Unrestricted
  - State Sales and Use
  - Replacement Taxes
  - Shared Income Tax
- Interest
- Miscellaneous

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense)/Revenue			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Totals	Arlington Heights Memorial Library
$ (2,511,959)	$ -	$ (2,511,959)	$ -
(40,701,430)	-	(40,701,430)	-
(8,129,402)	-	(8,129,402)	-
(2,906,767)	-	(2,906,767)	-
(3,041,855)	-	(3,041,855)	-
(888,689)	-	(888,689)	-
(58,180,102)	-	(58,180,102)	-
-	(2,421,128)	(2,421,128)	-
-	349,275	349,275	
-	(484,858)	(484,858)	-
-	(2,556,711)	(2,556,711)	-
(58,180,102)	(2,556,711)	(60,736,813)	-
-	-	-	(9,417,533)
31,960,632	-	31,960,632	13,387,421
2,827,748	-	2,827,748	-
5,097,810	-	5,097,810	-
1,437,299	367,339	1,804,638	-
777,052	-	777,052	-
2,037,305	-	2,037,305	-
137,450	-	137,450	-
286,444	-	286,444	-
9,570,657	-	9,570,657	-
283,613	-	283,613	-
5,254,518	-	5,254,518	-
121,491	9,806	131,297	33,839
837,890	300,721	1,138,611	5,842
60,629,909	677,866	61,307,775	13,427,102
2,449,807	(1,878,845)	570,962	4,009,569
112,327,515	51,693,215	164,020,730	14,107,012
$ 114,777,322	$ 49,814,370	$ 164,591,692	$ 18,116,581

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Balance Sheet - Governmental Funds
December 31, 2015

	General
ASSETS	
Cash and Investments	$ 21,890,582
Receivables - Net of Allowances	
Property Taxes	22,075,570
Other Taxes	7,068,097
Accrued Interest	22,618
Other	1,220,997
Due from Other Funds	6,000
Prepaids/Inventories	172,973
Total Assets	$ 52,456,837
LIABILITIES	
Accounts Payable	$ 1,435,347
Accrued Payroll	407,052
Due to Other Funds	-
Due to Other Governments	-
Other Payables	12,699
Total Liabilities	1,855,098
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	22,075,570
Grants	-
Total Deferred Inflows of Resources	22,075,570
Total Liabilities and Deferred Inflows of Resources	23,930,668
FUND BALANCES	
Nonspendable	172,973
Restricted	-
Assigned	817,143
Unassigned	27,536,053
Total Fund Balances	28,526,169
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 52,456,837

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects	Nonmajor	Totals
$ 1,470,315	$ 5,167,657	$ 27,930,216	$ 56,458,770
6,608,105	4,545,000	1,183,013	34,411,688
-	468,585	169,495	7,706,177
5,133	4,835	10,160	42,746
25,058	1,549,210	2,300,971	5,096,236
-	-	-	6,000
-	-	370,479	543,452
$ 8,108,611	$ 11,735,287	$ 31,964,334	$ 104,265,069
$ -	$ 701,250	$ 304,894	$ 2,441,491
-	-	8,421	415,473
-	-	6,000	6,000
-	-	299,946	299,946
-	9,634	2,238,307	2,260,640
-	710,884	2,857,568	5,423,550
6,608,105	4,545,000	1,183,013	34,411,688
-	-	129,051	129,051
6,608,105	4,545,000	1,312,064	34,540,739
6,608,105	5,255,884	4,169,632	39,964,289
-	-	370,479	543,452
1,500,506	6,479,403	14,094,655	22,074,564
-	-	13,329,568	14,146,711
-	-	-	27,536,053
1,500,506	6,479,403	27,794,702	64,300,780
$ 8,108,611	$ 11,735,287	$ 31,964,334	$ 104,265,069

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Reconciliation of Total Governmental Fund Balance to
Net Position - Governmental Activities

December 31, 2015

Total Governmental Fund Balances	$ 64,300,780
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	161,449,698
Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	25,725,988
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	6,280,429
Deferred Items - Police Pension	3,890,626
Deferred Items - Firefighters' Pension	5,393,338
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,814,074)
Net Pension Liability	(110,231,484)
Net Other Post-Employment Benefit Obligation	(4,200,263)
General Obligation Bonds Payable	(36,085,000)
Unamortized Bond Premium	(1,169,248)
Unamortized Loss on Refunding	1,331,590
Accrued Interest Payable	(95,058)
Net Position of Governmental Activities	$ 114,777,322

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Eight Months Ended December 31, 2015

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Eight Months Ended December 31, 2015

	General
Revenues	
Taxes	$ 32,777,497
Intergovernmental	15,269,481
Charges for Services	2,995,937
Licenses, Permits and Fees	4,317,478
Fines and Forfeitures	431,564
Interest	37,516
Miscellaneous	451,822
Total Revenues	56,281,295
Expenditures	
Current	
General Government	3,179,513
Public Safety	33,416,280
Highways and Streets	7,958,359
Health and Welfare	1,384,451
Community Development	3,633,113
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	49,571,716
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,709,579
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	(2,500,000)
	(2,500,000)
Net Change in Fund Balances	4,209,579
Fund Balances - Beginning	24,316,590
Fund Balances - Ending	$ 28,526,169

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects	Nonmajor	Totals
$ 6,626,394	$ 4,130,572	$ 889,827	$ 44,424,290
-	-	1,811,135	17,080,616
-	-	762,148	3,758,085
-	-	-	4,317,478
-	-	69,056	500,620
8,859	12,651	29,504	88,530
281,800	66,759	55,587	855,968
6,917,053	4,209,982	3,617,257	71,025,587
2,191	8,092	29,835	3,219,631
-	-	99,376	33,515,656
-	-	895,854	8,854,213
-	-	192,847	1,577,298
-	-	318,399	3,951,512
-	4,651,116	2,626,736	7,277,852
6,455,000	-	-	6,455,000
1,400,954	-	-	1,400,954
7,858,145	4,659,208	4,163,047	66,252,116
(941,092)	(449,226)	(545,790)	4,773,471
855,513	-	5,900,000	6,755,513
-	(3,400,000)	(855,513)	(6,755,513)
855,513	(3,400,000)	5,044,487	-
(85,579)	(3,849,226)	4,498,697	4,773,471
1,586,085	10,328,629	23,296,005	59,527,309
$ 1,500,506	$ 6,479,403	$ 27,794,702	$ 64,300,780

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Eight Months Ended December 31, 2015

Net Change in Fund Balances - Total Governmental Funds	$	4,773,471
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.		
Capital Outlays		3,824,014
Depreciation Expense		(3,281,767)
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.		
Change in Deferred Items - IMRF		3,777,334
Change in Deferred Items - Police Pension		(609,158)
Change in Deferred Items - Firefighters' Pension		336,199
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.		
Decrease to Compensated Absences Payable		2,319,494
(Increase) to Net Pension Liability - IMRF		(14,906,491)
Additions to Net Other Post-Employment Benefit Obligations		(100,100)
Amortization of Bond Premium		276,785
Amortization of Refunding Loss		(266,140)
Retirement of General Obligation Bonds Payable		6,455,000
Changes to accrued interest on long-term debt in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		501,620
Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(650,454)
Changes in Net Position of Governmental Activities	$	2,449,807

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Net Position - Proprietary Funds
December 31, 2015

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Net Position - Proprietary Funds
December 31, 2015

	Business-Type Activities - Enterprise			Governmental Activities
	Water and Sewer	Nonmajor	Totals	Internal Service
ASSETS				
Current Assets				
Cash and Investments	$ 1,739,367	$ 3,791,231	$ 5,530,598	$ 21,627,988
Receivables - Net of Allowances				
Accounts - Customer	2,097,954	-	2,097,954	-
Accrued Interest	2,468	2,021	4,489	9,876
Other	14,170	67,291	81,461	141,312
Prepaids	7,600	93,093	100,693	-
Inventories	647,065	-	647,065	75,226
Total Current Assets	4,508,624	3,953,636	8,462,260	21,854,402
Noncurrent Assets				
Capital Assets				
Nondepreciable	2,648,950	475,200	3,124,150	-
Depreciable	98,933,374	2,565,746	101,499,120	19,422,696
Accumulated Depreciation	(76,100,325)	(909,564)	(77,009,889)	(10,849,160)
	25,481,999	2,131,382	27,613,381	8,573,536
Other Assets				
Investment in Joint Venture	14,695,560	-	14,695,560	-
Total Noncurrent Assets	40,177,559	2,131,382	42,308,941	8,573,536
Total Assets	44,686,183	6,085,018	50,771,201	30,427,938

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise			Governmental Activities
	Water and Sewer	Nonmajor	Totals	Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	$ 473,154	$ 5,580	$ 478,734	$ 617,310
Accrued Payroll	72,227	-	72,227	32,767
Claims Payable	-	-	-	3,725,309
Compensated Absences Payable	46,403	-	46,403	28,134
Total Current Liabilities	591,784	5,580	597,364	4,403,520
Noncurrent Liabilities				
Compensated Absences Payable	185,611	-	185,611	112,534
Net Other Post-Employment Benefits Obligation Payable	173,856	-	173,856	185,896
Total Noncurrent Liabilities	359,467	-	359,467	298,430
Total Liabilities	951,251	5,580	956,831	4,701,950
NET POSITION				
Investment in Capital Assets	25,481,999	2,131,382	27,613,381	8,573,536
Unrestricted	18,252,933	3,948,056	22,200,989	17,152,452
Total Net Position	$ 43,734,932	$ 6,079,438	$ 49,814,370	$ 25,725,988

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Eight Months Ended December 31, 2015

	Business-Type Activities - Enterprise			Governmental Activities
	Water and Sewer	Nonmajor	Totals	Internal Service
Operating Revenues				
Charges for Services	$ 10,222,539	$ 1,395,892	$ 11,618,431	$ 13,038,308
Fines	-	-	-	11,744
Miscellaneous	101,211	-	101,211	308,290
Total Operating Revenues	10,323,750	1,395,892	11,719,642	13,358,342
Operating Expenses				
Operations	11,425,282	1,458,952	12,884,234	13,038,715
Depreciation	1,317,047	66,873	1,383,920	1,198,568
Total Operating Expenses	12,742,329	1,525,825	14,268,154	14,237,283
Operating Income (Loss)	(2,418,579)	(129,933)	(2,548,512)	(878,941)
Nonoperating Revenues (Expenses)				
Food and Beverage Tax	-	367,339	367,339	-
Disposal of Capital Assets	-	-	-	95,709
Interest Income	3,605	6,201	9,806	32,961
Other Income	300,721	-	300,721	127,623
Other Expenses	(2,549)	(5,650)	(8,199)	(27,806)
	301,777	367,890	669,667	228,487
Income (Loss) Before Transfers	(2,116,802)	237,957	(1,878,845)	(650,454)
Transfers In	-	-	-	335,950
Transfers Out	-	-	-	(335,950)
Change in Net Position	(2,116,802)	237,957	(1,878,845)	(650,454)
Net Position - Beginning	45,851,734	5,841,481	51,693,215	26,376,442
Net Position - Ending	$ 43,734,932	$ 6,079,438	$ 49,814,370	$ 25,725,988

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Eight Months Ended December 31, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor	Totals	Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 10,323,750	$ 1,395,892	$ 11,719,642	$ -
Interfund Services Provided	-	-	-	13,318,576
Payments to Suppliers	(8,882,851)	(1,325,768)	(10,208,619)	(10,778,773)
Payments to Employees	(2,690,964)	(114,182)	(2,805,146)	(1,175,689)
	(1,250,065)	(44,058)	(1,294,123)	1,364,114
Cash Flow from Noncapital Financing Activities				
Food and Beverage Tax	-	367,339	367,339	-
Transfers In	-	-	-	335,950
Transfers Out	-	-	-	(335,950)
	-	367,339	367,339	-
Cash Flows from Capital and Related Financing Activities				
Disposal of Capital Assets	-	-	-	95,709
Purchase of Capital Assets	(107,900)	-	(107,900)	(1,362,508)
	(107,900)	-	(107,900)	(1,266,799)
Cash Flows from Investing Activities				
Interest Received	3,605	6,201	9,806	32,961
Net Change in Cash and Cash Equivalents	(1,354,360)	329,482	(1,024,878)	130,276
Cash and Cash Equivalents - Beginning	3,093,727	3,461,749	6,555,476	21,724,094
Cash and Cash Equivalents - Ending	$ 1,739,367	$ 3,791,231	$ 5,530,598	$ 21,854,370
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	$ (2,418,579)	$ (129,933)	$ (2,548,512)	$ (878,941)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	1,317,047	66,873	1,383,920	1,198,568
Other Income (Expense)	298,172	(5,650)	292,522	99,817
(Increase) Decrease in Current Assets	(275,923)	31,781	(244,142)	426,590
Increase (Decrease) in Current Liabilities	(170,782)	(7,129)	(177,911)	518,080
Net Cash Provided by Operating Activities	$ (1,250,065)	$ (44,058)	$ (1,294,123)	$ 1,364,114

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Fiduciary Net Position
December 31, 2015

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	$ 8,219,761	$ 2,165,552
Investments		
U.S. Treasury and Agency Obligations	42,242,647	-
Corporate and Foreign Corporate Bonds	31,110,430	-
Municipal Bonds	1,701,411	-
Common Stock	40,496,655	-
Mutual Funds	75,285,156	-
Receivables - Net of Allowances		
Accounts	-	36,202
Accrued Interest	448,826	491
Other	673	-
Total Assets	199,505,559	$ 2,202,245
LIABILITIES		
Accounts Payable	-	26,899
Deposits Payable	-	2,175,329
Other Payables	50,715	17
Total Liabilities	50,715	$ 2,202,245
NET POSITION		
Net Position Restricted for Pensions	$ 199,454,844	

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Eight Months Ended December 31, 2015

	Pension Trust
Additions	
Contributions - Employer	$ 9,557,400
Contributions - Plan Members	1,381,974
Contributions - Other	26,404
Total Contributions	10,965,778
Investment Income	
Interest Earned	3,339,515
Net Change in Fair Value	(6,619,088)
	(3,279,573)
Less Investment Expenses	(296,195)
Net Investment Income	(3,575,768)
Total Additions	7,390,010
Deductions	
Administration	89,613
Benefits and Refunds	7,781,793
Total Deductions	7,871,406
Change in Fiduciary Net Position	(481,396)
Net Position Restricted for Pensions	
Beginning	199,936,240
Ending	$ 199,454,844

The notes to the financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Arlington Heights, Illinois (Village) operates as a home rule community with a council-manager form of government that provides policy leadership by elected officials that work along with the administrative direction of the Village Manager. The Village Board members are elected at large on a non-partisan basis, and they serve as the community's decision-makers. The Village Board members are composed of eight trustees, and one Village President, who is also the Village Mayor.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Arlington Heights
Discretely Presented Component Unit:	Arlington Heights Memorial Library

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The Village's sworn full-time firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village's President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn full-time firefighters. The FPERS is reported as a pension trust fund.

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Arlington Heights Memorial Library

The Arlington Heights Memorial Library (the Library) operates and maintains the public library within the Village. The Library is a public library operating in accordance with the Illinois Local Library Act, 75 ILCS 5/1-0.1 et seq. The Library's Board is elected by the voters of the Village. The Library may not issue bonded debt without the Village's approval and its annual budget and property tax levy request are subject to the Village Board's approval, as well as the potential financial burden relationship existing. Complete financial statements for the Library can be obtained from the Library's offices at 500 North Dunton Street, Arlington Heights, Illinois 60004.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government–wide and fund financial statements categorize primary activities as either governmental or business type. The Village's public safety, highway and street maintenance and reconstruction, community development, health and welfare, and general administrative services are classified as governmental activities. The Village's water and sewer, solid waste disposal, and arts, entertainment and events activities are classified as business-type activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
>
> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains eleven nonmajor special revenue funds.

Debt service fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and is used to account for the servicing of general long-term debt not being financed by proprietary funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains four capital projects funds. The Capital Projects Fund, a major fund, is used to account for the costs of miscellaneous capital improvement projects and equipment replacement. Financing is provided by earmarking revenues to provide for the costs associated with the projects. Major projects include: road improvements, curb replacement, paving maintenance and sidewalk replacement/installation.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains three proprietary funds. The Water and Sewer Fund, a major fund, is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains six internal service funds. The Health and Life Insurance Fund is used to account for all costs associated with self-insurance risks for health and life insurance. The Retiree Health Insurance Fund is used to account for all costs associated with self-insurance risks for health insurance for retirees. The General Liability Insurance Fund is used to account for all costs associated with self-insurance risks for general liability and property loss. The Workers' Compensation Fund is used to account for all costs associated with self-insurance risks for general liability and property loss. The Fleet Operations Fund is used to account for all costs associated with maintaining and servicing the vehicles and equipment operated by the various departments within the Village. The Technology Fund is used to account for all costs associated with providing technology services to all departments for the operations of the Village.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the Village for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains three agency funds. The Guaranty Deposit Fund is used to account for deposits by developers and contractors providing services within the Village to guarantee performance of construction contracts. These funds are later returned to the developer or contractor upon completion of the contract. The Escrow Deposit Fund is used to account for deposits by developers and contractors providing services within the Village. These funds are used to reimburse the Village for the cost of goods and services provided. The Special Assessments Collection Fund is used to account for the collection of special assessments from property owners. The collections are used to repay special assessment debt, for which the Village is not obligated.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary, pension trust, and agency fund equity is classified as net position. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for 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 nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, utility taxes and grants. Business-type activities report utility charges as their major receivables.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Prepaids/Inventories

Prepaids/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of $10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 - 40 Years
Machinery, Equipment and Vehicles	3 - 20 Years
Infrastructure	40 Years
Underground Systems	40 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type 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 reported as expenses at the time of issuance.

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

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

> Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
>
> Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.
>
> Unrestricted – All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

At the first Committee-of-the-Whole (the Committee) meeting in November, the Village Manager submits to the Committee his proposed operating budget for the fiscal year commencing the following January 1. It is for the period January through December 31 and contains a budget for all funds at a line item level within each fund. The Village Manager's budget includes proposed expenditures and the means for financing them. Preceding this meeting a number of budget review meetings are held with the Village Board in February.

Public hearings are conducted in November and December to obtain citizen comments on the Village Manager's proposed budget (May for community Development Block Grant funds).

At the first Village Board meeting in December, the Board of Trustees considers the proposed operating budget for the fiscal year commencing the following January 1 as approved by the Committee.

Prior to January 1, the budget, which by State law also serves as the appropriation ordinance, is adopted by the Board of Trustees and constitutes the legal budget of the Village.

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

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several budget amendments were completed.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service and Pension Trust funds. All annual appropriations lapse at fiscal year end.

EXCESS OF ACTUAL EXPENSES, EXCLUSIVE OF DEPRECIATION, OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Solid Waste Disposal	$ 31,812

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds. The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiles Statutes.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of $2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least $5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least $10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $23,154,124 and the bank balances totaled $40,495,573.

Investments. The Village has the following investment fair values and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	$ 24,998,759	$ 24,998,759	$ -	$ -	$ -
Illinois Funds	7,249,785	7,249,785	-	-	-
IMET	28,214,688	28,214,688	-	-	-
	$ 60,463,232	$ 60,463,232	$ -	$ -	$ -

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with Village's investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds or similar investment pools. The Village's investment in the Illinois Funds and IMET has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's policy limits its exposure to credit risk by limiting investments to the safest types of securities, prequalifying the financial institution, intermediaries and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. The Village's investment in Illinois Funds is rated Aaam by Moody's, IMET 1-3 Year Fund is rated Aaa-bf by Moody's and the U.S. Treasury Obligations and IMET Convenience Fund are rated AAA by Moody's.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral witnessed by a written collateral agreement and held by an independent third party. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy requires diversification of investments to avoid unreasonable risk by limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pool (LGIPS) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations. At year-end, the Village has over 5 percent of the total cash and investment portfolio (other than U.S. Government guaranteed obligations) invested in the Illinois Funds and in IMET.

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $1,304,287 and the bank balances totaled $1,159,139.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	$ 12,986,907	$ -	$ 8,168,852	$ 3,989,115	$ 828,940
U.S. Agency Obligations	16,693,150	386,621	2,489,495	3,141,882	10,675,152
Corporate and Foreign Corporate Bonds	10,010,005	495,654	5,918,323	3,596,028	
Illinois Funds	3,663,320	3,663,320	-	-	-
	$ 43,353,382	$ 4,545,595	$ 16,576,670	$ 10,727,025	$ 11,504,092

Interest Rate Risk. The Fund's investment policy states that the investment portfolio will limit its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit Risk. The Fund's investment policy limits its exposure to credit risk by primarily investment U.S. Treasury obligations were not rated and the investment in Illinois Funds is rated Aaam by Moody's.

Custodial Credit Risk. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank and evidenced by safekeeping receipts. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, the Fund limits its exposure by requiring all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts. At year-end, the Fund's investments in U.S. Government Agencies are all insured or registered with the Fund or its agent in the Fund's name.

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. Maximum percentages are cash 5%, fixed income 73%, large cap domestic equities 43%, small cap domestic equities 7%, international equities 7% and real estate 5%. In addition to the securities and fair values listed above, the Fund also has $30,766,139 invested in mutual funds and $32,728,490 invested in common stock. At December 31, 2015, the Fund's investment in Fidelity Diversified Mutual Fund of $5,813,346 exceeded 5% of the Fund's total investments. This is in compliance with the Fund's investment policy.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	33.00%	1.82% - 4.14%
Domestic Equities	5.00% - 52.00%	2.96% - 9.51%
International Equities	5.00%	5.84%
Real Estate	3.00%	5.91%
Cash and Cash Equivalents	0.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 5%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in January 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are listed in the table above.

Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (4.74%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $1,418,123 and the bank balances totaled $1,242,716.

Investments. The Fund has the following investment fair values and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	$ 6,076,583	$ -	$ 2,640,214	$ 3,436,369	$ -
U.S. Agency Obligations	6,486,007	523	1,971,243	2,086,183	2,428,058
U.S. Property Real Estate	6,563,669	6,563,669	-	-	-
Corporate and Foreign Corporate Bonds	14,536,756	516,385	9,195,543	4,452,157	372,671
Municipal Obligations	1,701,411	-	1,488,326	213,085	-
Illinois Funds	1,834,031	1,834,031	-	-	-
	$ 37,198,457	$ 8,914,608	$ 15,295,326	$ 10,187,794	$ 2,800,729

Interest Rate Risk. The Fund's investment policy states that the investment portfolio will limit its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit Risk. The Fund's investment policy limits its exposure to credit risk by primarily investing U.S. Treasury obligations and other obligations which are rated Baa or better by national rating agency. The U.S. Treasury and U.S. Agency obligations were rated AAA by Moody's. The corporate bonds, the foreign corporate bonds, and municipal obligations were rate AAA-BAA3 by Moody's. The U.S. Property Real Estate, domestic common stock, foreign common stock, and mutual funds were not rated. The Fund's investment in Illinois Funds is rated AAAm by Standard and Poor's.

Custodial Credit Risk. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank and evidenced by safekeeping receipts. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk – Continued. For an investment, to limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts.

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. Maximum percentages are cash 5%, fixed income 40%, large cap domestic equities 40%, small/mid cap domestic equities 15%, international equities 15%, real estate 11, and Global Tactical AA 9%. In addition to the securities and fair values listed above, the Fund also has $7,768,165 invested in common stock and $44,519,017 invested in mutual funds. At December 31, 2015, the Fund's investment in Vanguard Total Stock Market Index of $32,322,757 and in U.S. Property Real Estate of $6,563,669 exceeded 5% of the Fund's total investments. This is in compliance with the Fund's investment policy.

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	2.50%
Domestic Equities	40.00%	7.60%
International Equities	10.00%	8.10%
Real Estate	10.00%	8.50%
Global Tactical	5.00%	5.00%
Cash and Cash Equivalents	0.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in January 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are listed in the table above.

Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (2.50%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CDBG REHABILITATION LOANS

The Village makes loans to residents for the rehabilitation of single-family housing. Initial funding for these loans was from the Community Development Block Grant (CDBG) Fund. These loans are titles transfer loans which are due in full when the housing unit is sold. Repayments of principal on these receivables, which are recorded in the CDBG Fund, are used to make additional rehabilitation loans. Loan activity for the current year is as follows:

Beginning Balances	Issuances	Retirements	Written Off	Ending Balances
$ 2,233,863	$ 38,489	$ 63,008	$ -	$ 2,209,344

PROPERTY TAXES

Property taxes for 2014 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and are payable in two installments, on or about March 1, and September 1. The County collects such taxes and remits them periodically.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 13,539,722	$ -	$ -	$ 13,539,722
Land Right of Way	73,896,163	3,381,439	-	77,277,602
	87,435,885	3,381,439	-	90,817,324
Depreciable Capital Assets				
Buildings and Improvements	101,639,098	-	-	101,639,098
Machinery, Equipment and Vehicles	21,866,572	1,457,083	633,097	22,690,558
Infrastructure	51,706,287	348,000	-	52,054,287
	175,211,957	1,805,083	633,097	176,383,943
Less Accumulated Depreciation				
Buildings and Improvements	38,561,052	2,478,152	-	41,039,204
Machinery, Equipment and Vehicles	13,054,362	1,336,216	633,097	13,757,481
Infrastructure	41,715,381	665,967	-	42,381,348
	93,330,795	4,480,335	633,097	97,178,033
Total Net Depreciable Capital Assets	81,881,162	(2,675,252)	-	79,205,910
Total Net Capital Assets	$ 169,317,047	$ 706,187	$ -	$ 170,023,234

Depreciation expense was charged to governmental activities as follows:

General Government	$ 662,311
Public Safety	795,165
Highways and Streets	1,346,553
Health and Welfare	32,340
Community Development	445,398
Internal Service	1,198,568
	$ 4,480,335

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 3,124,150	$ -	$ -	$ 3,124,150
Depreciable Capital Assets				
Buildings and Improvements	19,240,175	-	-	19,240,175
Machinery and Equipment	5,796,224	14,400	-	5,810,624
Underground Systems	76,354,821	93,500	-	76,448,321
	101,391,220	107,900	-	101,499,120
Less Accumulated Depreciation				
Buildings and Improvements	9,013,009	389,200	-	9,402,209
Machinery and Equipment	3,689,933	216,358	-	3,906,291
Underground Systems	62,923,027	778,362	-	63,701,389
	75,625,969	1,383,920	-	77,009,889
Total Net Depreciable Capital Assets	25,765,251	(1,276,020)	-	24,489,231
Total Net Capital Assets	$ 28,889,401	$ (1,276,020)	$ -	$ 27,613,381

Depreciation expense was charged to business-type activities as follows:

Water and Sewer	$ 1,317,047
Arts, Entertainment and Events	66,873
	$ 1,383,920

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

Individual fund advances are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	$ 6,000

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	Nonmajor Governmental	$ 855,513
Nonmajor Governmental	General	2,500,000
Nonmajor Governmental	Capital Projects	3,400,000
Retiree Health Insurance	Health and Life Insurance	335,950
		$ 7,091,463

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds have been issued for governmental activities. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
$2,600,000 General Obligation Refunding Bonds of 2003A, due in annual installments of $35,000 to $550,000 plus interest at 2.00% to 4.00% through December 1, 2016.	Debt Service	$ 500,000	$ -	$ 245,000	$ 255,000
$3,330,000 General Obligation Refunding Bonds of 2003B, due in annual installments of $30,000 to $325,000 plus interest at 2.00% to 4.00% through December 1, 2016.	Debt Service	620,000	-	310,000	310,000
$2,235,000 General Obligation Refunding Bonds of 2005, due in annual installments of $125,000 to $425,000 plus interest at 3.30% to 3.65% through December 1, 2015.	Debt Service	425,000	-	425,000	-
$20,000,000 General Obligation Bonds of 2006, due in annual installments of $400,000 to $3,400,000 plus interest at 4.00% through December 1, 2015.	Debt Service	3,400,000	-	3,400,000	-
$16,515,000 General Obligation Refunding Bonds of 2006A, due in annual installments of $275,000 to $2,660,000 plus interest at 4.00% through December 1, 2018.	Debt Service	1,295,000	-	305,000	990,000

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
$2,855,000 General Obligation Refunding Bonds of 2010, due in annual installments of $20,000 to $280,000 plus interest at 1.50% to 3.25% through December 1, 2022.	Debt Service	$ 2,000,000	$ -	$ 225,000	$ 1,775,000
$9,925,000 General Obligation Refunding Bonds of 2011, due in annual installments of $40,000 to $2,520,000 plus interest at 2.00% to 4.00% through December 1, 2026.	Debt Service	9,665,000	-	60,000	9,605,000
$9,670,000 General Obligation Refunding Bonds of 2012A, due in annual installments of $85,000 to $2,145,000 plus interest at 2.00% through December 1, 2022.	Debt Service	9,290,000	-	185,000	9,105,000
$7,755,000 General Obligation Refunding Bonds of 2013, due in annual installments of $35,000 to $2,135,000 plus interest at 2.00% to 4.00% through December 1, 2019.	Debt Service	7,720,000	-	35,000	7,685,000
$7,625,000 General Obligation Bonds of 2014, due in annual installments of $860,000 to $1,435,000 plus interest at 2.00% to 3.00% through December 1, 2020.	Debt Service	7,625,000	-	1,265,000	6,360,000
		$ 42,540,000	$ -	$ 6,455,000	$ 36,085,000

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences					
General	$ 4,133,568	$ 2,319,490	$ 4,638,984	$ 1,814,074	$ 362,813
Internal Service	224,274	83,610	167,216	140,668	28,134
Net Pension Liability - IMRF	11,503,359	6,490,402	-	17,993,761	-
Net Pension Liability - Police Pension	38,938,564	3,312,054	-	42,250,618	-
Net Pension Liability - Firefighters' Pension	44,883,070	5,104,035	-	49,987,105	-
Net Other Post-Employment Benefits Obligation	4,281,451	104,708	-	4,386,159	-
General Obligation Bonds	42,540,000	-	6,455,000	36,085,000	5,215,000
Unamortized Premium	1,446,033	-	276,785	1,169,248	275,340
	$ 147,950,319	$ 17,414,299	$ 11,537,985	$ 153,826,633	$ 5,881,287
Business-Type Activities					
Compensated Absences	$ 518,037	$ 286,023	$ 572,046	$ 232,014	$ 46,403
Net Other Post-Employment Benefits Obligation	188,114	-	14,258	173,856	-
	$ 706,151	$ 286,023	$ 586,304	$ 405,870	$ 46,403

For governmental-type activities, payments on the compensated absences, the net pension liability and the net other post-employment benefits obligation are made by the General Fund. The Debt Service Fund makes payments on the general obligation bonds.

At year end, $140,668 of internal service funds' compensated absences is included in the above amount and is generally liquidated by Health and Life Insurance, Workers' Compensation, Fleet Operations and Technology Internal Service Funds. In addition, $185,896 of internal service funds' net other post-employment benefits obligation is included in the above amount and is liquidated by Health and Life Insurance, Workers' Compensation, Fleet Operations and Technology Internal Service Funds.

For the business-type activities, the compensated absences and the net other post-employment benefits obligation are liquidated by the Water and Sewer Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

	Governmental Activities	
	General Obligation Bonds	
Fiscal Year	Principal	Interest
2016	5,215,000	1,140,700
2017	4,995,000	996,300
2018	4,575,000	834,276
2019	4,765,000	688,438
2020	3,170,000	535,676
2021	2,465,000	460,076
2022	2,555,000	406,400
2023	2,450,000	333,800
2024	2,520,000	235,800
2025	1,895,000	135,000
2026	1,480,000	59,200
Totals	$ 36,085,000	$ 5,825,666

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property…(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum…shall not be included in the foregoing percentage amounts."

To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

ECONOMIC DEVELOPMENT

The Village has entered into economic development agreements with companies to provide sales tax rebates. As of December 31, 2015, four agreements have been executed for stores that have opened. The agreements require the Village to rebate to the companies different amounts of sales tax generated by the facilities. The first agreement requires 33 1/3% of municipal sales tax and home-rule sales tax to be rebated in annual installments though December 31, 2016 or $1,839,310, whichever occurs first. The second agreement requires 33 1/3% of municipal sales tax to be rebated in annual installments through April 30, 2018 or $2,000,000, whichever occurs first. The third agreement requires 33 1/3% of municipal sales tax to be rebated in annual installments through May 31, 2023 or $2,250,000, whichever occurs first. The fourth agreement requires 33 1/3% of municipal sales tax to be rebated in annual installments through August 31, 2025 or $2,000,000, whichever occurs first. The amount paid/accrued for the eight months December 31, 2015 was $491,833. Total expenditures incurred to date in rebates as of December 31, 2015 was $2,906,201.

NET POSITION/FUND BALANCE

Net Position Restatement

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	Decrease
Governmental Activities	$ 195,499,873	$ 112,327,515	$ (83,172,358)

Fund Balance Classifications

Assigned Fund Balance. The Village reports assigned fund balance in the Municipal Parking Operations Fund (a Special Revenue nonmajor fund), and the Public Building and Emerald Ash Borer Funds, both nonmajor Capital Projects funds. The General Fund, a major fund, has assigned fund balance for Wellness Program, Affordable Housing, Disabled Citizens Program, Emergency Assistance Program, Senior Center Maintenance, and Canine Unit Donation. The Village's Board and/or Village Manager (by authorization in the fund balance policy) has assigned the funds to future improvement projects and equipment and vehicle purchases based on approved management expenditures as determined through the annual budget process.

Minimum Fund Balance Policy. The Village's fund balance policy states that the General Fund should maintain a minimum of at least 25% of expenditures.

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Fund Balance Classifications – Continued

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Capital Projects	Nonmajor	Totals
Fund Balances					
Nonspendable					
Inventories	$ 123,698	$ -	$ -	$ -	$ 123,698
Prepaids	49,275	-	-	370,479	419,754
	172,973	-	-	370,479	543,452
Restricted					
Debt Service	-	1,500,506	-	-	1,500,506
Capital Projects	-	-	6,479,403	-	6,479,403
Motor Fuel Taxes	-	-	-	4,162,239	4,162,239
Foreign Fire Insurance	-	-	-	482,262	482,262
Criminal Investigation	-	-	-	2,044,365	2,044,365
Tax Increment Financing	-	-	-	3,734,690	3,734,690
Stormwater Control	-	-	-	3,671,099	3,671,099
	-	1,500,506	6,479,403	14,094,655	22,074,564
Assigned					
Wellness Program	32,073	-	-	-	32,073
Affordable Housing	75,994	-	-	-	75,994
Disabled Citizens Program	7,725	-	-	-	7,725
Emergency Assistance Program	149,818	-	-	-	149,818
Senior Center Maintenance	408,000	-	-	-	408,000
Canine Unit Donation	137,533	-	-	-	137,533
Zero Interest Loan	6,000	-	-	-	6,000
Public Parking	-	-	-	5,260,207	5,260,207
Public Building	-	-	-	1,332,496	1,332,496
Emerald Ash Borer	-	-	-	6,736,865	6,736,865
	817,143	-	-	13,329,568	14,146,711
Unassigned	27,536,053	-	-	-	27,536,053
Total Fund Balances	$ 28,526,169	$ 1,500,506	$ 6,479,403	$ 27,794,702	$ 64,300,780

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Net Position Classifications

Net investment in capital assets, was comprised of the following as of December 31, 2015:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 170,023,234
Plus: Unamortized Loss on Refunding	1,331,590
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2003A	(255,000)
General Obligation Refunding Bonds of 2003B	(310,000)
General Obligation Refunding Bonds of 2006A	(990,000)
General Obligation Refunding Bonds of 2010	(1,775,000)
General Obligation Refunding Bonds of 2011	(9,605,000)
General Obligation Refunding Bonds of 2012A	(9,105,000)
General Obligation Refunding Bonds of 2013	(7,685,000)
General Obligation Bonds of 2014	(6,360,000)
Unamortized Premium	(1,169,248)
Net Investment in Capital Assets	$ 134,100,576
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	$ 27,613,381

NOTE 4 – OTHER INFORMATION

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; employee health; natural disasters; and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village is self-insured for the first $100,000 for property claims, $100,000 per employee for medical claims, $1,000,000 for liability claims, $1,000,000 for errors and omissions and $750,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. The Village's self-insurance activities are reported in the Health and Life Insurance, Retiree Health Insurance, General Liability Insurance and Workers' Compensation internal service funds.

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Premiums are paid into the internal service funds by the departments of the General Fund and other funds based upon historical cost estimates. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. There were no insurance claim settlements which exceeded the amounts of insurance coverage during 2013 through 2015.

Changes in the balances of claims liabilities during the fiscal year are as follows:

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Totals
Claims Payable - April 30, 2014	$ 1,034,802	$ 243,121	$ 2,032,176	$ 3,310,099
Incurred Claims	6,951,513	603,484	1,615,525	9,170,522
Claims Paid	(6,897,389)	(275,050)	(1,837,744)	(9,010,183)
Claims Payable - April 30, 2015	1,088,926	571,555	1,809,957	3,470,438
Incurred Claims	4,639,942	464,185	1,648,082	6,752,209
Claims Paid	(4,608,243)	(571,733)	(1,317,362)	(6,497,338)
Claims Payable - December 31, 2015	$ 1,120,625	$ 464,007	$ 2,140,677	$ 3,725,309

High-Level Excess Liability Pool (HELP)

The Village is a member of the High-Level Excess Liability Pool (HELP). HELP is a public entity risk pool established by certain municipalities in Illinois to provide excess liability coverage ($12,000,000 of coverage after a $2,000,000 self-insurance retention). The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP is governed by the Board of Directors which consists of one appointed representative from each Member Municipality. Each Director has on equal vote. The officers of HELP are elected by the Board of Directors. The Board of Directors determines the general policy of HELP, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

HELP was organized on April 1, 1987 with the initial agreement which has been extended to April 30, 2018. The Village has committed to purchase excess liability insurance from HELP through the term of the agreement. Annual premiums are calculated based on a formula which specifies the following four criteria: 1) Miles of streets; 2) Full-time equivalent employees; 3) Number of motor vehicles; and 4) Operating revenues.

NOTE 4 – OTHER INFORMATION – Continued

CONTRACTUAL COMMITMENTS

High-Level Excess Liability Pool (HELP)

The Village has committed to purchase excess liability insurance from the High-Level Excess Liability Pool (HELP), and insurance pool of Illinois municipalities, through April 30, 2018. There is no minimum annual commitment amount for the purchase of this insurance coverage.

Future premiums will be calculated using the Village's allocation percentage. HELP's agreement provides that each year members will be assessed based upon a formula which specifies the following four criteria for allocating premium costs:

Miles of Streets
Full-Time Equivalent Employees
Number of Motor Vehicles
Operating Revenues

The Village paid $126,108 to HELP in 2015. For the fiscal year ended December 31, 2016, the Village estimates it will pay $195,325.

Solid Waste Agency of Northern Cook County (SWANCC)

Annual payments to SWANCC are based on estimated tonnage of waste transported to SWANCC. It is assumed that there will be no material changes in deliveries to SWANCC. For the fiscal year ended December 31, 2016 the Village estimates it will pay SWANCC $1,235,448, with annual increases ranging from 0% to 3% through 2022.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Northwest Water Commission (NWWC)

The Village is a member of the Northwest Water Commission (NWWC) which consists of four municipalities. NWWC is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). NWWC is empowered under the Act to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. The four members of NWWC and their percentage shares as of April 30, 2015 are as follows:

	Percent Share
Village of Arlington Heights	36.22 %
Village of Buffalo Grove	17.03
Village of Palatine	29.47
Village of Wheeling	17.28
	100.00 %

These percentage shares are based upon formula contained in the water supply agreement and are subject to change in future years based on consumption by the municipalities.

The members form a contiguous geographic service area which is located northwest of downtown Chicago. Under the NWWC Agreement, additional members may join NWWC upon the approval of each member.

NWWC is governed by a Board of Commissioners which consists of one Village Manager from each member municipality. Each Commissioner has an equal vote. The officers of NWWC are appointed by the Board of Commissioners. The Board of Commissioners determines the general policy of NWWC, makes all appropriations, approves contracts for sale or purchase of water, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the NWWC Agreement or the by-laws.

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Water Commission (NWWC) – Continued

Summary of financial positions as of April 30, 2015:

Current Assets	$ 13,920,186	Current Liabilities	$ 1,705,183
Noncurrent Assets		Net Position	$ 40,235,281
Capital Assets	28,020,278		
Total Assets	$ 41,940,464		

Summary of revenues, expenses and changes in net position for the fiscal year ended April 30, 2015:

Operating Revenues	$ 9,033,165
Operating Expenses	9,626,509
Operating Income	(593,344)
Nonoperating Revenue (Expenses)	210,620
Change in Net Position	(382,724)
Net Position - Beginning	40,618,005
Net Position - Ending	$ 40,235,281

Complete financial statements can be obtained from the Northwest Water Commission, 1525 North Wolf Road, Des Plaines, Illinois 60015.

NWWC's bonds are revenue obligations. They are limited obligations of NWWC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by NWWC resolutions. The bonds are not a debt of any member. NWWC has no power to levy taxes.

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Water Commission (NWWC) – Continued

Revenues of the system consist of: (a) all receipts derived from Water Supply Contracts or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges, and all rates, rents and receipts derived by NWWC from the ownership and operation of the system and the sale of water. NWWC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

NWWC has entered into Water Supply Contracts with the four-member municipalities for a term of 40 years, extending to 2030. The Water Supply Contracts are irrevocable and may not be terminated or amended except as provided in the Water Supply Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

NWWC has entered into an agreement with the City of Evanston under which the City has agreed to sell quantities of lake water sufficient to supply the projected water needs of NWWC through the year 2030.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by NWWC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Village's system. Members are not prohibited by the Contract from using other available funds to make payments required under the Contract. This Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The obligation of the Village to make payments required by this Agreement from revenues of the Waterworks and Sewerage System shall be payable from the operation and maintenance account of the Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted $2,879,639 to NWWC for the eight months ended December 31, 2015. All payments were paid from the Water and Sewer Fund. The Village's share of net position of NWWC was $14,695,560 at December 31, 2015.

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Municipal Waste System Fund. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation. In accordance with the joint venture agreement, the Village remitted $822,612 to SWANCC for the eight months ended December 31, 2015, which is recorded in the Village's Solid Waste Disposal Fund.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. A separate report is issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 50 S. Emerson St. Arlington Heights, Illinois 60056. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that need 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, benefits and refunds are recognized as an expense and liability when due and payable.

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

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

Plan Membership. As of December 31, 2015, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	430
Inactive Plan Members Entitled to but not yet Receiving Benefits	178
Active Plan Members	376
Total	984 *

*The employees in the above table include the Arlington Heights Library.

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2015 was 13.0% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.47%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	3.00%
Inflation	2.75%

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement – Continued

Discount Rate

A Single Discount Rate of 7.47% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.47%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.47%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.47%)	Current Discount Rate (7.47%)	1% Increase (8.47%)
Net Pension Liability			
Village	$ 34,903,161	$ 17,993,761	$ 3,999,514
Library	9,278,055	4,783,152	1,063,162
Total	44,181,216	22,776,913	5,062,676

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	$ 161,085,307	$ 146,524,093	$ 14,561,214
Changes for the Year:			
Service Cost	2,640,660	-	2,640,660
Interest on the Total Pension Liability	11,869,028	-	11,869,028
Difference Between Expected and Actual Experience of the Total Pension Liability	(648,919)	-	(648,919)
Changes of Assumptions	395,156	-	395,156
Contributions - Employer	-	3,168,474	(3,168,474)
Contributions - Employees	-	1,182,657	(1,182,657)
Net Investment Income	-	723,795	(723,795)
Benefit Payments, including Refunds of Employee Contributions	(7,881,295)	(7,881,295)	-
Other (Net Transfer)	-	965,300	(965,300)
Net Changes	6,374,630	(1,841,069)	8,215,699
Balances at December 31, 2015	$ 167,459,937	$ 144,683,024	$ 22,776,913
Net Pension Liability			
Village	$ 132,293,350	$ 114,299,589	$ 17,993,761
Library	35,166,587	30,383,435	4,783,152
Total	$ 167,459,937	$ 144,683,024	$ 22,776,913

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the eight months ended December 31, 2015, the Village recognized pension expense of $2,713,068. At December 31, 2015, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ -	$ (474,497)	$ (474,497)
Change in Assumptions	288,943	-	288,943
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	8,135,464	-	8,135,464
Total Deferred Amounts Related to IMRF	$ 8,424,407	$ (474,497)	$ 7,949,910
Total Deferred Amounts Related to IMRF			
Village	$ 6,655,282	(374,853)	6,280,429
Library	1,769,125	(99,644)	1,669,481
Total	$ 8,424,407	$ (474,497)	$ 7,949,910

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

Fiscal Year	Net Deferred Outflows of Resources	Net Deferred Outflows of Resources	Total
2015	$ 1,552,869	$ 412,788	$ 1,965,657
2016	1,552,869	412,788	1,965,657
2017	1,567,937	416,793	1,984,730
2018	1,606,754	427,112	2,033,866
2019	-	-	-
Thereafter	-	-	-
Totals	$ 6,280,429	$ 1,669,481	$ 7,949,910

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At December 31, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	90
Inactive Plan Members Entitled to but not yet Receiving Benefits	6
Active Plan Members	107
	203

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), 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 officer salary for the pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of 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 Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2015, the Village's contribution was 43.34% of covered payroll.

Concentrations. At year end, the Pension Plan has investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits as follows:

Investment	Amount
Fidelity Diversified	$ 5,813,346

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	4.75%
Cost of Living Adjustments	3.00%
Inflation	3.00%

Mortality rates were based on the RP-2000 projected to 2015 with blue collar adjustment.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	$ 63,997,905	$ 42,250,618	$ 24,434,810

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	$ 146,977,962	$ 108,039,398	$ 38,938,564
Changes for the Year:			
Service Cost	1,989,231	-	1,989,231
Interest on the Total Pension Liability	6,520,521	-	6,520,521
Difference Between Expected and Actual Experience of the Total Pension Liability	(1,044,681)	-	(1,044,681)
Changes of Assumptions	-	-	-
Contributions - Employer	-	4,500,000	(4,500,000)
Contributions - Employees	-	691,981	(691,981)
Contributions - Other	-	4,776	(4,776)
Net Investment Income	-	(1,016,522)	1,016,522
Benefit Payments, including Refunds of Employee Contributions	(3,835,374)	(3,835,374)	-
Other (Net Transfer)	-	(27,218)	27,218
Net Changes	3,629,697	317,643	3,312,054
Balances at December 31, 2015	$ 150,607,659	$ 108,357,041	$ 42,250,618

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the eight months ended December 31, 2015, the Village recognized pension expense of $3,921,212. At December 31, 2015, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ -	$ (835,613)	$ (835,613)
Change in Assumptions	-	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,726,239	-	4,726,239
Total Deferred Amounts Related to Police Pension	$ 4,726,239	$ (835,613)	$ 3,890,626

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

Fiscal Year	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources	Total
2016	$ 1,181,560	$ (209,068)	$ 972,492
2017	1,181,560	(209,068)	972,492
2018	1,181,560	(209,068)	972,492
2019	1,181,559	(208,409)	973,150
2020	-	-	-
Thereafter	-	-	-
Totals	$ 4,726,239	$ (835,613)	$ 3,890,626

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan

Plan Descriptions

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At December 31, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	100
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	108
Total	208

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3percent compounded annually thereafter.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), 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 firefighter 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. Firefighters' salary for the pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2015, the Village's contribution was 47.63% of covered payroll.

Significant Investments. At year end, the Pension Plan has investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits as follows:

Investment	Amount
Vanguard Total Stock Market Index	$ 32,322,757
U.S. Property Real Estate	6,563,669

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	4.75%
Cost of Living Adjustments	3.00%
Inflation	3.00%

Mortality rates were based on the RP-2000 projected to 2015 with Blue Collar Adjustments.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	$ 69,626,434	$ 49,987,105	$ 33,839,265

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	$ 136,779,912	$ 91,896,842	$ 44,883,070
Changes for the Year:			
Service Cost	2,190,940	-	2,190,940
Interest on the Total Pension Liability	6,058,901	-	6,058,901
Difference Between Expected and Actual Experience of the Total Pension Liability	1,574	-	1,574
Changes of Assumptions	-	-	-
Contributions - Employer	-	5,057,400	(5,057,400)
Contributions - Employees	-	689,993	(689,993)
Contributions - Other	-	21,628	(21,628)
Net Investment Income	-	(2,559,246)	2,559,246
Benefit Payments, including Refunds of Employee Contributions	(3,946,419)	(3,946,419)	-
Other (Net Transfer)	-	(62,395)	62,395
Net Changes	4,304,996	(799,039)	5,104,035
Balances at December 31, 2015	$ 141,084,908	$ 91,097,803	$ 49,987,105

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the eight months ended December 31, 2015, the Village recognized pension expense of $4,767,836. At December 31, 2015, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 1,285	$ -	$ 1,285
Change in Assumptions	-	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,392,053	-	5,392,053
Total Deferred Amounts Related to Firefighters' Pension	$ 5,393,338	$ -	$ 5,393,338

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

Fiscal Year	Net Deferred Outflows of Resources
2016	$ 1,348,302
2017	1,348,302
2018	1,348,302
2019	1,348,302
2020	130
Thereafter	-
Total	$ 5,393,338

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions and Funding Policies

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

The Village provides pre and post Medicare post-employment health insurance to retirees, their spouses and dependents who were enrolled in one of the Village's healthcare plans at the time of the employees' retirement. To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the eight months ending December 31, 2015, retirees contributed $548,527.

At December 31, 2015, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	190
Active Employees	400
Total	590
Participating Employers	1

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

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of December 31, 2015, was calculated as follows:

Annual Required Contribution	$ 506,009
Interest on the NOPEBO	134,087
Adjustment to the ARC	(175,052)
Annual OPEB Cost	465,044
Actual Contribution	374,594
Change in NPOEBO	90,450
NOPEBO - Beginning	4,469,565
NOPEBO - Ending	$ 4,560,015

Trend Information

The Village's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
4/30/2014	$ 858,084	$ 562,603	65.57%	$ 4,096,982
4/30/2015	825,957	453,374	54.89%	4,469,565
12/31/2015	465,044	374,594	80.55%	4,560,015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2015 was as follows:

Actuarial Accrued Liability (AAL)	$ 14,251,235
Actuarial Value of Plan Assets	$ -
Unfunded Actuarial Accrued Liability (UAAL)	$ 14,251,235
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	$ 36,875,587
UAAL as a Percentage of Covered Payroll	38.65%

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

Actuarial Methods and Assumptions

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

In the December 31, 2015 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate or return, projected salary increases of 3.0% and an initial healthcare trend rate of 8.0% reduced to an ultimate healthcare inflation rate of 4.5% after eight years. Both rates include a 2.5% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis. The remaining amortization period at December 31, 2015, was 30 years.

NOTE 4 – OTHER INFORMATION – Continued

SUBSEQUENT EVENT

On February 10, 2016, the Village issued $32,900,000 of General Obligation Bonds of 2016. The bonds bear interest at a rate of 3.00% to 4.00% and are due in annual payments of $645,000 to $2,315,000 through December 1, 2026.

COMPONENT UNIT – ARLINGTON HEIGHTS MEMORIAL LIBRARY

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements the Library are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Arlington Heights Memorial Library (the Library) operates and maintains the public library within the Village. The Library's Board is elected by the voters of the Village. The Library may not issue bonded debt without the Village's approval and its annual budget and property tax levy request are subject to the Village Board's approval. In accordance with GASB Statement No. 61, the Library is reported as a discretely presented component unit of the Village. Complete financial statements for the Library can be obtained from the Library's offices at 500 North Dunton Street, Arlington Heights, Illinois 60004.

BASIS OF PRESENTATION

Government–Wide and Fund Financial Statements

The government-wide Statement of Activities reports both the gross and net cost of the Library's functions. The Library's activities are supported by taxes and intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit form goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

A fund is a separate accounting entity with a self-balancing set of accounts. Separate financial statements are provided for the general fund. The Library only maintains governmental funds.

NOTE 4 – OTHER INFORMATION – Continued

COMPONENT UNIT – ARLINGTON HEIGHTS MEMORIAL LIBRARY – Continued

BASIS OF PRESENTATION – Continued

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Library:

General fund is the general operating fund of the Library. It is used to account for all financial resources, except for those required or desired to be accounted for in another fund. The General Fund is a major fund.

Capital projects funds account for financial resources that are restricted, committed or assigned to expenditure for capital outlays. Major projects include renovation of the Library. The Capital Projects Fund is treated as a major fund.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

The Library's funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

NOTE 4 – OTHER INFORMATION – Continued

COMPONENT UNIT – ARLINGTON HEIGHTS MEMORIAL LIBRARY – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflows is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Library recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for construction loan/line of credit principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

NOTE 4 – OTHER INFORMATION – Continued

COMPONENT UNIT – ARLINGTON HEIGHTS MEMORIAL LIBRARY – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets

Capital assets purchases or acquired with an original cost of $10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Building and Improvements	40 Years
Equipment, Furniture and Fixtures	3 - 10 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

Vested or accumulated vacation leave related to employees that have terminated or retired by year end but have not been paid out and expected to be liquidated with expendable available financial resources, is reported as an expenditure and a fund liability in the General Fund. Vested or accumulated vacation leave in the government-wide financial statements is recorded as an expense and liability as the benefits accrue to employees.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities.

NOTE 4 – OTHER INFORMATION – Continued

COMPONENT UNIT – ARLINGTON HEIGHTS MEMORIAL LIBRARY – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

> Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if applicable.
>
> Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
>
> Unrestricted – All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Funding Progress and Employer Contributions
  - Other Post-Employment Benefit Plan
  - Arlington Heights Memorial Library – Other Post-Employment Benefits Plan

- Schedule of Employer Contributions
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund

- Schedule of Investment Returns
  - Police Pension Fund
  - Firefighters' Pension Fund

- Budgetary Comparison Schedule
  - General Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Other Post-Employment Benefits Plan

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2015

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
4/30/2011	$ N/A	$ N/A	N/A	$ N/A	$ N/A	N/A
4/30/2012	-	14,542,721	0.00%	14,542,721	39,685,600	36.64%
4/30/2013	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2014	-	13,892,812	0.00%	13,892,812	39,834,803	34.88%
4/30/2015	-	12,604,617	0.00%	12,604,617	40,894,252	30.82%
12/31/2015	-	14,251,235	0.00%	14,251,235	36,875,587	38.65%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions	Percent Contributed
4/30/2011	$ 585,079	$ 819,305	71.41%
4/30/2012	637,736	848,391	75.17%
4/30/2013	643,520	810,468	79.40%
4/30/2014	562,603	813,091	69.19%
4/30/2015	453,374	767,335	59.08%
12/31/2015	374,594	506,009	74.03%

The Village is required to have the actuarial valuation performed biennially.

N/A - Not Available

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS
ARLINGTON HEIGHTS MEMORIAL LIBRARY

Other Post-Employment Benefits Plan

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2015

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
4/30/2011	$ N/A	$ N/A	N/A	$ N/A	$ N/A	N/A
4/30/2012	-	1,669,900	0.00%	1,669,900	4,045,543	N/A
4/30/2013	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2014	-	1,543,646	0.00%	1,543,646	6,505,722	23.73%
4/30/2015	-	1,322,810	0.00%	1,322,810	6,498,209	20.36%
12/31/2015	-	207,012	0.00%	207,012	3,972,722	5.21%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions	Percent Contributed
4/30/2011	$ 67,183	$ 94,079	71.41%
4/30/2012	73,299	94,079	77.91%
4/30/2013	73,894	93,064	79.40%
4/30/2014	62,579	90,441	69.19%
4/30/2015	47,580	80,529	59.08%
12/31/2015	5,057	18,990	26.63%

The amounts above are allocated based on the Library's portion of the total Village net other post-employment benefits obligation.

N/A - Not Available

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Employer Contributions
December 31, 2015

Fiscal Year		Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/2015	Village	$ 2,496,161	$ 2,503,094	$ 6,933	$ 19,260,505	13.0%
	Library	663,537	665,380	1,843	5,119,881	13.0%
	Total	3,159,698	3,168,474	8,776	24,380,386	13.0%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.0%
Salary Increases	4.4% - 16.0%
Investment Rate of Return	7.5%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Combined Healthy Mortality Table

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
December 31, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
4/30/2015	$ 4,432,000	$ 4,529,400	$ 97,400	$ 9,938,967	45.57%
12/31/2015	2,779,725	4,500,000	1,720,275	10,381,979	43.34%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	3-Year Smoothed Market
Inflation	3.00%
Salary Increases	4.75%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Mortality Table with Blue Collar Adjustment

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
December 31, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
4/30/2015	$ 5,055,378	$ 5,007,300	$ (48,078)	$ 10,022,659	49.96%
12/31/2015	3,235,984	5,057,400	1,821,416	10,617,314	47.63%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	3-Year Smoothed Market
Inflation	3.00%
Salary Increases	4.75%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Mortality Table with Blue Collar Adjustment

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2015

	12/31/2015		
	Village	Library	Total
Total Pension Liability			
Service Cost	$ 2,086,121	$ 554,539	$ 2,640,660
Interest	9,376,532	2,492,496	11,869,028
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(512,646)	(136,273)	(648,919)
Change of Assumptions	312,173	82,983	395,156
Benefit Payments, Including Refunds of Member Contributions	(6,226,223)	(1,655,072)	(7,881,295)
Net Change in Total Pension Liability	5,035,957	1,338,672	6,374,629
Total Pension Liability - Beginning	127,257,393	33,827,914	161,085,307
Total Pension Liability - Ending	$ 132,293,350	$ 35,166,587	$ 167,459,937
Plan Fiduciary Net Position			
Contributions - Employer	$ 2,503,094	$ 665,380	$ 3,168,474
Contributions - Members	934,299	248,358	1,182,657
Net Investment Income	571,798	151,997	723,795
Benefit Payments, Including Refunds of Member Contributions	(6,226,223)	(1,655,072)	(7,881,295)
Administrative Expense	762,587	202,712	965,299
Net Change in Plan Fiduciary Net Position	(1,454,445)	(386,625)	(1,841,070)
Plan Net Position - Beginning	115,754,034	30,770,060	146,524,094
Plan Net Position - Ending	$ 114,299,589	$ 30,383,435	$ 144,683,024
Employer's Net Pension Liability	$ 17,993,761	$ 4,783,152	$ 22,776,913
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.4%	86.4%	86.4%
Covered-Employee Payroll	$ 19,260,505	$ 5,119,881	$ 24,380,386
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	93.4%	93.4%	93.4%

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2015

	4/30/2015	12/31/2015
Total Pension Liability		
Service Cost	$ 3,248,450	$ 1,989,231
Interest	9,147,568	6,520,521
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	325,542	(1,044,681)
Change of Assumptions	3,089,627	-
Benefit Payments, Including Refunds of Member Contributions	(5,421,571)	(3,835,374)
Net Change in Total Pension Liability	10,389,616	3,629,697
Total Pension Liability - Beginning	136,588,346	146,977,962
Total Pension Liability - Ending	$ 146,977,962	$ 150,607,659
Plan Fiduciary Net Position		
Contributions - Employer	$ 4,529,400	$ 4,500,000
Contributions - Members	986,380	691,981
Contributions - Other	276,199	4,776
Net Investment Income	7,837,174	(1,016,522)
Benefit Payments, Including Refunds of Member Contributions	(5,421,571)	(3,835,374)
Administrative Expense	(32,090)	(27,218)
Net Change in Plan Fiduciary Net Position	8,175,492	317,643
Plan Net Position - Beginning	99,863,906	108,039,398
Plan Net Position - Ending	$ 108,039,398	$ 108,357,041
Employer's Net Pension Liability	$ 38,938,564	$ 42,250,618
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.51%	71.95%
Covered-Employee Payroll	$ 9,938,967	$ 10,381,979
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	391.78%	406.96%

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2015

	4/30/2015	12/31/2015
Total Pension Liability		
Service Cost	$ 3,320,273	$ 2,190,940
Interest	8,688,821	6,058,901
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	(1,433,511)	1,574
Change of Assumptions	2,059,344	-
Benefit Payments, Including Refunds of Member Contributions	(5,795,896)	(3,946,419)
Net Change in Total Pension Liability	6,839,031	4,304,996
Total Pension Liability - Beginning	129,940,881	136,779,912
Total Pension Liability - Ending	$ 136,779,912	$ 141,084,908
Plan Fiduciary Net Position		
Contributions - Employer	$ 5,007,300	$ 5,057,400
Contributions - Members	967,685	689,993
Contributions - Other	1,451	21,628
Net Investment Income	6,263,908	(2,559,246)
Benefit Payments, Including Refunds of Member Contributions	(5,795,897)	(3,946,419)
Administrative Expense	(35,679)	(62,395)
Net Change in Plan Fiduciary Net Position	6,408,768	(799,039)
Plan Net Position - Beginning	85,488,074	91,896,842
Plan Net Position - Ending	$ 91,896,842	$ 91,097,803
Employer's Net Pension Liability	$ 44,883,070	$ 49,987,105
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.19%	64.57%
Covered-Employee Payroll	$ 10,022,659	$ 10,617,314
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	447.82%	470.81%

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Investment Returns
December 31, 2015

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
4/30/2015	8.06%
12/31/2015	(4.74%)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Investment Returns
December 31, 2015

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
4/30/2015	11.52%
12/31/2015	(2.50%)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes	$ 33,503,400	$ 33,503,400	$ 32,777,497	$ 38,928,585
Licenses, Permits and Fees	3,810,500	3,810,500	4,317,478	5,862,746
Intergovernmental	13,994,600	13,997,100	15,269,481	21,621,147
Charges for Services	2,876,700	2,876,700	2,995,937	4,204,029
Fines and Forfeitures	392,700	392,700	431,564	690,999
Interest	64,000	64,000	37,516	86,869
Miscellaneous	356,900	356,900	451,822	639,297
Total Revenues	54,998,800	55,001,300	56,281,295	72,033,672
Expenditures				
General Government	3,447,500	3,396,760	3,179,513	4,432,500
Public Safety	33,966,900	34,020,485	33,416,280	44,318,108
Highway and Streets	9,344,600	9,480,596	7,958,359	11,838,642
Community Development	3,907,200	3,936,139	3,633,113	5,162,890
Health and Welfare	1,499,700	1,502,200	1,384,451	1,974,146
Total Expenditures	52,165,900	52,336,180	49,571,716	67,726,286
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,832,900	2,665,120	6,709,579	4,307,386
Other Financing (Uses)				
Transfers Out	(2,800,000)	(2,800,000)	(2,500,000)	(4,000,000)
Net Change in Fund Balance	$ 32,900	$ (134,880)	4,209,579	307,386
Fund Balance - Beginning			24,316,590	24,009,204
Fund Balance - Ending			$ 28,526,169	$ 24,316,590

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

These financial statements and schedules are not required by the Governmental Accounting Standards Board (GASB), nor a part of the basic financial statements, but are presented for the purpose of additional analysis.

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is a major governmental fund used to account for all financial resources of the general government, except those required to be accounted for in another fund.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the servicing of general long-term debt not being financed by proprietary funds.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the costs of miscellaneous capital improvement projects and equipment replacement. Financing is provided by earmarking revenues to provide for the costs associated with the projects. Major projects include: road improvements, curb replacement, paving maintenance and sidewalk replacement/installation.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Balance Sheet
December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015	4/30/2015
ASSETS		
Cash and Investments	$ 21,890,582	$ 25,398,488
Receivables - Net of Allowances		
Property Taxes	22,075,570	10,555,158
Other Taxes	7,068,097	6,588,983
Accrued Interest	22,618	21,295
Other	1,220,997	1,190,632
Due from Other Funds	6,000	5,024,820
Prepaids/Inventories	172,973	189,328
Total Assets	$ 52,456,837	$ 48,968,704
LIABILITIES		
Accounts Payable	$ 1,435,347	$ 1,696,238
Accrued Payroll	407,052	859,586
Other Payables	12,699	4,224
Total Liabilities	1,855,098	2,560,048
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	22,075,570	22,092,066
Total Liabilities and Deferred Inflows of Resources	23,930,668	24,652,114
FUND BALANCES		
Nonspendable	172,973	189,328
Assigned	817,143	874,315
Unassigned	27,536,053	23,252,947
Total Fund Balances	28,526,169	24,316,590
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 52,456,837	$ 48,968,704

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			4/30/2015
	Budget			
	Original	Final	Actual	Actual
Taxes				
Property	$ 21,850,100	$ 21,850,100	$ 21,582,041	$ 21,389,766
Other				
Food and Beverage Tax	1,300,000	1,300,000	1,437,299	2,003,859
Hotel/Motel Tax	740,000	740,000	777,052	1,032,228
Telecommunications Tax	2,100,000	2,100,000	2,037,305	3,199,974
Home Rule Sales Tax	3,600,000	3,600,000	3,829,608	5,482,969
Natural Gas Utility Tax	1,430,000	1,430,000	780,629	2,314,043
Electric Utility Tax	2,200,000	2,200,000	2,047,119	3,185,675
Other Tax	283,300	283,300	286,444	320,071
Total Taxes	33,503,400	33,503,400	32,777,497	38,928,585
Licenses, Permits and Fees				
Vehicle License	1,080,000	1,080,000	1,061,100	1,290,954
Liquor Licenses	44,000	44,000	3,516	432,295
Business Licenses	555,000	555,000	457,849	699,921
Dog Licenses	55,000	55,000	54,450	67,684
Public Chauffeur Licenses	2,400	2,400	320	2,960
Multi-Dwelling Licenses	60,000	60,000	40,621	66,896
Building Permits	600,000	600,000	1,005,391	859,979
Electrical Permits	70,000	70,000	70,844	113,017
Plumbing Permits	50,000	50,000	56,216	92,160
Sign Permits	6,000	6,000	9,520	17,140
Elevator Permits	40,000	40,000	62,216	94,623
Occupancy Permits	14,600	14,600	17,460	25,430
Driveway Permits	1,000	1,000	1,542	2,003
Air Conditioner Permits	10,000	10,000	8,310	12,774
Swimming Pool Permits	1,500	1,500	3,057	4,806
Chimney Permits	1,300	1,300	1,807	3,000
Wrecking and Other Permits	4,400	4,400	8,953	7,472
Planning Commission Hearings Fees	12,000	12,000	15,350	19,610
Rezoning Fees	4,000	4,000	5,100	10,760
Plan Exam Fees	45,000	45,000	46,280	75,783
Fire Plan Examination Fees	33,000	33,000	36,850	61,228
Police Counselor Fees	154,000	154,000	202,848	305,792
Police Records Fees	6,600	6,600	5,786	9,231
Haz-Mat Inspection/Review Fees	-	-	-	115

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			4/30/2015
	Budget			
	Original	Final	Actual	Actual
Licenses, Permits and Fees - Continued				
Weed Cutting Fees	$ 11,000	$ 11,000	$ 4,602	$ 7,243
Lien Recording Fees	300	300	-	350
Animal Detention Fees	400	400	225	250
Cable Franchise Fees	894,000	894,000	1,055,370	1,474,210
False Alarm Fees	35,000	35,000	37,575	66,295
Photocopy Fees	200	200	30	9
Other Fees	19,800	19,800	44,290	38,756
Total Licenses, Permits and Fees	3,810,500	3,810,500	4,317,478	5,862,746
Intergovernmental				
Municipal Sales Tax	7,900,000	7,900,000	8,423,387	12,060,996
State Use Tax	885,000	885,000	1,147,270	1,520,258
Replacement Taxes	273,900	273,900	283,613	454,992
Shared Income Tax	4,850,000	4,850,000	5,254,518	7,354,986
Grant - Counselor in the Park	23,000	23,000	23,000	23,000
Grant - Training	6,600	6,600	22,615	38,043
Grant - Task Force	9,900	9,900	13,701	35,764
Grant - Other	46,200	48,700	101,377	133,108
Total Intergovernmental	13,994,600	13,997,100	15,269,481	21,621,147
Charges for Services				
Escrow Deposits	1,700	1,700	2,190	3,993
Guaranteed Bonds	1,000	1,000	722	1,468
Parking	225,100	225,100	225,100	326,100
Water	1,022,000	1,022,000	1,022,000	1,481,000
TIF	77,100	77,100	87,100	115,000
SWANCC	134,000	134,000	133,500	200,000
Engineering Service Charges	50,000	50,000	97,126	47,425
Ambulance Service Charges	1,100,000	1,100,000	1,120,958	1,635,878
Special Police Detail	145,000	145,000	186,212	226,446
Special Fire Detail	41,000	41,000	38,992	56,262
Special PW Detail	5,000	5,000	5,799	8,321
Chemical User Fees	6,600	6,600	7,895	10,750
DUI Administration Charges	66,000	66,000	65,055	87,000

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			4/30/2015
	Budget			
	Original	Final	Actual	Actual
Charges for Services - Continued				
Sales - Plans and Specs	$ 1,000	$ 1,000	$ 978	$ 1,925
Sales - Printed Materials	100	100	40	8
Sales - Scrap	1,000	1,000	2,240	2,453
Sales - Signs	100	100	30	-
Total Charges for Services	2,876,700	2,876,700	2,995,937	4,204,029
Fines and Forfeitures				
Fines - Traffic Court	158,000	158,000	200,903	294,637
Fines - Untagged Dog	100	100	-	30
Fines - Parking	165,000	165,000	186,493	308,472
Fines - Compliance Ticket	6,000	6,000	4,174	5,554
Fines - Ordinance Ticket	49,500	49,500	28,220	61,725
Fines - Crime Prevention	100	100	35	200
Fines - Other	14,000	14,000	11,739	20,381
Total Fines and Forfeitures	392,700	392,700	431,564	690,999
Interest				
Investment Income	64,000	64,000	37,516	86,869
Miscellaneous				
Damage Claims	19,100	19,100	30,792	75,864
Rents and Concessions	52,800	52,800	49,916	86,244
Train Station Rents	6,700	6,700	9,130	12,200
Traffic Signal Control Maintenance	5,000	5,000	8,205	9,988
Senior Center Receipts	1,500	1,500	4,936	9,047
Wellness Program	23,800	23,800	18,078	36,479
Disabled Citizen Donations	100	100	-	486
Affordable Housing Trust	-	-	30,379	75,994
Arlington Heights Emergency Assistance	6,000	6,000	25,800	35,650
NWCH in Lieu of Property Taxes	194,900	194,900	194,893	185,613
Bad Debt Recovery	7,000	7,000	7,858	12,021
Other Income	40,000	40,000	71,835	99,711
Total Miscellaneous	356,900	356,900	451,822	639,297
Total Revenues	$ 54,998,800	$ 55,001,300	$ 56,281,295	$ 72,033,672

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
General Government				
Board of Trustees	$ 133,300	$ 133,300	$ 105,318	$ 178,181
Village Manager	608,000	608,000	585,770	881,868
Human Resources	254,200	254,200	244,276	350,554
Legal Services	534,500	534,500	531,124	748,603
Finance	1,081,500	1,081,500	1,080,812	1,476,903
Boards and Commissions	136,000	136,000	106,336	163,659
Other	700,000	649,260	525,877	632,732
Total General Government	3,447,500	3,396,760	3,179,513	4,432,500
Public Safety				
Police	17,916,400	17,953,168	17,507,665	23,657,850
Fire	16,050,500	16,067,317	15,908,615	20,660,258
Total Public Safety	33,966,900	34,020,485	33,416,280	44,318,108
Highways and Streets				
Public Works	9,344,600	9,480,596	7,958,359	11,838,642
Community Development				
Planning and Community Development	1,146,800	1,166,729	1,025,776	1,456,424
Building Services	1,557,900	1,557,900	1,463,263	2,097,520
Engineering	1,202,500	1,211,510	1,144,074	1,608,946
Total Community Development	3,907,200	3,936,139	3,633,113	5,162,890
Health and Welfare				
Senior Services	336,400	338,900	324,823	443,147
Health Services	1,163,300	1,163,300	1,059,628	1,530,999
Total Health and Welfare	1,499,700	1,502,200	1,384,451	1,974,146
Total Expenditures	$ 52,165,900	$ 52,336,180	$ 49,571,716	$ 67,726,286

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			4/30/2015
	Budget			
	Original	Final	Actual	Actual
General Government				
Board of Trustees				
Salaries	$ 20,700	$ 20,700	$ 20,600	$ 30,900
Fringe Benefits	4,400	4,400	3,377	5,144
Contractual Services	106,600	106,600	80,934	141,217
Commodities	1,600	1,600	407	920
	133,300	133,300	105,318	178,181
Village Manager				
Salaries	402,500	402,500	403,904	589,869
Fringe Benefits	139,500	139,500	134,555	227,058
Contractual Services	60,000	60,000	45,407	58,863
Commodities	6,000	6,000	1,904	6,078
	608,000	608,000	585,770	881,868
Human Resources				
Salaries	137,800	137,800	138,710	199,371
Fringe Benefits	55,700	55,700	55,529	83,056
Contractual Services	39,000	39,000	29,299	49,058
Commodities	1,900	1,900	1,915	2,459
Other Charges	19,800	19,800	18,823	16,610
	254,200	254,200	244,276	350,554
Legal Services				
Salaries	229,400	229,400	231,955	333,429
Fringe Benefits	95,400	95,400	93,366	119,062
Contractual Services	179,000	179,000	175,519	238,117
Commodities	7,500	7,500	4,912	8,042
Other Charges	23,200	23,200	25,372	49,953
	534,500	534,500	531,124	748,603
Finance				
Salaries	578,700	578,700	587,749	810,113
Fringe Benefits	215,400	215,400	222,137	321,194
Contractual Services	263,200	263,200	246,627	319,857
Commodities	24,200	24,200	22,571	25,739
Other Charges	-	-	1,728	-
	1,081,500	1,081,500	1,080,812	1,476,903

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
General Government - Continued				
Boards and Commissions				
Salaries	$ 6,900	$ 6,900	$ 3,655	$ 4,293
Fringe Benefits	1,200	1,200	314	327
Contractual Services	92,700	92,700	82,272	126,771
Commodities	3,400	3,400	1,029	2,408
Other Charges	31,800	31,800	19,066	29,860
	136,000	136,000	106,336	163,659
Other				
Contingency	300,000	249,260	-	-
Other Charges	400,000	400,000	525,877	632,732
	700,000	649,260	525,877	632,732
Total General Government	3,447,500	3,396,760	3,179,513	4,432,500
Public Safety				
Police				
Salaries	9,271,500	9,271,500	8,938,796	13,124,188
Salaries - Police Grant	54,100	54,100	59,879	83,920
Fringe Benefits	6,635,800	6,635,800	6,614,592	7,710,480
Fringe Benefits - Police Grant	-	-	-	25,141
Contractual Services	1,560,600	1,560,600	1,537,858	2,209,113
Commodities	377,900	414,668	318,485	480,297
Other Charges	16,500	16,500	38,055	24,711
	17,916,400	17,953,168	17,507,665	23,657,850
Fire				
Salaries	7,696,400	7,696,400	7,679,660	11,131,201
Fringe Benefits	6,791,200	6,791,200	6,787,356	7,642,852
Contractual Services	1,253,100	1,263,088	1,206,202	1,528,518
Commodities	309,800	316,629	235,397	357,687
	16,050,500	16,067,317	15,908,615	20,660,258
Total Public Safety	33,966,900	34,020,485	33,416,280	44,318,108

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Highways and Streets				
Public Works				
Salaries	$ 2,721,600	$ 2,721,600	$ 2,555,039	$ 3,850,357
Fringe Benefits	1,257,900	1,257,900	1,223,494	1,841,104
Contractual Services	3,900,900	4,004,542	3,337,814	4,404,893
Commodities	1,464,200	1,496,554	842,012	1,742,288
Total Highways and Streets	9,344,600	9,480,596	7,958,359	11,838,642
Community Development				
Planning and Community Development				
Salaries	583,400	583,400	565,103	866,716
Fringe Benefits	226,400	226,400	220,768	350,319
Contractual Services	125,200	135,463	110,775	98,172
Commodities	33,700	33,700	7,307	19,355
Other Charges	178,100	187,766	121,823	121,862
	1,146,800	1,166,729	1,025,776	1,456,424
Building Services				
Salaries	983,900	983,900	933,674	1,343,711
Fringe Benefits	382,100	382,100	370,243	521,837
Contractual Services	176,300	176,300	148,656	215,503
Commodities	15,600	15,600	10,690	16,469
	1,557,900	1,557,900	1,463,263	2,097,520
Engineering				
Salaries	730,600	730,600	704,303	1,021,562
Fringe Benefits	279,600	279,600	274,076	410,263
Contractual Services	177,000	186,010	156,812	165,198
Commodities	15,300	15,300	8,883	11,923
	1,202,500	1,211,510	1,144,074	1,608,946
Total Community Development	3,907,200	3,936,139	3,633,113	5,162,890

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Health and Welfare				
Senior Services				
Salaries	$ 189,600	$ 189,600	$ 190,534	$ 273,347
Fringe Benefits	63,200	63,200	63,476	73,490
Contractual Services	66,900	66,900	58,286	83,092
Commodities	16,700	16,800	11,460	13,218
Other Charges	-	2,400	1,067	-
	336,400	338,900	324,823	443,147
Health Services				
Salaries	644,200	644,200	642,611	909,860
Fringe Benefits	257,200	257,200	255,715	375,798
Contractual Services	154,500	154,500	95,404	135,549
Commodities	46,800	46,800	28,284	38,309
Other Charges	60,600	60,600	37,614	71,483
	1,163,300	1,163,300	1,059,628	1,530,999
Total Health and Welfare	1,499,700	1,502,200	1,384,451	1,974,146
Total Expenditures	$ 52,165,900	$ 52,336,180	$ 49,571,716	$ 67,726,286

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property - Levy	$ 6,713,508	$ 6,713,508	$ 6,626,394	$ 6,629,168
Interest	8,000	8,000	8,859	22,583
Miscellaneous	281,800	281,800	281,800	275,563
Total Revenues	7,003,308	7,003,308	6,917,053	6,927,314
Expenditures				
General Government				
Other Charges	-	-	2,191	30,259
Debt Service				
Principal Retirement	6,455,000	6,455,000	6,455,000	6,475,000
Interest and Fiscal Charges	1,403,549	1,403,549	1,400,954	1,362,013
Total Expenditures	7,858,549	7,858,549	7,858,145	7,867,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	(855,241)	(855,241)	(941,092)	(939,958)
Other Financing Sources				
Transfers In	855,513	855,513	855,513	844,113
Net Change in Fund Balance	$ 272	$ 272	(85,579)	(95,845)
Fund Balance - Beginning			1,586,085	1,681,930
Fund Balance - Ending			$ 1,500,506	$ 1,586,085

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property	$ 2,900,000	$ 2,900,000	$ 2,862,370	$ 2,765,795
Home Rule Sales Tax	1,200,000	1,200,000	1,268,202	1,827,656
Intergovernmental				
Grants	-	-	-	133,187
Interest	7,000	7,000	12,651	14,957
Miscellaneous	1,500	1,500	66,759	89,218
Total Revenues	4,108,500	4,108,500	4,209,982	4,830,813
Expenditures				
General Government				
Other Charges	-	-	8,092	51,494
Capital Outlay				
Contractual Services	-	13,765	-	1,450
Other Charges	200,000	170,640	-	-
Equipment	670,400	781,395	486,688	454,147
Construction	5,181,500	6,205,149	4,164,428	5,202,033
Debt Service				
Interest and Fiscal Charges	-	-	-	80,536
Total Expenditures	6,051,900	7,170,949	4,659,208	5,789,660
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,943,400)	(3,062,449)	(449,226)	(958,847)
Other Financing Sources (Uses)				
Transfers In	-	-	-	2,000,000
Debt Issuance	-	-	-	7,625,000
Premium on Debt Issuance	-	-	-	460,605
Disposal of Capital Assets	-	-	-	1,940
Transfers Out	(3,400,000)	(3,400,000)	(3,400,000)	(4,600,000)
	(3,400,000)	(3,400,000)	(3,400,000)	5,487,545
Net Change in Fund Balance	$ (5,343,400)	$ (6,462,449)	(3,849,226)	4,528,698
Fund Balance - Beginning			10,328,629	5,799,931
Fund Balance - Ending			$ 6,479,403	$ 10,328,629

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund: The Motor Fuel Tax Fund is used to account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

Community Development Block Grant (CDBG) Fund: The Community Development Block Grant Fund is used to account for the revenue and expenditures associated with the CDBG. The grant is provided by the U.S. Department of Housing and Urban Development to develop urban communities by expanding economic opportunities and providing decent housing and a suitable living environment. The beneficiaries of CDBG must be individuals with low and/or moderate incomes.

Foreign Fire Insurance Fund: The Foreign Fire Insurance Fund is used to account for the revenue derived from a 2% tax of the gross receipts from out-of-state businesses engaged in providing fire insurance within the Village.

Criminal Investigations Fund: The Criminal Investigations Fund is used to account for the revenues awarded by criminal courts and expenditures for police investigations.

Municipal Parking Operations Fund: The Municipal Parking Operations Fund is used to account for the revenues and expenditures associated with the Village's parking system.

TIF I South Fund: The TIF I South Fund is used to account for the revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number I in the South Central Business District.

TIF II North Fund: The TIF II North Fund is used to account for the revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number II in the North Central Business District.

NONMAJOR GOVERNMENTAL FUNDS - Continued

SPECIAL REVENUE FUNDS - Continued

TIF III Fund: The TIF III Fund is used to account for the revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number III on the southeast corner of Palatine Road and Arlington Heights Road.

TIF IV Fund: The TIF IV Fund is used to account for the revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number IV on the northeast corner of Arlington Heights Road and Golf Road.

TIF V Fund: The TIF V Fund is used to account for the revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number V on the southeast corner of Arlington Heights Road and Palatine Road.

Hickory Kensington Fund: The Hickory Kensington Fund is used to account for the revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Finance District between Miner Street and Northwest Highway.

CAPITAL PROJECTS FUNDS

Stormwater Control Fund: The Stormwater Control Fund is used to account for the costs of constructing the second portion of the Weller Creek Flood Control Project. Financing was provided by the $14,200,000, Series 1993 Corporate Purpose bonds.

Public Building Fund: The Public Building Fund is used to account for the costs of planning, development and construction of a new Village hall. Financing is provided by the $20,000,000 General Obligation Bonds, Series 2006.

Emerald Ash Borer Fund: The Emerald Ash Borer Fund is used to account for the costs of treating, removal and replacement of all diseased parkway Ash trees in the Village affected by this insect invasion. The Village owns approximately 13,000 Ash trees.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
December 31, 2015

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	$ 16,183,955	$ 11,746,261	$ 27,930,216
Receivables - Net of Allowances			
Property Taxes	919,100	263,913	1,183,013
Other Taxes	169,495	-	169,495
Accrued Interest	5,663	4,497	10,160
Other	2,263,515	37,456	2,300,971
Prepaids	-	370,479	370,479
Total Assets	$ 19,541,728	$ 12,422,606	$ 31,964,334
LIABILITIES			
Accounts Payable	$ 259,490	$ 45,404	$ 304,894
Accrued Payroll	6,071	2,350	8,421
Due to Other Funds	6,000	-	6,000
Due to Other Governments	299,946	-	299,946
Other Payables	2,238,307	-	2,238,307
Total Liabilities	2,809,814	47,754	2,857,568
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	919,100	263,913	1,183,013
Grants	129,051	-	129,051
Total Deferred Inflows of Resources	1,048,151	263,913	1,312,064
Total Liabilities and Deferred Inflows of Resources	3,857,965	311,667	4,169,632
FUND BALANCES			
Nonspendable	-	370,479	370,479
Restricted	10,423,556	3,671,099	14,094,655
Assigned	5,260,207	8,069,361	13,329,568
Total Fund Balances	15,683,763	12,110,939	27,794,702
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 19,541,728	$ 12,422,606	$ 31,964,334

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Eight Months Ended December 31, 2015

	Special Revenue	Capital Projects	Totals
Revenues			
Taxes	$ 889,827	$ -	$ 889,827
Intergovernmental	1,811,135	-	1,811,135
Charges for Services	762,148	-	762,148
Fines and Forfeitures	69,056	-	69,056
Interest	17,256	12,248	29,504
Miscellaneous	53,309	2,278	55,587
Total Revenues	3,602,731	14,526	3,617,257
Expenditures			
General Government	17,840	11,995	29,835
Public Safety	99,376	-	99,376
Highways and Streets	895,854	-	895,854
Health and Welfare	-	192,847	192,847
Community Development	318,399	-	318,399
Capital Outlay	1,231,740	1,394,996	2,626,736
Total Expenditures	2,563,209	1,599,838	4,163,047
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,039,522	(1,585,312)	(545,790)
Other Financing Sources (Uses)			
Transfers In	2,000,000	3,900,000	5,900,000
Transfers Out	(855,513)	-	(855,513)
	1,144,487	3,900,000	5,044,487
Net Change in Fund Balances	2,184,009	2,314,688	4,498,697
Fund Balances - Beginning	13,499,754	9,796,251	23,296,005
Fund Balances - Ending	$ 15,683,763	$ 12,110,939	$ 27,794,702

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet
December 31, 2015

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet
December 31, 2015

	Motor Fuel Tax	Community Development Block Grant	Foreign Fire Insurance	Criminal Investigations	Municipal Parking Operations
ASSETS					
Cash and Investments	$ 4,100,936	$ 1,089	$ 485,898	$ 2,155,845	$ 5,409,181
Receivables - Net of Allowances					
Property Taxes	-	-	-	-	-
Other Taxes	169,495	-	-	-	-
Accrued Interest	-	-	153	-	2,506
Other	-	2,209,344	1,433	19,389	15,063
Total Assets	$ 4,270,431	$ 2,210,433	$ 487,484	$ 2,175,234	$ 5,426,750
LIABILITIES					
Accounts Payable	$ 108,192	$ 10,976	$ 5,222	$ 1,818	$ 115,622
Accrued Payroll	-	-	-	-	6,071
Due to Other Funds	-	6,000	-	-	-
Due to Other Governments	-	-	-	-	-
Other Payables	-	2,193,457	-	-	44,850
Total Liabilities	108,192	2,210,433	5,222	1,818	166,543
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	-	-	-	-	-
Grants	-	-	-	129,051	-
Total Deferred Inflows of Resources	-	-	-	129,051	-
Total Liabilities and Deferred Inflows of Resources	108,192	2,210,433	5,222	130,869	166,543
FUND BALANCES					
Restricted	4,162,239	-	482,262	2,044,365	-
Assigned	-	-	-	-	5,260,207
Total Fund Balances	4,162,239	-	482,262	2,044,365	5,260,207
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,270,431	$ 2,210,433	$ 487,484	$ 2,175,234	$ 5,426,750

TIF I South	TIF II North	TIF III	TIF IV	TIF V	Hickory Kensington TIF	Totals
$ 430,424	$ 24,181	$ 1,273,655	$ 1,734,505	$ 558,433	$ 9,808	$ 16,183,955
-	-	328,250	505,000	60,600	25,250	919,100
-	-	-	-	-	-	169,495
369	-	803	685	1,147	-	5,663
1,731	-	5,537	5,927	5,091	-	2,263,515
$ 432,524	$ 24,181	$ 1,608,245	$ 2,246,117	$ 625,271	$ 35,058	$ 19,541,728
$ 14,960	$ -	$ -	$ 2,700	$ -	$ -	$ 259,490
-	-	-	-	-	-	6,071
-	-	-	-	-	-	6,000
276,747	23,199	-	-	-	-	299,946
-	-	-	-	-	-	2,238,307
291,707	23,199	-	2,700	-	-	2,809,814
-	-	328,250	505,000	60,600	25,250	919,100
-	-	-	-	-	-	129,051
-	-	328,250	505,000	60,600	25,250	1,048,151
291,707	23,199	328,250	507,700	60,600	25,250	3,857,965
140,817	982	1,279,995	1,738,417	564,671	9,808	10,423,556
-	-	-	-	-	-	5,260,207
140,817	982	1,279,995	1,738,417	564,671	9,808	15,683,763
$ 432,524	$ 24,181	$ 1,608,245	$ 2,246,117	$ 625,271	$ 35,058	$ 19,541,728

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Eight Months Ended December 31, 2015

	Motor Fuel Tax	Community Development Block Grant	Foreign Fire Insurance	Criminal Investigations	Municipal Parking Operations
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	1,279,482	299,685	137,450	94,518	-
Charges for Services	-	-	-	-	762,148
Fines and Forfeitures	-	-	-	-	69,056
Interest	308	-	667	848	8,220
Miscellaneous	-	53,309	-	-	-
Total Revenues	1,279,790	352,994	138,117	95,366	839,424
Expenditures					
Current					
General Government	-	-	721	3,209	7,954
Public Safety	-	-	41,595	57,781	-
Highways and Streets	-	-	-	-	871,632
Community Development	-	202,994	-	-	-
Capital Outlay	457,494	-	-	-	774,246
Total Expenditures	457,494	202,994	42,316	60,990	1,653,832
Excess (Deficiency) of Revenues Over (Under) Expenditures	822,296	150,000	95,801	34,376	(814,408)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	2,000,000
Transfers Out	-	(150,000)	-	-	-
	-	(150,000)	-	-	2,000,000
Net Change in Fund Balances	822,296	-	95,801	34,376	1,185,592
Fund Balances - Beginning	3,339,943	-	386,461	2,009,989	4,074,615
Fund Balances - Ending	$ 4,162,239	$ -	$ 482,262	$ 2,044,365	$ 5,260,207

TIF I South	TIF II North	TIF III	TIF IV	TIF V	Hickory Kensington TIF	Totals
$ -	$ -	$ 371,814	$ 417,050	$ 77,405	$ 23,558	$ 889,827
-	-	-	-	-	-	1,811,135
-	-	-	-	-	-	762,148
-	-	-	-	-	-	69,056
818	-	2,258	2,833	1,304	-	17,256
-	-	-	-	-	-	53,309
818	-	374,072	419,883	78,709	23,558	3,602,731
641	-	1,898	2,585	832	-	17,840
-	-	-	-	-	-	99,376
24,222	-	-	-	-	-	895,854
-	-	13,039	41,700	46,916	13,750	318,399
-	-	-	-	-	-	1,231,740
24,863	-	14,937	44,285	47,748	13,750	2,563,209
(24,045)	-	359,135	375,598	30,961	9,808	1,039,522
-	-	-	-	-	-	2,000,000
-	-	(265,000)	-	(440,513)	-	(855,513)
-	-	(265,000)	-	(440,513)	-	1,144,487
(24,045)	-	94,135	375,598	(409,552)	9,808	2,184,009
164,862	982	1,185,860	1,362,819	974,223	-	13,499,754
$ 140,817	$ 982	$ 1,279,995	$ 1,738,417	$ 564,671	$ 9,808	$ 15,683,763

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Intergovernmental				
Motor Fuel Tax Allotments	$ 1,212,600	$ 1,212,600	$ 1,279,482	$ 1,840,510
Grant - State	-	-	-	668,278
Interest	300	300	308	89
Total Revenues	1,212,900	1,212,900	1,279,790	2,508,877
Expenditures				
Highway and Streets				
Contractual Services	30,000	30,000	-	-
Capital Outlay	776,500	1,241,997	457,494	2,719,819
Total Expenditures	806,500	1,271,997	457,494	2,719,819
Excess (Deficiency) of Revenues Over (Under) Expenditures	406,400	(59,097)	822,296	(210,942)
Other Financing Sources				
Transfers In	-	-	-	2,000,000
Net Change in Fund Balance	$ 406,400	$ (59,097)	822,296	1,789,058
Fund Balance - Beginning			3,339,943	1,550,885
Fund Balance - Ending			$ 4,162,239	$ 3,339,943

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Community Development Block Grant - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Intergovernmental				
Grant - CDBG	$ 453,920	$ 453,920	$ 299,685	$ 202,461
Miscellaneous				
Program Income	50,000	50,000	53,309	112,725
Total Revenues	503,920	503,920	352,994	315,186
Expenditures				
Community Development				
Planning and Community Development				
Personal Services	55,500	55,500	55,500	57,450
CDBG Program				
Other Charges	298,420	298,420	147,494	107,736
Total Expenditures	353,920	353,920	202,994	165,186
Excess (Deficiency) of Revenues Over (Under) Expenditures	150,000	150,000	150,000	150,000
Other Financing (Uses)				
Transfers Out	(150,000)	(150,000)	(150,000)	(150,000)
Net Change in Fund Balance	$ -	$ -	-	-
Fund Balance - Beginning			-	-
Fund Balance - Ending			$ -	$ -

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Foreign Fire Insurance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Intergovernmental				
Foreign Fire Insurance Tax	$ 130,000	$ 130,000	$ 137,450	$ 134,186
Interest	1,000	1,000	667	1,279
Miscellaneous	-	-	-	25
Total Revenues	131,000	131,000	138,117	135,490
Expenditures				
General Government				
Other Charges	-	-	721	2,392
Public Safety	111,200	111,200	41,595	98,287
Total Expenditures	111,200	111,200	42,316	100,679
Net Change in Fund Balance	$ 19,800	$ 19,800	95,801	34,811
Fund Balance - Beginning			386,461	351,650
Fund Balance - Ending			$ 482,262	$ 386,461

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Criminal Investigations - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Intergovernmental	$ 141,300	$ 141,300	$ 94,518	$ 1,720,913
Interest	-	-	848	6,961
Total Revenues	141,300	141,300	95,366	1,727,874
Expenditures				
General Government				
Other Charges	-	-	3,209	12,788
Public Safety	141,300	141,300	57,781	192,681
Total Expenditures	141,300	141,300	60,990	205,469
Net Change in Fund Balance	$ -	$ -	34,376	1,522,405
Fund Balance - Beginning			2,009,989	487,584
Fund Balance - Ending			$ 2,044,365	$ 2,009,989

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Municipal Parking Operations - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Charges for Services	$ 678,400	$ 678,400	$ 762,148	$ 1,026,578
Fines and Forfeitures	46,900	46,900	69,056	113,727
Interest	10,700	10,700	8,220	15,129
Miscellaneous	-	-	-	6,895
Total Revenues	736,000	736,000	839,424	1,162,329
Expenditures				
General Government				
Other Charges	-	-	7,954	25,560
Highways and Streets				
Personal Services	331,900	331,900	332,352	500,786
Contractual Services	252,800	257,300	246,262	341,552
Other Charges	225,100	225,100	225,100	78,018
Commodities and Supplies	88,200	88,200	67,918	326,100
Capital Outlay	912,500	917,482	774,246	164,065
Total Expenditures	1,810,500	1,819,982	1,653,832	1,436,081
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,074,500)	(1,083,982)	(814,408)	(273,752)
Other Financing Sources				
Transfers In	2,000,000	2,000,000	2,000,000	-
Net Change in Fund Balance	$ 925,500	$ 916,018	1,185,592	(273,752)
Fund Balance - Beginning			4,074,615	4,348,367
Fund Balance - Ending			$ 5,260,207	$ 4,074,615

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF I South - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Interest	$ 800	$ 800	$ 818	$ 1,685
Expenditures				
General Government				
Other Charges	-	-	641	2,634
Highways and Streets				
Contractual Services	-	25,000	24,222	47,987
Total Expenditures	-	25,000	24,863	50,621
Net Change in Fund Balance	$ 800	$ (24,200)	(24,045)	(48,936)
Fund Balance - Beginning			164,862	213,798
Fund Balance - Ending			$ 140,817	$ 164,862

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF II North - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property Taxes	$ -	$ -	$ -	$ -
Expenditures				
Highways and Streets				
Other Charges	-	-	-	7,518
Net Change in Fund Balance	$ -	$ -	-	(7,518)
Fund Balance - Beginning			982	8,500
Fund Balance - Ending			$ 982	$ 982

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF III - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property Taxes	$ 272,000	$ 272,000	$ 371,814	$ 360,219
Interest	2,000	2,000	2,258	4,565
Total Revenues	274,000	274,000	374,072	364,784
Expenditures				
General Government				
Other Charges	-	-	1,898	8,256
Community Development				
Contractual Services	10,000	11,722	2,939	3,421
Other Expenditures	20,100	20,100	10,100	15,800
Total Expenditures	30,100	31,822	14,937	27,477
Excess (Deficiency) of Revenues Over (Under) Expenditures	243,900	242,178	359,135	337,307
Other Financing (Uses)				
Transfers Out	(265,000)	(265,000)	(265,000)	(264,400)
Net Change in Fund Balance	$ (21,100)	$ (22,822)	94,135	72,907
Fund Balance - Beginning			1,185,860	1,112,953
Fund Balance - Ending			$ 1,279,995	$ 1,185,860

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF IV - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property Taxes	$ 400,000	$ 400,000	$ 417,050	$ 405,747
Interest	2,000	2,000	2,833	4,685
Total Revenues	402,000	402,000	419,883	410,432
Expenditures				
General Government				
Other Charges	-	-	2,585	9,452
Community Development				
Contractual Services	10,000	10,000	8,200	-
Other Expenditures	41,000	41,000	33,500	50,100
Capital Outlay	500,000	500,000	-	-
Total Expenditures	551,000	551,000	44,285	59,552
Net Change in Fund Balance	$ (149,000)	$ (149,000)	375,598	350,880
Fund Balance - Beginning			1,362,819	1,011,939
Fund Balance - Ending			$ 1,738,417	$ 1,362,819

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF V - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property Taxes	$ 59,500	$ 59,500	$ 77,405	$ -
Interest	3,600	3,600	1,304	4,777
Total Revenues	63,100	63,100	78,709	4,777
Expenditures				
General Government				
Other Charges	-	-	832	6,576
Community Development				
Contractual Services	10,000	17,859	13,416	22,109
Other Expenditures	43,500	43,500	33,500	50,300
Capital Outlay	500,000	500,000	-	11,303
Total Expenditures	553,500	561,359	47,748	90,288
Excess (Deficiency) of Revenues Over (Under) Expenditures	(490,400)	(498,259)	30,961	(85,511)
Other Financing (Uses)				
Transfers Out	(440,513)	(440,513)	(440,513)	(429,713)
Net Change in Fund Balance	$ (930,913)	$ (938,772)	(409,552)	(515,224)
Fund Balance - Beginning			974,223	1,489,447
Fund Balance - Ending			$ 564,671	$ 974,223

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Hickory Kensington TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Taxes				
Property Taxes	$ -	$ -	$ 23,558	$ -
Expenditures				
Community Development				
Contractual Services	20,000	20,000	3,750	-
Other Expenditures	10,000	10,000	10,000	-
Total Expenditures	30,000	30,000	13,750	-
Net Change in Fund Balance	$ (30,000)	$ (30,000)	9,808	-
Fund Balance - Beginning			-	-
Fund Balance - Ending			$ 9,808	$ -

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet
December 31, 2015

	Stormwater Control	Public Building	Emerald Ash Borer	Totals
ASSETS				
Cash and Investments	$ 3,658,999	$ 1,325,986	$ 6,761,276	$ 11,746,261
Receivables - Net of Allowances				
Property Taxes	-	263,913	-	263,913
Accrued Interest	2,206	1,076	1,215	4,497
Other	17,394	5,434	14,628	37,456
Prepaids	-	-	370,479	370,479
Total Assets	$ 3,678,599	$ 1,596,409	$ 7,147,598	$ 12,422,606
LIABILITIES				
Accounts Payable	$ 7,500	$ -	$ 37,904	$ 45,404
Accrued Payroll	-	-	2,350	2,350
Total Liabilities	7,500	-	40,254	47,754
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	-	263,913	-	263,913
Total Liabilities and Deferred Inflows of Resources	7,500	263,913	40,254	311,667
FUND BALANCES				
Nonspendable	-	-	370,479	370,479
Restricted	3,671,099	-	-	3,671,099
Assigned	-	1,332,496	6,736,865	8,069,361
Total Fund Balances	3,671,099	1,332,496	7,107,344	12,110,939
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,678,599	$ 1,596,409	$ 7,147,598	$ 12,422,606

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Eight Months Ended December 31, 2015

	Stormwater Control	Public Building	Emerald Ash Borer	Totals
Revenues				
Interest	$ 744	$ -	$ 11,504	$ 12,248
Miscellaneous	-	2,278	-	2,278
Total Revenues	744	2,278	11,504	14,526
Expenditures				
Current				
General Government	-	1,976	10,019	11,995
Health and Welfare	-	-	192,847	192,847
Capital Outlay	29,908	23,242	1,341,846	1,394,996
Total Expenditures	29,908	25,218	1,544,712	1,599,838
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,164)	(22,940)	(1,533,208)	(1,585,312)
Other Financing Sources				
Transfers In	500,000	-	3,400,000	3,900,000
Net Change in Fund Balances	470,836	(22,940)	1,866,792	2,314,688
Fund Balances - Beginning	3,200,263	1,355,436	5,240,552	9,796,251
Fund Balances - Ending	$ 3,671,099	$ 1,332,496	$ 7,107,344	$ 12,110,939

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Stormwater Control - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Interest	$ 5,000	$ 5,000	$ 744	$ 6,170
Miscellaneous	-	-	-	5,996
Total Revenues	5,000	5,000	744	12,166
Expenditures				
General Government				
Other	-	-	-	19,317
Capital Outlay				
Construction in Progress	900,000	972,750	29,908	468,560
Total Expenditures	900,000	972,750	29,908	487,877
Excess (Deficiency) of Revenues Over (Under) Expenditures	(895,000)	(967,750)	(29,164)	(475,711)
Other Financing Sources				
Transfers In	500,000	500,000	500,000	-
Net Change in Fund Balance	$ (395,000)	$ (467,750)	470,836	(475,711)
Fund Balance - Beginning			3,200,263	3,675,974
Fund Balance - Ending			$ 3,671,099	$ 3,200,263

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Public Building - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Interest	$ 3,000	$ 3,000	$ 2,278	$ 5,515
Expenditures				
General Government				
Other	-	-	1,976	8,228
Capital Outlay				
Contractual Services	500,000	509,443	5,208	69,865
Capital Outlay	25,000	25,000	18,034	279,578
Total Expenditures	525,000	534,443	25,218	357,671
Net Change in Fund Balance	$ (522,000)	$ (531,443)	(22,940)	(352,156)
Fund Balance - Beginning			1,355,436	1,707,592
Fund Balance - Ending			$ 1,332,496	$ 1,355,436

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Emerald Ash Borer - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Revenues				
Interest	$ 4,000	$ 4,000	$ 11,504	$ 12,866
Expenditures				
General Government				
Other	-	-	10,019	27,371
Health and Welfare				
Personal Services	333,100	333,100	177,698	228,518
Contractual Services	3,900	3,900	2,227	2,901
Commodities and Supplies	30,000	30,000	12,922	62,454
Capital Outlay	2,602,100	3,234,027	1,341,846	2,762,719
Total Expenditures	2,969,100	3,601,027	1,544,712	3,083,963
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,965,100)	(3,597,027)	(1,533,208)	(3,071,097)
Other Financing Sources				
Transfers In	3,400,000	3,400,000	3,400,000	4,600,000
Net Change in Fund Balance	$ 434,900	$ (197,027)	1,866,792	1,528,903
Fund Balance - Beginning			5,240,552	3,711,649
Fund Balance - Ending			$ 7,107,344	$ 5,240,552

ENTERPRISE FUNDS

Water and Sewer Fund: The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Solid Waste Disposal Fund: The Solid Waste Disposal Fund is used to account for all provision of solid waste disposal services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Arts, Entertainment and Events Fund: The Arts, Entertainment and Events Fund is used to account for costs associated with Village presentations or participation in art, theatrical and new community events.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Water and Sewer - Enterprise Fund

Statement of Net Position
December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015	4/30/2015
ASSETS		
Current Assets		
Cash and Investments	$ 1,739,367	$ 3,093,727
Receivables - Net of Allowances		
Accounts - Customer	2,097,954	1,774,309
Accrued Interest	2,468	2,502
Other	14,170	16,719
Prepaids	7,600	7,600
Inventories	647,065	692,204
Total Current Assets	4,508,624	5,587,061
Noncurrent Assets		
Capital Assets		
Nondepreciable	2,648,950	2,648,950
Depreciable	98,933,374	98,825,474
Accumulated Depreciation	(76,100,325)	(74,783,278)
Total Capital Assets	25,481,999	26,691,146
Other Assets		
Investment in Joint Venture	14,695,560	14,695,560
Total Noncurrent Assets	40,177,559	41,386,706
Total Assets	44,686,183	46,973,767
LIABILITIES		
Current Liabilities		
Accounts Payable	473,154	255,796
Accrued Payroll	72,227	160,086
Compensated Absences Payable	46,403	103,607
Total Current Liabilities	591,784	519,489
Long-Term Liabilities		
Compensated Absences Payable	185,611	414,430
Net Other Post-Employment Benefit Obligation Payable	173,856	188,114
Total Long-Term Liabilities	359,467	602,544
Total Liabilities	951,251	1,122,033
NET POSITION		
Investment in Capital Assets	25,481,999	26,691,146
Unrestricted	18,252,933	19,160,588
Total Net Position	$ 43,734,932	$ 45,851,734

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 11,757,900	$ 11,757,900	$ 10,222,539	$ 14,020,949
Miscellaneous	54,900	54,900	101,211	104,613
Total Operating Revenues	11,812,800	11,812,800	10,323,750	14,125,562
Operating Expenses				
Operations				
Personal Services	4,092,500	4,092,500	3,896,757	5,908,209
Contractual Services	2,140,600	2,153,589	1,927,759	2,158,225
Northwest Water Commission	2,857,000	2,857,000	2,879,639	3,542,286
Commodities	614,400	660,660	555,879	693,878
Charges for Services	1,172,000	1,172,000	1,023,102	1,482,389
Capital Outlay	1,551,500	1,698,650	1,142,146	1,096,947
Depreciation	-	-	1,317,047	1,351,573
Total Operating Expenses	12,428,000	12,634,399	12,742,329	16,233,507
Operating Income (Loss)	(615,200)	(821,599)	(2,418,579)	(2,107,945)
Nonoperating Revenues (Expenses)				
Interest Income	7,400	7,400	3,605	9,299
Other Income	11,400	11,400	300,721	177,461
Other Expenses	-	-	(2,549)	(18,566)
	18,800	18,800	301,777	168,194
Income (Loss) Before Transfers	(596,400)	(802,799)	(2,116,802)	(1,939,751)
Transfers Out	(50,000)	(50,000)	-	-
Change in Net Position	$ (646,400)	$ (852,799)	(2,116,802)	(1,939,751)
Net Position - Beginning			45,851,734	47,791,485
Net Position - Ending			$ 43,734,932	$ 45,851,734

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operations				
Personal Services				
Finance				
Salaries	$ 396,200	$ 396,200	$ 350,182	$ 545,077
Overtime	300	300	-	-
Workers' Compensation	800	800	800	1,100
Medical Insurance	74,100	74,100	74,100	101,200
IMRF	51,300	51,300	45,392	74,120
FICA	24,600	24,600	20,967	32,782
Medicare	5,700	5,700	4,903	7,667
Water Utility Operations				
Salaries	2,226,200	2,226,200	2,170,561	3,192,278
Overtime	222,600	222,600	170,221	239,219
Workers' Compensation	158,200	158,200	158,200	229,200
Medical Insurance	424,800	424,800	424,800	690,600
IMRF	313,700	313,700	311,440	490,202
FICA	151,800	151,800	145,413	216,919
Medicare	35,500	35,500	34,036	51,003
Compensated Absences	-	-	-	23,450
OPEB Liability	6,700	6,700	(14,258)	13,392
Total Personal Services	4,092,500	4,092,500	3,896,757	5,908,209
Contractual Services				
Finance				
Professional Services	15,800	15,800	12,960	14,100
Other Services	57,300	57,300	52,010	73,450
Travel and Training	700	700	-	10
Postage	44,900	44,900	40,126	61,105
Printing	12,200	12,200	420	7,007
IT/GIS Service Charge	71,800	71,800	71,800	93,800
Water Utility Operations				
Professional Services	55,900	63,539	59,690	36,142
General Insurance	38,000	38,000	38,000	54,000
Equipment Maintenance	46,000	51,350	16,010	17,583
Radio Maintenance	700	700	-	-
Building Maintenance	3,400	3,400	2,948	808

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			4/30/2015
	Budget			
	Original	Final	Actual	Actual
Operations - Continued				
Contractual Services - Continued				
Water Utility Operations - Continued				
Pumping Station Maintenance	$ 11,600	$ 11,600	$ -	$ 16,377
Sewer Collection System	15,000	15,000	9,890	11,808
Water Distribution System	365,100	365,100	356,308	319,891
Meter Installation	184,500	184,500	165,350	150,608
Equipment Rental	182,000	182,000	178,082	99,828
Utility Services	261,100	261,100	258,066	372,787
Disposal Services	73,400	73,400	28,855	29,683
Other Services	47,900	47,900	26,330	58,479
Dues	3,600	3,600	2,277	4,914
Travel and Training	11,600	11,600	10,466	10,002
Postage	2,800	2,800	84	234
Printing	1,200	1,200	1,056	1,284
Annual Consumer Report	14,300	14,300	13,010	12,738
IT/GIS Service Charge	140,600	140,600	140,600	186,200
Claims and Refunds	10,200	10,200	455	56,427
Vehicle/Equipment Lease Charge	417,000	417,000	417,000	399,900
Telephone Services	52,000	52,000	25,966	69,060
Total Contractual Services	2,140,600	2,153,589	1,927,759	2,158,225
Northwest Water Commission	2,857,000	2,857,000	2,879,639	3,542,286
Commodities				
Finance				
Office Supplies and Equipment	2,700	2,700	294	-
Overhead Sewer Rebate Program	25,000	25,000	25,000	25,000
Water Utility Operations				
Publications and Periodicals	300	300	-	190
Office Supplies and Equipment	3,400	3,400	3,257	5,039
Data System Supplies	1,700	1,700	668	858
Clothing	15,600	16,759	16,952	17,026
Petroleum Products	62,100	62,100	37,387	69,753
Water Distribution Supplies	148,400	155,985	234,023	172,555
Meter/Backflow Devices	90,900	98,401	28,675	99,209

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operations - Continued				
Commodities - Continued				
Water Utility Operations - Continued				
Pumping and Storage Supplies	$ 20,500	$ 25,416	$ 15,041	$ 8,737
Sewer and Collection Supplies	48,900	48,900	38,264	19,022
Agricultural Supplies	13,300	13,300	3,900	11,612
Building Supplies	8,200	8,200	15,000	12,053
Chemicals	8,900	8,900	4,248	2,899
Other Equipment and Supplies	54,800	54,800	37,482	98,427
Small Tools and Equipment	12,000	12,000	9,740	11,826
Street and Sidewalk Supplies	84,000	101,629	76,355	132,492
Other Supplies	13,700	21,170	9,593	7,180
Total Commodities	614,400	660,660	555,879	693,878
Charges for Services				
Water Utility Operations				
Administrative Service Charge	1,022,000	1,022,000	1,022,000	1,481,000
Operating Contingency	150,000	150,000	-	-
Other	-	-	1,102	1,389
Total Charges for Services	1,172,000	1,172,000	1,023,102	1,482,389
Capital Outlay				
Water Utility Operations				
Office Equipment	12,500	12,500	5,242	20,196
Other Equipment	229,700	280,733	174,397	138,645
Building Improvement	91,400	101,379	83,011	39,568
Construction in Progress	1,217,900	1,304,038	987,396	919,533
	1,551,500	1,698,650	1,250,046	1,117,942
Less Capital Assets Capitalized	-	-	(107,900)	(20,995)
Total Capital Outlay	1,551,500	1,698,650	1,142,146	1,096,947
Depreciation	-	-	1,317,047	1,351,573
Total Operating Expenses	$ 12,428,000	$ 12,634,399	$ 12,742,329	$ 16,233,507

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Net Position - Nonmajor Enterprise Funds
December 31, 2015

	Solid Waste Disposal	Arts, Entertainment and Events	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 3,500,691	$ 290,540	$ 3,791,231
Receivables - Net of Allowances			
Accrued Interest	1,513	508	2,021
Other	65,847	1,444	67,291
Prepaids	93,093	-	93,093
Total Current Assets	3,661,144	292,492	3,953,636
Noncurrent Assets			
Capital Assets			
Nondepreciable	-	475,200	475,200
Depreciable	-	2,565,746	2,565,746
Accumulated Depreciation	-	(909,564)	(909,564)
Total Noncurrent Assets	-	2,131,382	2,131,382
Total Assets	3,661,144	2,423,874	6,085,018
LIABILITIES			
Current Liabilities			
Accounts Payable	-	5,580	5,580
NET POSITION			
Investment in Capital Assets	-	2,131,382	2,131,382
Unrestricted	3,661,144	286,912	3,948,056
Total Net Position	$ 3,661,144	$ 2,418,294	$ 6,079,438

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds
For the Eight Months Ended December 31, 2015

	Solid Waste Disposal	Arts, Entertainment and Events	Totals
Operating Revenues			
Charges for Services	$ 1,310,604	$ 85,288	$ 1,395,892
Operating Expenses			
Operations	956,112	502,840	1,458,952
Depreciation	-	66,873	66,873
Total Operating Expenses	956,112	569,713	1,525,825
Operating Income (Loss)	354,492	(484,425)	(129,933)
Nonoperating Revenues (Expenses)			
Food and Beverage Tax	-	367,339	367,339
Interest Income	5,596	605	6,201
Other Expenses	(5,217)	(433)	(5,650)
	379	367,511	367,890
Change in Net Position	354,871	(116,914)	237,957
Net Position - Beginning	3,306,273	2,535,208	5,841,481
Net Position - Ending	$ 3,661,144	$ 2,418,294	$ 6,079,438

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Cash Flows - Nonmajor Enterprise Funds
For the Eight Months Ended December 31, 2015

	Solid Waste Disposal	Arts, Entertainment and Events	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	$ 1,310,604	$ 85,288	$ 1,395,892
Payment to Suppliers	(929,971)	(395,797)	(1,325,768)
Payment to Employees	-	(114,182)	(114,182)
	380,633	(424,691)	(44,058)
Cash Flow from Noncapital Financing Activities			
Food and Beverage Tax	-	367,339	367,339
Cash Flows from Investing Activities			
Interest Received	5,596	605	6,201
Net Change in Cash and Cash Equivalents	386,229	(56,747)	329,482
Cash and Cash Equivalents - Beginning	3,114,462	347,287	3,461,749
Cash and Cash Equivalents - Ending	$ 3,500,691	$ 290,540	$ 3,791,231
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.			
Operating Income (Loss)	$ 354,492	$ (484,425)	$ (129,933)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities.			
Depreciation	-	66,873	66,873
Other (Expenses)	(5,217)	(433)	(5,650)
(Increase) Decrease in Current Assets	31,358	423	31,781
Increase (Decrease) in Current Liabilities	-	(7,129)	(7,129)
Net Cash Provided by Operating Activities	$ 380,633	$ (424,691)	$ (44,058)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Solid Waste Disposal - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 1,088,000	$ 1,088,000	$ 1,310,604	$ 1,759,911
Operating Expenses				
Operations	924,300	924,300	956,112	1,255,947
Operating Income	163,700	163,700	354,492	503,964
Nonoperating Revenues (Expenses)				
Interest Income	4,600	4,600	5,596	9,689
Other Expenses	-	-	(5,217)	(18,691)
	4,600	4,600	379	(9,002)
Change in Net Position	$ 168,300	$ 168,300	354,871	494,962
Net Position - Beginning			3,306,273	2,811,311
Net Position - Ending			$ 3,661,144	$ 3,306,273

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Arts, Entertainment and Events - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services				
Social Events	$ 125,600	$ 125,600	$ 73,288	$ 36,851
Building Management Fees	12,000	12,000	12,000	18,000
Total Operating Revenues	137,600	137,600	85,288	54,851
Operating Expenses				
Operations	554,600	665,220	502,840	921,121
Depreciation	-	-	66,873	68,723
Total Operating Expenses	554,600	665,220	569,713	989,844
Operating Income (Loss)	(417,000)	(527,620)	(484,425)	(934,993)
Nonoperating Revenues (Expenses)				
Food and Beverage Tax	325,000	409,000	367,339	498,638
Interest Income	900	900	605	1,830
Other Expenses	-	-	(433)	(2,084)
	325,900	409,900	367,511	498,384
Change in Net Position	$ (91,100)	$ (117,720)	(116,914)	(436,609)
Net Position - Beginning			2,535,208	2,971,817
Net Position - Ending			$ 2,418,294	$ 2,535,208

INTERNAL SERVICE FUNDS

Health and Life Insurance Fund: The Health and Life Insurance Fund is used to account for all costs associated with self-insurance risks for health and life insurance.

Retiree Health Insurance Fund: The Retiree Health Insurance Fund is used to account for all costs associated with self-insurance risks for health insurance for retirees.

General Liability Insurance Fund: The General Liability Insurance Fund is used to account for all costs associated with self-insurance risks for general liability and property loss.

Workers' Compensation Fund: The Workers' Compensation Fund is used to account for all costs associated with self-insurance risks for general liability and property loss.

Fleet Operations Fund: The Fleet Operations Fund is used to account for all costs associated with maintaining and servicing the vehicles and equipment operated by the various departments within the Village.

Technology Fund: The Technology Fund is used to account for all costs associated with providing technology services to all departments for the operations of the Village.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Net Position - Internal Service Funds
December 31, 2015

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Net Position - Internal Service Funds
December 31, 2015

	Health and Life Insurance	Retiree Health Insurance
ASSETS		
Current Assets		
Cash and Investments	$ 3,396,318	$ 354,731
Receivables - Net of Allowances		
Accrued Interest	530	-
Other	57,949	-
Inventories	-	-
Total Current Assets	3,454,797	354,731
Noncurrent Assets		
Capital Assets		
Depreciable	-	-
Accumulated Depreciation	-	-
Total Noncurrent Assets	-	-
Total Assets	3,454,797	354,731
LIABILITIES		
Current Liabilities		
Accounts Payable	330,527	-
Accrued Payroll	1,854	-
Claims Payable	765,894	354,731
Compensated Absences Payable	1,698	-
Total Current Liabilities	1,099,973	354,731
Long-Term Liabilities		
Compensated Absences Payable	6,791	-
Net Other Post-Employment Benefit Obligation Payable	15,603	-
Total Long-Term Liabilities	22,394	-
Total Liabilities	1,122,367	354,731
NET POSITION		
Investment in Capital Assets	-	-
Unrestricted	2,332,430	-
Total Net Position	$ 2,332,430	$ -

General Liability Insurance	Workers' Compensation	Fleet Operations	Technology	Totals
$ 3,286,597	$ 6,378,390	$ 6,283,601	$ 1,928,351	$ 21,627,988
2,466	4,377	1,556	947	9,876
15,650	26,459	34,328	6,926	141,312
-	-	75,226	-	75,226
3,304,713	6,409,226	6,394,711	1,936,224	21,854,402
-	-	19,385,435	37,261	19,422,696
-	-	(10,845,434)	(3,726)	(10,849,160)
-	-	8,540,001	33,535	8,573,536
3,304,713	6,409,226	14,934,712	1,969,759	30,427,938
61	73,224	179,429	34,069	617,310
-	1,386	18,815	10,712	32,767
464,007	2,140,677	-	-	3,725,309
-	1,392	15,269	9,775	28,134
464,068	2,216,679	213,513	54,556	4,403,520
-	5,568	61,075	39,100	112,534
-	7,800	95,599	66,894	185,896
-	13,368	156,674	105,994	298,430
464,068	2,230,047	370,187	160,550	4,701,950
-	-	8,540,001	33,535	8,573,536
2,840,645	4,179,179	6,024,524	1,775,674	17,152,452
$ 2,840,645	$ 4,179,179	$ 14,564,525	$ 1,809,209	$ 25,725,988

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds
For the Eight Months Ended December 31, 2015

	Health and Life Insurance	Retiree Health Insurance
Operating Revenues		
Charges for Services	$ 6,264,181	$ 1,212,166
Fines and Forfeitures	-	-
Miscellaneous	44,365	123,464
Total Operating Revenues	6,308,546	1,335,630
Operating Expenses		
Operations	5,968,447	1,671,580
Depreciation	-	-
Total Operating Expenses	5,968,447	1,671,580
Operating Income (Loss)	340,099	(335,950)
Nonoperating Revenues (Expenses)		
Disposal of Capital Assets	-	-
Interest Income	2,946	-
Other Income	-	-
Other Expenses	(1,245)	-
	1,701	-
Income (Loss) Before Transfers	341,800	(335,950)
Transfers In	-	335,950
Transfers Out	(335,950)	-
Change in Net Position	5,850	-
Net Position - Beginning	2,326,580	-
Net Position - Ending	$ 2,332,430	$ -

General Liability Insurance	Workers' Compensation	Fleet Operations	Technology	Totals
$ 498,200	$ 1,299,600	$ 2,606,361	$ 1,157,800	$ 13,038,308
-	-	11,744	-	11,744
1,275	61,168	78,018	-	308,290
499,475	1,360,768	2,696,123	1,157,800	13,358,342
961,423	2,101,170	1,344,146	991,949	13,038,715
-	-	1,194,842	3,726	1,198,568
961,423	2,101,170	2,538,988	995,675	14,237,283
(461,948)	(740,402)	157,135	162,125	(878,941)
-	-	95,709	-	95,709
6,026	10,596	10,170	3,223	32,961
-	7,149	99,055	21,419	127,623
(5,213)	(9,163)	(9,292)	(2,893)	(27,806)
813	8,582	195,642	21,749	228,487
(461,135)	(731,820)	352,777	183,874	(650,454)
-	-	-	-	335,950
-	-	-	-	(335,950)
(461,135)	(731,820)	352,777	183,874	(650,454)
3,301,780	4,910,999	14,211,748	1,625,335	26,376,442
$ 2,840,645	$ 4,179,179	$ 14,564,525	$ 1,809,209	$ 25,725,988

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Combining Statement of Cash Flows - Internal Service Funds
For the Eight Months Ended December 31, 2015

	Health and Life Insurance	Retiree Health Insurance
Cash Flows from Operating Activities		
Interfund Services Provided	$ 6,268,780	$ 1,335,630
Payment to Suppliers	(5,812,838)	(1,662,387)
Payment to Employees	(67,678)	-
	388,264	(326,757)
Cash Flows from Noncapital Financing Activities		
Transfers In	-	335,950
Transfers Out	(335,950)	-
	(335,950)	335,950
Cash Flows from Capital and Related Financing Activities		
Disposal of Capital Assets	-	-
Purchase of Capital Assets	-	-
	-	-
Cash Flows from Investing Activities		
Interest Received	2,946	-
Net Change in Cash and Cash Equivalents	55,260	9,193
Cash and Cash Equivalents - Beginning	3,341,058	345,538
Cash and Cash Equivalents - Ending	$ 3,396,318	$ 354,731
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$ 340,099	$ (335,950)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities		
Depreciation	-	-
Other Income (Expenses)	(1,245)	-
(Increase) Decrease in Current Assets	(39,766)	-
Increase (Decrease) in Current Liabilities	89,176	9,193
Net Cash Provided by Operating Activities	$ 388,264	$ (326,757)

General Liability Insurance	Workers' Compensation	Fleet Operations	Technology	Totals
$ 499,475	$ 1,360,768	$ 2,696,123	$ 1,157,800	$ 13,318,576
(868,043)	(1,743,189)	(10,246)	(682,070)	(10,778,773)
-	(51,199)	(741,621)	(315,191)	(1,175,689)
(368,568)	(433,620)	1,944,256	160,539	1,364,114
-	-	-	-	335,950
-	-	-	-	(335,950)
-	-	-	-	-
-	-	95,709	-	95,709
-	-	(1,325,247)	(37,261)	(1,362,508)
-	-	(1,229,538)	(37,261)	(1,266,799)
6,026	10,596	10,170	3,223	32,961
(362,542)	(423,024)	724,888	126,501	130,276
3,860,415	6,801,414	5,558,713	1,816,956	21,724,094
$ 3,497,873	$ 6,378,390	$ 6,283,601	$ 1,943,457	$ 21,854,370
$ (461,948)	$ (740,402)	$ 157,135	$ 162,125	$ (878,941)
-	-	1,194,842	3,726	1,198,568
(5,213)	(2,014)	89,763	18,526	99,817
5,285	9,359	448,711	3,001	426,590
93,308	299,437	53,805	(26,839)	518,080
$ (368,568)	$ (433,620)	$ 1,944,256	$ 160,539	$ 1,364,114

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Health and Life Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 6,335,300	$ 6,335,300	$ 6,264,181	$ 9,587,926
Miscellaneous	-	-	44,365	2,471
Total Operating Revenues	6,335,300	6,335,300	6,308,546	9,590,397
Operating Expenses				
Operations				
Personal Services	216,100	216,100	214,722	323,457
Contractual Services	2,583,600	2,583,600	2,411,896	3,901,167
Commodities	300	300	290	556
Insurance Claims	3,494,400	3,494,400	3,341,539	4,851,793
Total Operating Expenses	6,294,400	6,294,400	5,968,447	9,076,973
Operating Income	40,900	40,900	340,099	513,424
Nonoperating Revenues (Expenses)				
Interest Income	4,000	4,000	2,946	5,387
Other Expenses	-	-	(1,245)	(20,051)
	4,000	4,000	1,701	(14,664)
Income (Loss) Before Transfers	44,900	44,900	341,800	498,760
Transfers In	350,000	350,000	-	-
Transfers Out	(1,223,600)	(1,223,600)	(335,950)	(835,123)
Change in Net Position	$ (828,700)	$ (828,700)	5,850	(336,363)
Net Position - Beginning			2,326,580	2,662,943
Net Position - Ending			$ 2,332,430	$ 2,326,580

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Retiree Health Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 932,900	$ 932,900	$ 1,212,166	$ 1,734,937
Miscellaneous Income	130,000	130,000	123,464	132,089
Total Operating Revenues	1,062,900	1,062,900	1,335,630	1,867,026
Operating Expenses				
Operations				
Contractual Services	411,300	411,300	373,177	602,429
Insurance Claims	1,875,200	1,875,200	1,298,403	2,099,720
Total Operating Expenses	2,286,500	2,286,500	1,671,580	2,702,149
Income (Loss) Before Transfers	(1,223,600)	(1,223,600)	(335,950)	(835,123)
Transfers In	1,223,600	1,223,600	335,950	835,123
Change in Net Position	$ -	$ -	-	-
Net Position - Beginning			-	-
Net Position - Ending			$ -	$ -

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

General Liability Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 498,200	$ 498,200	$ 498,200	$ 708,300
Miscellaneous Income	-	-	1,275	12,632
Total Operating Revenues	498,200	498,200	499,475	720,932
Operating Expenses				
Operations				
Contractual Services	433,000	491,152	497,238	352,311
Insurance Claims	302,000	476,000	464,185	603,484
Total Operating Expenses	735,000	967,152	961,423	955,795
Operating Income (Loss)	(236,800)	(468,952)	(461,948)	(234,863)
Nonoperating Revenues (Expenses)				
Interest Income	6,000	6,000	6,026	12,513
Other Expenses	-	-	(5,213)	(23,167)
	6,000	6,000	813	(10,654)
Change in Net Position	$ (230,800)	$ (462,952)	(461,135)	(245,517)
Net Position - Beginning			3,301,780	3,547,297
Net Position - Ending			$ 2,840,645	$ 3,301,780

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Workers' Compensation - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 1,299,600	$ 1,299,600	$ 1,299,600	$ 1,883,200
Miscellaneous Income	-	-	61,168	133,435
Total Operating Revenues	1,299,600	1,299,600	1,360,768	2,016,635
Operating Expenses				
Operations				
Personal Services	97,000	97,000	80,082	98,681
Contractual Services	336,500	506,083	372,298	305,708
Commodities	1,500	1,500	708	1,117
Insurance Claims	784,000	1,506,000	1,648,082	1,615,525
Total Operating Expenses	1,219,000	2,110,583	2,101,170	2,021,031
Operating Income (Loss)	80,600	(810,983)	(740,402)	(4,396)
Nonoperating Revenues (Expenses)				
Interest Income	10,100	10,100	10,596	22,015
Other Income	-	-	7,149	-
Other Expenses	-	-	(9,163)	(39,557)
	10,100	10,100	8,582	(17,542)
Change in Net Position	$ 90,700	$ (800,883)	(731,820)	(21,938)
Net Position - Beginning			4,910,999	4,932,937
Net Position - Ending			$ 4,179,179	$ 4,910,999

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Fleet Operations - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 2,606,500	$ 2,606,500	$ 2,606,361	$ 3,096,544
Fines and Forfeitures	16,800	16,800	11,744	16,218
Miscellaneous Income	120,600	120,600	78,018	160,517
Total Operating Revenues	2,743,900	2,743,900	2,696,123	3,273,279
Operating Expenses				
Operations				
Personal Services	976,400	976,400	954,689	1,385,605
Contractual Services	174,600	188,546	192,825	190,699
Commodities	358,400	354,400	196,632	391,333
Capital Outlay	829,200	2,930,559	-	-
Depreciation	-	-	1,194,842	1,089,041
Total Operating Expenses	2,338,600	4,449,905	2,538,988	3,056,678
Operating Income (Loss)	405,300	(1,706,005)	157,135	216,601
Nonoperating Revenues (Expenses)				
Disposal of Capital Assets	-	-	95,709	286,512
Interest Income	12,000	12,000	10,170	18,440
Other Income	-	-	99,055	-
Other Expenses	-	-	(9,292)	(33,359)
	12,000	12,000	195,642	271,593
Income (Loss) Before Contributions	417,300	(1,694,005)	352,777	488,194
Capital Contributions	-	-	-	14,189
Change in Net Position	$ 417,300	$ (1,694,005)	352,777	502,383
Net Position - Beginning			14,211,748	13,709,365
Net Position - Ending			$ 14,564,525	$ 14,211,748

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Fleet Operations - Internal Service Fund

Schedule of Operating Expenses - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Personal Services				
Salaries	$ 644,700	$ 644,700	$ 643,000	$ 926,916
Overtime	34,700	34,700	21,478	24,607
Workers' Compensation	30,400	30,400	30,400	44,100
Medical Insurance	124,800	124,800	124,800	185,100
IMRF	84,800	84,800	83,402	126,027
Social Security	42,100	42,100	40,034	57,715
Medicare	9,900	9,900	9,363	13,498
OPEB Liability	5,000	5,000	2,212	7,642
Total Personal Services	976,400	976,400	954,689	1,385,605
Contractual Services				
Equipment Maintenance	9,000	9,000	7,329	6,674
Radio Maintenance	300	300	-	-
Vehicle Equipment Maintenance	100,700	114,646	121,518	115,190
Vehicle Damage	16,700	16,700	22,230	11,154
Equipment Rental	2,000	2,000	1,120	2,145
Disposal Services	1,300	1,300	119	669
Other Services	100	100	204	-
Dues	700	700	313	406
Travel and Training	1,800	1,800	1,485	2,312
Postage	100	100	179	280
Printing	800	800	312	24
Photocopying	100	100	-	-
IT/GIS Service Charge	16,600	16,600	16,600	21,600
Vehicle and Equipment Lease Charge	11,100	11,100	11,800	16,100
Wheeling Bus Maintenance	13,300	13,300	9,616	14,145
Total Contractual Services	174,600	188,546	192,825	190,699
Commodities				
Publications and Periodicals	100	100	356	86
Office Supplies and Equipment	300	300	-	538

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Fleet Operations - Internal Service Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Commodities - Continued				
Clothing	$ 3,600	$ 3,600	$ 4,143	$ 5,776
Petroleum Products	1,100	1,100	699	851
Non-Village Fuel Resale	121,100	121,100	67,608	125,577
Vehicle Maintenance Supplies	199,600	199,600	117,186	239,544
Other Equipment and Supplies	8,900	8,900	4,358	14,173
Small Tools and Equipment	2,700	2,700	1,777	3,167
Other Supplies	1,000	1,000	505	1,621
Operating Contingency	20,000	16,000	-	-
Total Commodities	358,400	354,400	196,632	391,333
Capital Outlay	829,200	2,930,559	1,325,247	1,872,452
Less Nonoperating Items				
Capital Assets Capitalized	-	-	(1,325,247)	(1,872,452)
Total Capital Outlay	829,200	2,930,559	-	-
Depreciation	-	-	1,194,842	1,089,041
Total Operating Expenses	$ 2,338,600	$ 4,449,905	$ 2,538,988	$ 3,056,678

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Technology - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Operating Revenues				
Charges for Services	$ 1,157,800	$ 1,157,800	$ 1,157,800	$ 1,540,847
Operating Expenses				
Operations				
Personal Services	566,800	566,800	542,954	744,541
Contractual Services	377,700	377,700	254,916	388,256
Commodities	50,200	50,200	42,898	59,482
Capital Outlay	241,800	241,800	151,181	208,193
Depreciation	-	-	3,726	-
Total Operating Expenses	1,236,500	1,236,500	995,675	1,400,472
Operating Income (Loss)	(78,700)	(78,700)	162,125	140,375
Nonoperating Revenues (Expenses)				
Interest Income	4,000	4,000	3,223	6,023
Other Income	-	-	21,419	-
Other Expenses	-	-	(2,893)	(10,904)
	4,000	4,000	21,749	(4,881)
Change in Net Position	$ (74,700)	$ (74,700)	183,874	135,494
Net Position - Beginning			1,625,335	1,489,841
Net Position - Ending			$ 1,809,209	$ 1,625,335

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund: The Police Pension Fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Arlington Heights Police Department. Revenues are provided by the following: Village contributions (made possible by a property tax levy), employee contributions and investment income.

Firefighters' Pension Fund: The Firefighters' Pension Fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Arlington Heights Police Department. Revenues are provided by the following: Village contributions (made possible by a property tax levy), employee contributions and investment income.

AGENCY FUNDS

Guaranty Deposit Fund: The Guaranty Deposit Fund is used to account for deposits by developers and contractors providing services within the Village to guarantee performance of construction contracts. These funds are later returned to the developer or contractor upon completion of the contract.

Escrow Deposit Fund: The Escrow Deposit Fund is used to account for deposits by developers and contractors providing services within the Village. These funds are used to reimburse the Village for the cost of goods and services provided.

Fleet Operations Fund: The Fleet Operations Fund is used to account for all costs associated with maintaining and servicing the vehicles and equipment operated by the various departments within the Village.

Special Assessments Collections Fund: The Special Assessments Collection Fund is used to account for the collection of special assessments from property owners. The collections are used to repay special assessment debt, for which the Village is not obligated.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position
December 31, 2015

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	$ 4,967,607	$ 3,252,154	$ 8,219,761
Investments			
U.S. Treasury and Agency Obligations	29,680,057	12,562,590	42,242,647
Corporate and Foreign Corporate Bonds	10,010,005	21,100,425	31,110,430
Municipal Bonds	-	1,701,411	1,701,411
Common Stock	32,728,490	7,768,165	40,496,655
Mutual Funds	30,766,139	44,519,017	75,285,156
Receivables - Net of Allowance			
Accrued Interest	255,133	193,693	448,826
Other	325	348	673
Total Assets	108,407,756	91,097,803	199,505,559
LIABILITIES			
Other Payables	50,715	-	50,715
NET POSITION			
Net Position Restricted for Pensions	$ 108,357,041	$ 91,097,803	$ 199,454,844

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position
For the Eight Months Ended December 31, 2015

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	$ 4,500,000	$ 5,057,400	$ 9,557,400
Contributions - Plan Members	691,981	689,993	1,381,974
Contributions - Other	4,776	21,628	26,404
Total Contributions	5,196,757	5,769,021	10,965,778
Investment Income			
Interest Earned	1,838,464	1,501,051	3,339,515
Net Change in Fair Value	(2,699,478)	(3,919,610)	(6,619,088)
	(861,014)	(2,418,559)	(3,279,573)
Less Investment Expenses	(155,508)	(140,687)	(296,195)
Net Investment Income	(1,016,522)	(2,559,246)	(3,575,768)
Total Additions	4,180,235	3,209,775	7,390,010
Deductions			
Administration	27,218	62,395	89,613
Benefits and Refunds	3,835,374	3,946,419	7,781,793
Total Deductions	3,862,592	4,008,814	7,871,406
Change in Fiduciary Net Position	317,643	(799,039)	(481,396)
Net Position Restricted for Pensions			
Beginning	108,039,398	91,896,842	199,936,240
Ending	$ 108,357,041	$ 91,097,803	$ 199,454,844

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Additions				
Contributions - Employer	$ 4,500,000	$ 4,500,000	$ 4,500,000	$ 4,529,400
Contributions - Plan Members	670,000	670,000	691,981	986,380
Contributions - Other	-	-	4,776	276,199
Total Contributions	5,170,000	5,170,000	5,196,757	5,791,979
Investment Income				
Interest Earned	1,434,500	1,434,500	1,838,464	2,903,430
Net Change in Fair Value	1,140,000	1,140,000	(2,699,478)	5,225,261
	2,574,500	2,574,500	(861,014)	8,128,691
Less Investment Expenses	(185,000)	(185,000)	(155,508)	(291,517)
Net Investment Income	2,389,500	2,389,500	(1,016,522)	7,837,174
Total Additions	7,559,500	7,559,500	4,180,235	13,629,153
Deductions				
Administration	41,700	41,700	27,218	32,090
Benefits and Refunds	3,727,000	3,821,500	3,835,374	5,421,571
Total Deductions	3,768,700	3,863,200	3,862,592	5,453,661
Change in Fiduciary Net Position	$ 3,790,800	$ 3,696,300	317,643	8,175,492
Net Position Restricted for Pensions				
Beginning			108,039,398	99,863,906
Ending			$ 108,357,041	$ 108,039,398

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Eight Months Ended December 31, 2015
(with Comparative Actuals for April 30, 2015)

	12/31/2015			
	Budget			4/30/2015
	Original	Final	Actual	Actual
Additions				
Contributions - Employer	$ 5,057,400	$ 5,057,400	$ 5,057,400	$ 5,007,300
Contributions - Plan Members	670,000	670,000	689,993	967,685
Contributions - Other	-	-	21,628	1,451
Total Contributions	5,727,400	5,727,400	5,769,021	5,976,436
Investment Income				
Interest Earned	737,000	737,000	1,501,051	1,687,747
Net Change in Fair Value	1,350,000	1,350,000	(3,919,610)	4,759,344
	2,087,000	2,087,000	(2,418,559)	6,447,091
Less Investment Expenses	(143,000)	(143,000)	(140,687)	(183,183)
Net Investment Income	1,944,000	1,944,000	(2,559,246)	6,263,908
Total Additions	7,671,400	7,671,400	3,209,775	12,240,344
Deductions				
Administration	39,900	46,900	62,395	35,679
Benefits and Refunds	4,092,000	4,092,000	3,946,419	5,795,897
Total Deductions	4,131,900	4,138,900	4,008,814	5,831,576
Change in Fiduciary Net Position	$ 3,539,500	$ 3,532,500	(799,039)	6,408,768
Net Position Restricted for Pensions				
Beginning			91,896,842	85,488,074
Ending			$ 91,097,803	$ 91,896,842

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Agency Funds

Combining Statement of Changes in Assets and Liabilities
For the Eight Months Ended December 31, 2015

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Agency Funds

Combining Statement of Changes in Assets and Liabilities
For the Eight Months Ended December 31, 2015

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	$ 2,211,543	$ 2,165,552	$ 2,211,543	$ 2,165,552
Accounts Receivable	50,578	35,582	49,958	36,202
Accrued Interest Receivable	491	-	-	491
Total Assets	$ 2,262,612	$ 2,201,134	$ 2,261,501	$ 2,202,245
LIABILITIES				
Accounts Payable	$ 15,789	$ 26,899	$ 15,789	$ 26,899
Deposits Payable	2,246,806	2,175,088	2,246,565	2,175,329
Other Payables	17	-	-	17
Total Liabilities	$ 2,262,612	$ 2,201,987	$ 2,262,354	$ 2,202,245
Guaranty Deposit Fund				
ASSETS				
Cash and Investments	$ 373,591	$ 394,349	$ 373,591	$ 394,349
Accrued Interest Receivable	250	-	-	250
Total Assets	$ 373,841	$ 394,349	$ 373,591	$ 394,599
LIABILITIES				
Accounts Payable	$ 4,600	$ 2,700	$ 4,600	$ 2,700
Deposits Payable	369,241	391,899	369,241	391,899
Total Liabilities	$ 373,841	$ 394,599	$ 373,841	$ 394,599

	Beginning Balances	Additions	Deductions	Ending Balances
Escrow Deposits Fund				
ASSETS				
Cash and Investments	$ 1,301,438	$ 1,219,692	$ 1,301,438	$ 1,219,692
Accounts Receivable	620	-	-	620
Total Assets	$ 1,302,058	$ 1,219,692	$ 1,301,438	$ 1,220,312
LIABILITIES				
Accounts Payable	$ 11,189	$ 24,199	$ 11,189	$ 24,199
Deposits Payable	1,290,852	1,196,096	1,290,852	1,196,096
Other Payables	17	-	-	17
Total Liabilities	$ 1,302,058	$ 1,220,295	$ 1,302,041	$ 1,220,312
Special Assessments Collection Fund				
ASSETS				
Cash and Investments	$ 536,514	$ 551,511	$ 536,514	$ 551,511
Accounts Receivable	49,958	35,582	49,958	35,582
Accrued Interest Receivable	241	-	-	241
Total Assets	$ 586,713	$ 587,093	$ 586,472	$ 587,334
LIABILITIES				
Deposits Payable	$ 586,713	$ 587,093	$ 586,472	$ 587,334

SUPPLEMENTAL SCHEDULES

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2003A
December 31, 2015

Date of Issue	December 29, 2003
Date of Maturity	December 1, 2016
Authorized Issue	$2,600,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 255,000	$ 10,200	$ 265,200	2016	$ 5,100	2016	$ 5,100

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2003B
December 31, 2015

Date of Issue	December 29, 2003
Date of Maturity	December 1, 2016
Authorized Issue	$3,300,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 310,000	$ 12,400	$ 322,400	2016	$ 6,200	2016	$ 6,200

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2006A
December 31, 2015

Date of Issue	October 30, 2006
Date of Maturity	December 1, 2018
Authorized Issue	$16,515,000
Denomination of Bonds	$5,000
Interest Rate	4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 315,000	$ 39,600	$ 354,600	2016	$ 19,800	2016	$ 19,800
2016	330,000	27,000	357,000	2017	13,500	2017	13,500
2017	345,000	13,800	358,800	2018	6,900	2018	6,900
	$ 990,000	$ 80,400	$ 1,070,400		$ 40,200		$ 40,200

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010
December 31, 2015

Date of Issue	September 22, 2010
Date of Maturity	December 1, 2022
Authorized Issue	$2,855,000
Denomination of Bonds	$5,000
Interest Rates	1.50% - 3.25%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 230,000	$ 52,300	$ 282,300	2016	$ 26,150	2016	$ 26,150
2016	235,000	46,550	281,550	2017	23,275	2017	23,275
2017	245,000	40,676	285,676	2018	20,338	2018	20,338
2018	255,000	33,326	288,326	2019	16,663	2019	16,663
2019	260,000	25,676	285,676	2020	12,838	2020	12,838
2020	270,000	17,876	287,876	2021	8,938	2021	8,938
2021	280,000	9,100	289,100	2022	4,550	2022	4,550
	$ 1,775,000	$ 225,504	$ 2,000,504		$ 112,752		$ 112,752

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2011
December 31, 2015

Date of Issue	August 1, 2011
Date of Maturity	December 1, 2026
Authorized Issue	$9,925,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 60,000	$ 380,500	$ 440,500	2016	$ 190,250	2016	$ 190,250
2016	60,000	379,300	439,300	2017	189,650	2017	189,650
2017	65,000	377,650	442,650	2018	188,825	2018	188,825
2018	75,000	375,862	450,862	2019	187,931	2019	187,931
2019	50,000	373,800	423,800	2020	186,900	2020	186,900
2020	50,000	371,800	421,800	2021	185,900	2021	185,900
2021	900,000	369,800	1,269,800	2022	184,900	2022	184,900
2022	2,450,000	333,800	2,783,800	2023	166,900	2023	166,900
2023	2,520,000	235,800	2,755,800	2024	117,900	2024	117,900
2024	1,895,000	135,000	2,030,000	2025	67,500	2025	67,500
2025	1,480,000	59,200	1,539,200	2026	29,600	2026	29,600
	$ 9,605,000	$ 3,392,512	$ 12,997,512		$ 1,696,256		$ 1,696,256

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2012A
December 31, 2015

Date of Issue	February 1, 2012
Date of Maturity	December 1, 2022
Authorized Issue	$9,670,000
Denomination of Bonds	$5,000
Interest Rate	2.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 585,000	$ 182,100	$ 767,100	2016	$ 91,050	2016	$ 91,050
2016	1,000,000	170,400	1,170,400	2017	85,200	2017	85,200
2017	1,000,000	150,400	1,150,400	2018	75,200	2018	75,200
2018	1,000,000	130,400	1,130,400	2019	65,200	2019	65,200
2019	2,000,000	110,400	2,110,400	2020	55,200	2020	55,200
2020	2,145,000	70,400	2,215,400	2021	35,200	2021	35,200
2021	1,375,000	27,500	1,402,500	2022	13,750	2022	13,750
	$ 9,105,000	$ 841,600	$ 9,946,600		$ 420,800		$ 420,800

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2013
December 31, 2015

Date of Issue	December 1, 2013
Date of Maturity	December 1, 2019
Authorized Issue	$7,755,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 2,135,000	$ 286,050	$ 2,421,050	2016	$ 143,025	2016	$ 143,025
2016	2,020,000	222,000	2,242,000	2017	111,000	2017	111,000
2017	1,530,000	141,200	1,671,200	2018	70,600	2018	70,600
2018	2,000,000	80,000	2,080,000	2019	40,000	2019	40,000
	$ 7,685,000	$ 729,250	$ 8,414,250		$ 364,625		$ 364,625

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Bonds of 2014
December 31, 2015

Date of Issue	October 1, 2014
Date of Maturity	December 1, 2020
Authorized Issue	$7,625,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 3.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	UMB Bank, National Association, Kansas City MO

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2015	$ 1,325,000	$ 177,550	$ 1,502,550	2016	$ 88,775	2016	$ 88,775
2016	1,350,000	151,050	1,501,050	2017	75,525	2017	75,525
2017	1,390,000	110,550	1,500,550	2018	55,275	2018	55,275
2018	1,435,000	68,850	1,503,850	2019	34,425	2019	34,425
2019	860,000	25,800	885,800	2020	12,900	2020	12,900
	$ 6,360,000	$ 533,800	$ 6,893,800		$ 266,900		$ 266,900

STATISTICAL SECTION
(Unaudited)

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

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 present information to help the reader assess the affordability of the Village's current levels 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 which 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 ARLINGTON HEIGHTS, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

	2007	2008	2009	2010
Governmental Activities				
Net Investment in Capital Assets	$ 95,942,903	$ 105,832,314	$ 110,917,033	$ 111,371,613
Restricted	23,406,560	11,249,654	8,198,492	9,270,651
Unrestricted	39,057,180	47,209,312	44,189,397	40,570,428
Total Governmental Activities	$ 158,406,643	$ 164,291,280	$ 163,304,922	$ 161,212,692
Business-Type Activities				
Net Investment in Capital Assets	$ 34,316,474	$ 37,451,534	$ 36,981,008	$ 35,842,122
Unrestricted	29,862,422	26,168,160	24,524,508	23,450,192
Total Business-Type Activities	$ 64,178,896	$ 63,619,694	$ 61,505,516	$ 59,292,314
Primary Government				
Net Investment in Capital Assets	$ 130,259,377	$ 143,283,848	$ 147,898,041	$ 147,213,735
Restricted	23,406,560	11,249,654	8,198,492	9,270,651
Unrestricted	68,919,602	73,377,472	68,713,905	64,020,620
Total Primary Government	$ 222,585,539	$ 227,910,974	$ 224,810,438	$ 220,505,006

*For the eight months ended December 31, 2015

Data Source: Audited Financial Statements

2011	2012	2013	2014	2015	2015*
$ 113,491,072	$ 116,954,018	$ 121,113,330	$ 127,435,505	$ 126,928,744	$ 134,100,576
9,452,095	16,263,555	17,517,983	16,796,342	23,943,432	21,979,506
44,485,939	41,494,128	44,224,002	45,211,400	44,627,697	(41,302,760)
$ 167,429,106	$ 174,711,701	$ 182,855,315	$ 189,443,247	$ 195,499,873	$ 114,777,322
$ 34,272,550	$ 32,777,835	$ 31,486,324	$ 30,288,702	$ 28,889,401	$ 27,613,381
22,632,902	22,739,490	23,159,732	23,285,911	22,803,814	22,200,989
$ 56,905,452	$ 55,517,325	$ 54,646,056	$ 53,574,613	$ 51,693,215	$ 49,814,370
$ 147,763,622	$ 149,731,853	$ 152,599,654	$ 157,724,207	$ 155,818,145	$ 161,713,957
9,452,095	16,263,555	17,517,983	16,796,342	23,943,432	21,979,506
67,118,841	64,233,618	67,383,734	68,497,311	67,431,511	(19,101,771)
$ 224,334,558	$ 230,229,026	$ 237,501,371	$ 243,017,860	$ 247,193,088	$ 164,591,692

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

	2007	2008	2009	2010
Expenses				
Governmental Activities				
General Government	$ 7,280,703	$ 4,420,078	$ 7,979,137	$ 7,563,734
Public Safety	34,040,770	35,805,185	38,545,819	39,868,746
Highways and Streets	16,040,788	21,009,834	20,744,929	17,504,839
Community Development	8,600,956	10,563,305	6,722,697	7,016,350
Health and Welfare	2,147,585	2,273,352	2,504,784	2,413,690
Interest on Long-Term Debt	3,429,230	3,496,323	3,273,165	3,037,995
Total Governmental Activities Expenses	71,540,032	77,568,077	79,770,531	77,405,354
Business-Type Activities				
Water and Sewer	15,182,980	14,221,254	14,582,291	14,305,939
Solid Waste Disposal	1,558,639	1,563,157	1,541,944	1,422,141
Arts, Entertainment & Events	393,922	435,170	383,033	440,953
Total Business-Type Activities Expenses	17,135,541	16,219,581	16,507,268	16,169,033
Total Primary Government Expenses	$ 88,675,573	$ 93,787,658	$ 96,277,799	$ 93,574,387
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	$ 4,495,042	$ 4,228,850	$ 4,300,002	$ 4,434,038
Public Safety	2,840,514	2,879,405	3,109,565	2,864,781
Highways and Streets	2,735,554	2,894,044	2,899,142	2,892,202
Community Development	1,504,432	4,828,838	838,830	976,909
Health and Welfare	51,490	38,325	68,435	56,974
Operating Grants and Contributions	2,843,666	3,046,426	2,808,197	2,809,350
Capital Grants and Contributions	54,000	330,317	790,450	108,675
Total Governmental Activities Program Revenues	14,524,698	18,246,205	14,814,621	14,142,929
Business-Type Activities				
Charges for Services				
Water and Sewer	12,047,636	12,258,690	11,789,339	11,908,829
Solid Waste Disposal	1,639,761	1,689,567	1,629,122	1,627,737
Art, Entertainment & Events	22,414	26,356	32,351	30,375
Total Business-Type Activities Program Revenues	13,709,811	13,974,613	13,450,812	13,566,941
Total Primary Government Program Revenues	$ 28,234,509	$ 32,220,818	$ 28,265,433	$ 27,709,870
Net Revenue (Expenses)				
Governmental Activities	$ (57,015,334)	$ (59,321,872)	$ (64,955,910)	$ (63,262,425)
Business-Type Activities	(3,425,730)	(2,244,968)	(3,056,456)	(2,602,092)
Total Primary Government Net Revenue (Expense)	$ (60,441,064)	$ (61,566,840)	$ (68,012,366)	$ (65,864,517)

2011	2012	2013	2014	2015	2015*
$ 5,193,600	$ 6,257,562	$ 5,373,174	$ 5,194,272	$ 6,959,759	$ 5,640,281
40,266,562	41,805,406	43,129,040	43,866,734	44,806,959	42,999,869
17,159,903	17,923,609	19,692,580	23,532,913	22,995,777	11,731,508
6,334,050	5,838,531	5,734,706	2,642,799	2,288,259	2,951,484
1,888,832	1,948,340	2,137,300	5,337,880	5,878,038	4,396,910
2,583,611	2,514,126	1,896,757	1,563,358	1,532,740	888,689
73,426,558	76,287,574	77,963,557	82,137,956	84,461,532	68,608,741
15,251,729	14,914,914	15,722,016	15,537,127	16,252,073	12,744,878
1,492,582	1,529,106	1,312,457	1,230,310	1,274,638	961,329
475,793	819,933	511,705	698,518	991,928	570,146
17,220,104	17,263,953	17,546,178	17,465,955	18,518,639	14,276,353
$ 90,646,662	$ 93,551,527	$ 95,509,735	$ 99,603,911	$ 102,980,171	$ 82,885,094
$ 4,325,464	$ 4,582,832	$ 4,978,268	$ 4,337,694	$ 4,129,774	$ 3,105,322
2,975,966	2,895,316	2,929,501	3,050,316	3,072,951	2,088,265
2,935,937	3,017,043	3,016,225	3,253,819	3,213,901	2,322,624
816,738	901,216	1,681,786	31,751	43,722	22,680
51,551	42,754	44,896	1,375,624	1,474,210	1,055,370
2,826,571	2,638,083	2,953,559	2,787,401	4,662,077	1,834,378
866,648	574,058	1,821,768	1,501,300	133,187	-
14,798,875	14,651,302	17,426,003	16,337,905	16,729,822	10,428,639
12,730,188	12,960,678	14,344,566	14,232,051	14,125,562	10,323,750
1,406,829	1,701,884	1,593,605	1,575,908	1,759,911	1,310,604
33,550	132,209	74,611	149,351	54,851	85,288
14,170,567	14,794,771	16,012,782	15,957,310	15,940,324	11,719,642
$ 28,969,442	$ 29,446,073	$ 33,438,785	$ 32,295,215	$ 32,670,146	$ 22,148,281
$ (58,627,683)	$ (61,636,272)	$ (60,537,554)	$ (65,800,051)	$ (67,731,710)	$ (58,180,102)
(3,049,537)	(2,469,182)	(1,533,396)	(1,508,645)	(2,578,315)	(2,556,711)
$ (61,677,220)	$ (64,105,454)	$ (62,070,950)	$ (67,308,696)	$ (70,310,025)	$ (60,736,813)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years - Continued
For the Eight Months Ended December 31, 2015 (Unaudited)

	2007	2008	2009	2010
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property	$ 30,146,710	$ 28,321,080	$ 29,517,038	$ 29,321,029
Sales	11,324,683	10,999,700	10,446,148	9,570,850
Home Rule Sales	6,010,903	5,736,288	5,244,404	5,139,660
Replacement	443,690	516,811	464,953	411,138
Use	1,000,246	1,079,824	1,085,127	915,224
Telecommunications	4,402,338	4,711,422	4,419,759	4,158,597
Utility	-	-	-	917,319
Hotel	1,530,315	1,705,506	1,360,158	893,169
Food and Beverage	1,777,822	1,835,620	1,784,132	1,681,355
Foreign Fire Insurance	79,812	90,579	90,271	104,658
Other	36,498	45,162	43,066	46,465
Shared Income Tax	6,485,022	7,084,398	7,010,647	6,111,105
Investment Earnings	3,114,861	2,121,255	1,090,223	581,468
Miscellaneous	825,171	958,864	1,403,621	1,018,158
Contributions	-	-	10,005	-
Transfers	-	-	-	300,000
Total Governmental Activities	67,178,071	65,206,509	63,969,552	61,170,195
Business-Type Activities				
Income (Loss) from Joint Venture	249,668	366,174	-	-
Investment Earnings	726,097	494,152	235,433	116,958
Food and Beverage	432,456	459,171	478,671	419,219
Miscellaneous	237,036	366,269	228,174	152,713
Contributions	-	-	-	-
Transfers	-	-	-	(300,000)
Total Business-Type Activities	1,645,257	1,685,766	942,278	388,890
Total Primary Government	$ 68,823,328	$ 66,892,275	$ 64,911,830	$ 61,559,085
Change in Net Position				
Governmental Activities	$ 7,856,199	$ 250,599	$ 707,127	$ 2,542,512
Business-Type Activities	(599,711)	(1,370,690)	(1,659,814)	(2,660,647)
Total Primary Government Change in Net Position	$ 7,256,488	$ (1,120,091)	$ (952,687)	$ (118,135)

*For the eight months ended December 31, 2015
Data Source: Audited Financial Statements

2011	2012	2013	2014	2015	2015*
$ 28,710,137	$ 30,715,129	$ 30,390,556	$ 30,637,670	$ 31,550,695	$ 31,960,632
10,369,871	10,519,988	10,333,345	11,488,156	12,060,996	8,423,387
6,574,175	6,897,071	6,582,209	7,033,558	7,310,625	5,097,810
455,733	410,962	415,244	466,766	454,992	283,613
1,103,427	1,101,284	1,190,737	1,340,067	1,520,258	1,147,270
3,772,498	4,269,272	3,606,605	3,244,472	3,199,974	2,037,305
4,051,320	5,265,951	5,568,711	5,805,227	5,499,718	2,827,748
814,905	885,190	959,547	968,827	1,032,228	777,052
1,674,096	1,750,023	1,843,377	1,881,211	2,003,859	1,437,299
117,835	123,597	129,456	146,650	134,186	137,450
52,554	40,782	57,439	313,140	320,071	286,444
5,998,989	6,135,155	6,768,141	7,318,303	7,354,986	5,254,518
351,656	217,990	201,421	285,637	246,993	121,491
746,901	886,473	634,380	1,458,299	1,098,755	837,890
-	-	-	-	-	-
50,000	(300,000)	-	-	-	-
64,844,097	68,918,867	68,681,168	72,387,983	73,788,336	60,629,909
-	-	-	-	-	-
58,387	27,741	23,362	22,143	20,818	9,806
420,102	433,045	460,424	470,918	498,638	367,339
234,186	320,267	178,341	(55,859)	177,461	300,721
-	-	-	-	-	-
(50,000)	300,000	-	-	-	-
662,675	1,081,053	662,127	437,202	696,917	677,866
$ 65,506,772	$ 69,999,920	$ 69,343,295	$ 72,825,185	$ 74,485,253	$ 61,307,775
$ 3,207,825	$ 8,381,313	$ 2,881,117	$ 4,656,273	$ 6,056,626	$ 2,449,807
(1,806,507)	(452,343)	(846,518)	(2,141,113)	(1,881,398)	(1,878,845)
$ 1,401,318	$ 7,928,970	$ 2,034,599	$ 2,515,160	$ 4,175,228	$ 570,962

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

	2007	2008	2009	2010
General Fund				
Reserved	$ 1,600,742	$ 397,168	$ 251,626	$ 204,484
Unreserved	18,974,274	21,720,502	19,086,835	17,415,479
Nonspendable	-	-	-	-
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	$ 20,575,016	$ 22,117,670	$ 19,338,461	$ 17,619,963
All Other Governmental Funds				
Reserved	$ 21,510,777	$ 12,566,414	$ 9,166,943	$ 9,274,651
Unreserved, Reported in:				
Special Revenues Funds	926,270	2,627,077	6,441,755	6,404,202
Capital Projects Funds	7,573,195	7,362,727	5,716,699	6,162,092
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unrestricted				
Assigned	-	-	-	-
Total All Other Governmental Funds	$ 30,010,242	$ 22,556,218	$ 21,325,397	$ 21,840,945

*For the eight months ended December 31, 2015

* The Village adopted GASB Statement No. 54 for the fiscal year ended April 30, 2012.

Data Source: Audited Financial Statements

2011	2012	2013	2014	2015	2015*
$ 20,005	$ -	$ -	$ -	$ -	$ -
20,207,484	-	-	-	-	-
-	121,491	208,379	317,836	189,328	172,973
-	600,699	592,930	749,295	874,315	817,143
-	22,321,417	22,380,114	22,942,073	23,252,947	27,536,053
$ 20,227,489	$ 23,043,607	$ 23,181,423	$ 24,009,204	$ 24,316,590	$ 28,526,169
$ 9,459,952	$ -	$ -	$ -	$ -	$ -
6,299,665	-	-	-	-	-
6,399,997	-	-	-	-	-
-	-	257,979	438,742	399,794	370,479
-	16,263,555	17,517,983	17,361,269	24,540,110	22,074,564
-	8,191,945	10,156,751	9,352,188	10,270,809	13,329,568
$ 22,159,614	$ 24,455,500	$ 27,932,713	$ 27,152,199	$ 35,210,713	$ 35,774,611

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

	2007	2008	2009	2010
Revenues				
Taxes	$ 63,043,931	$ 62,026,321	$ 61,375,433	$ 59,165,913
Intergovernmental	2,832,061	3,164,765	2,254,702	2,237,939
Grants/Contributions	266,749	312,047	1,444,220	784,744
Charges for Services	1,729,101	5,248,647	1,795,352	1,960,514
Licenses and Permits	4,414,540	4,206,336	3,737,099	3,644,510
Fines and Fees	5,207,873	5,191,984	5,490,768	5,410,109
Investment Income	3,114,861	2,121,251	1,090,221	581,474
Rents and Reimbursables	468,418	440,515	462,268	448,573
Miscellaneous	625,235	740,848	1,134,110	779,348
Total Revenues	81,702,769	83,452,714	78,784,173	75,013,124
Expenditures				
General Government	5,686,903	6,116,676	6,536,042	7,875,528
Public Safety	33,002,637	35,059,075	36,927,740	37,509,901
Highways and Streets	11,766,455	12,079,230	12,462,281	9,515,911
Community Development	5,487,557	7,709,444	5,900,626	5,593,968
Health and Welfare	2,147,585	2,273,352	2,412,863	2,344,242
Capital Outlay	32,891,951	19,132,180	9,120,302	8,241,071
Debt Service				
Principal Retirement	5,845,000	5,504,653	6,119,781	5,833,691
Interest and Fiscal Charges	2,520,132	3,592,874	3,189,568	3,035,994
Other Charges	294,144	10,953	-	-
Total Expenditures	99,642,364	91,478,437	82,669,203	79,950,306
Excess (Deficiency) of Revenue Over (Under) Expenditures	(17,939,595)	(8,025,723)	(3,885,030)	(4,937,182)
Other Financing Sources (Uses)				
Debt Issuance	36,515,000	2,100,000	-	10,430,000
Premium (Discount) on Debt Issuance	187,842	-	-	130,520
Payment to Escrow Agent	(16,951,117)	-	-	(8,426,288)
Transfers In	6,817,268	765,380	1,782,620	4,620,097
Transfers Out	(9,077,268)	(765,380)	(1,907,620)	(3,020,097)
Proceeds from Sale of Capital Assets	-	14,353	-	-
	17,491,725	2,114,353	(125,000)	3,734,232
Net Change in Fund Balance	$ (447,870)	$ (5,911,370)	$ (4,010,030)	$ (1,202,950)
Debt Service as a Percentage of Noncapital Expenditures	11.51%	10.16%	11.96%	11.09%

*For the eight months ended December 31, 2015

Data Source: Audited Financial Statements

2011	2012	2013	2014	2015	2015*
$ 63,577,704	$ 61,855,652	$ 60,947,768	$ 49,884,105	$ 50,917,170	$ 44,424,290
2,282,831	8,297,534	9,428,030	20,686,642	21,621,147	15,246,238
1,528,222	1,173,358	1,447,303	4,288,701	4,699,535	1,834,378
2,021,291	2,030,165	2,052,554	5,284,463	5,230,607	3,758,085
3,373,772	3,618,724	4,289,920	5,989,935	5,862,746	4,317,478
5,530,326	5,595,692	6,051,687	755,196	804,726	500,620
351,658	217,990	201,421	218,686	182,615	88,530
406,325	431,382	436,635	-	-	-
520,843	649,662	454,263	1,477,909	1,135,234	855,968
79,592,972	83,870,159	85,309,581	88,585,637	90,453,780	71,025,587
5,771,441	5,890,843	4,698,107	4,277,526	4,636,827	3,219,631
38,956,847	40,684,642	42,291,156	43,012,679	44,609,076	33,515,656
9,457,575	9,250,565	11,089,158	12,460,690	13,140,609	8,854,213
5,214,087	5,073,806	5,129,100	2,600,895	2,268,019	1,577,298
1,880,681	1,861,099	2,153,765	5,382,571	5,469,806	3,951,512
7,106,267	7,053,543	8,358,862	11,467,725	12,133,539	7,277,852
5,570,000	6,360,000	5,835,000	6,160,000	6,475,000	6,455,000
2,580,096	2,199,945	1,739,404	1,624,978	1,442,549	1,400,954
36,426	147,895	-	-	-	-
76,573,420	78,522,338	81,294,552	86,987,064	90,175,425	66,252,116
3,019,552	5,347,821	4,015,029	1,598,573	278,355	4,773,471
2,855,000	19,595,000	-	7,755,000	7,625,000	-
34,909	395,279	-	862,170	460,605	-
(2,849,266)	(19,810,106)	-	(8,568,476)	-	-
1,693,003	2,982,025	5,775,747	3,613,688	9,444,113	6,755,513
(1,643,003)	(3,582,025)	(6,175,747)	(5,213,688)	(9,444,113)	(6,755,513)
-	-	-	-	1,940	-
90,643	(419,827)	(400,000)	(1,551,306)	8,087,545	-
$ 3,110,195	$ 4,927,994	$ 3,615,029	$ 47,267	$ 8,365,900	$ 4,773,471
10.69%	11.09%	9.32%	9.15%	9.15%	12.58%

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Police Pension Fund Tax Levies and Contributions - Last Ten Tax Levy Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Tax Levy Year	Annual Actuarial Requirement from Actuary	Actual Amount Levied	Percentage of Annual Required Contribution from Actuary	Recognized for Annual Required Contribution from Actuary	Actual Revenue Recognized in Fiscal Year
2006	$ 2,239,939	$ 2,285,000	102%	$ 2,285,000	2008
2007	2,244,687	2,307,800	103%	2,307,800	2009
2008	2,325,266	2,442,000	105%	2,442,000	2010
2009	2,875,430	3,378,000	117%	3,379,573	2011
2010	3,679,006	4,038,000	110%	4,039,909	2012
2011	4,288,185	4,288,000	100%	4,288,000	2013
2012	4,136,305	4,330,880	105%	4,330,880	2014
2013	4,222,683	4,529,400	107%	4,529,400	2015
2014	4,432,200	4,500,000	102%	4,500,000	2015**
2015	2,779,725 **	4,500,000	162%	4,500,000 *	2016

* Actual revenue recognized will be at least what is budgeted.
**For the eight months ended December 31, 2015

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Firefighters' Pension Fund Tax Levies and Contributions - Last Ten Tax Levy Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Tax Levy Year	Annual Actuarial Requirement from Actuary	Actual Amount Levied	Percentage of Annual Required Contribution from Actuary	Recognized for Annual Required Contribution from Actuary	Actual Revenue Recognized in Fiscal Year
2006	$ 2,730,049	$ 2,856,000	105%	$ 2,856,000	2008
2007	2,977,176	3,091,000	104%	3,109,350	2009
2008	3,098,000	3,244,000	105%	3,244,000	2010
2009	3,554,720	3,948,000	111%	3,948,000	2011
2010	4,195,008	4,459,000	106%	4,470,604	2012
2011	4,574,540	4,588,000	100%	4,588,000	2013
2012	4,588,979	4,701,000	102%	4,701,000	2014
2013	4,771,232	5,007,300	105%	5,007,300	2015
2014	5,055,378	5,057,400	100%	5,057,400	2015**
2015	3,235,984 **	5,100,000	158%	5,100,000 *	2016

* Actual revenue recognized will be at least what is budgeted.
**For the eight months ended December 31, 2015

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Tax Levy Year	Residential Property
2005	$ 1,762,207,094
2006	1,803,976,148
2007	2,159,681,431
2008	2,363,924,787
2009	2,562,767,692
2010	2,328,125,638
2011	2,181,305,538
2012	2,009,525,986
2013	1,704,562,752
2014	1,810,983,128

Note: Property is assessed at 33.33% of actual value.

Data Source: Cook County Tax Extension Office

Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
741,323,044	$ 274,464,955	$ 391,482	$ 2,778,386,575	1.187	$ 8,335,159,725
802,869,636	274,238,259	389,265	2,881,473,308	1.277	8,644,419,924
908,782,142	317,501,919	424,008	3,386,389,500	1.134	10,159,168,500
927,728,746	332,953,746	460,399	3,625,067,678	1.072	10,875,203,034
855,590,509	280,348,725	549,104	3,699,256,030	1.108	11,097,768,090
808,869,919	261,967,060	679,364	3,399,641,981	1.254	10,198,925,943
687,378,788	224,364,941	719,722	3,093,768,989	1.385	9,281,306,967
640,237,374	209,384,276	810,919	2,859,958,555	1.532	8,579,875,665
573,721,999	198,631,738	996,997	2,477,913,486	1.818	7,433,740,458
577,544,679	114,654,036	1,037,926	2,504,219,769	1.816	7,512,659,307

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years*
For the Eight Months Ended December 31, 2015 (Unaudited)

	2005	2006	2007	2008
Village Direct Rates				
Village of Arlington Heights	0.800	0.866	0.763	0.722
Arlington Heights Memorial Library	0.387	0.411	0.371	0.350
Total Village Direct Rates	1.187	1.277	1.134	1.072
Overlapping Rates				
County (includes Forest Preserve)	0.607	0.557	0.499	0.466
Metro Reclamation District	0.315	0.284	0.263	0.252
School District #25	3.225	3.295	2.890	2.807
School District #214	1.759	1.823	1.621	1.587
School District #512	0.281	0.288	0.260	0.256
Park District's	0.453	0.461	0.404	0.379
Wheeling Township	0.041	0.043	0.038	0.038
Other	0.035	0.037	0.041	0.029
Total Overlapping Rates	6.716	6.788	6.016	5.814
Total Tax Rate Per $100 of EAV	7.903	8.065	7.150	6.886

Data Source: Cook County Tax Extension Office

* Tax Rates per $100 of EAV

2009	2010	2011	2012	2013	2014
0.755	0.866	0.955	1.062	1.270	1.269
0.353	0.388	0.430	0.470	0.548	0.547
1.108	1.254	1.385	1.532	1.818	1.816
0.443	0.423	0.520	0.594	0.660	0.637
0.261	0.274	0.320	0.370	0.417	0.430
2.510	2.813	3.101	3.416	3.659	3.678
1.636	1.839	2.067	2.324	2.768	2.776
0.258	0.295	0.334	0.373	0.444	0.451
0.392	0.450	0.496	0.545	0.633	0.636
0.039	0.043	0.048	0.052	0.056	0.052
0.050	0.079	0.059	0.036	0.042	0.042
5.589	6.216	6.945	7.710	8.679	8.702
6.697	7.470	8.330	9.242	10.497	10.518

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
For the Eight Months Ended December 31, 2015 (Unaudited)

	2015**			2007		
Taxpayer	Equalized Assessed Value*	Rank	Percentage of Total Village Equalized Assessed Value	Equalized Assessed Value	Rank	Percentage of Total Village Equalized Assessed Value
Luther Village	$ 43,520,328	1	1.74%	$ 34,299,173	3	1.190%
Arlington International Racecourse	33,052,332	2	1.32%	42,483,720	2	1.474%
New Plan Excel Realty Trust	31,679,490	3	1.27%			
Town & Country Mall	21,164,121	4	0.85%	14,288,773	10	0.496%
Northpoint Mall	18,921,714	5	0.76%	25,615,142	4	0.889%
Nokia Siemens Networks	14,064,051	6	0.56%	45,754,640	1	1.588%
Marriott	13,339,080	7	0.53%	18,677,976	8	0.648%
Tanglewood Apartments	13,127,643	8	0.52%	24,506,697	5	0.850%
Hamilton Partners	11,942,574	9	0.48%	20,235,457	7	0.702%
The Stonebridge Trust	10,335,198	10	0.41%			
Heller Rour 02186				20,476,171	6	0.711%
Robin Reality Management				16,461,863	9	0.571%
	$ 211,146,531		8.43%	$ 262,799,612		9.12%

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuation were overlooked.

* Based on 2014 Equalized Assessed Valuations.

** For the eight months ended December 31, 2015.

Data Source: Cook County Tax Extension Office

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Property Tax Levies and Collections - Last Ten Tax Levy Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Tax Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	$ 32,956,020	$ 32,441,906	98.44%	$ 230,692	$ 32,672,598	99.14%
2006	24,939,262	24,703,267	99.05%	114,035	24,817,302	99.51%
2007	25,813,889	24,997,127	96.84%	341,775	25,338,902	98.16%
2008	26,154,462	25,940,264	99.18%	15,544	25,955,808	99.24%
2009	27,931,942	27,168,234	97.27%	147,985	27,316,219	97.80%
2010	29,423,724	28,854,502	98.07%	195,237	29,049,739	98.73%
2011	29,534,588	29,031,124	98.30%	20,219	29,051,343	98.36%
2012	30,348,788	29,791,964	98.17%	84,649	29,876,613	98.44%
2013	31,463,571	30,820,062	97.95%	N/A	30,820,062	97.95%
2014	31,778,207	31,203,688	98.19%	-	31,203,688	98.19%

Data Source: Office of the Cook County Clerk
Excludes the Library levies and collections.

N/A - Not available

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Fiscal Year	Governmental Activities General Obligation Bonds	Business-Type Activities General Obligation Bonds	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2007	$ 77,995,000	$ 300,000	$ 78,295,000	3.03%	$ 1017.57
2008	73,330,000	-	73,330,000	2.84%	953.04
2009	68,130,000	-	68,130,000	2.64%	885.46
2010	64,690,000	-	64,690,000	2.14%	861.37
2011	59,185,000	-	59,185,000	1.96%	788.07
2012	53,730,000	-	53,730,000	1.78%	715.44
2013	48,423,632	-	48,423,632	1.60%	644.78
2014	42,636,145	-	42,636,145	1.41%	567.72
2015	43,986,033	-	43,986,033	1.45%	585.69
2015*	37,254,248	-	37,254,248	1.23%	496.06

* For the eight months ended December 31, 2015.

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Demographic and Economic Statistics Schedule for personal income and population data.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service	Less: Debt Payable from Enterprise Revenue	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2007	$ 78,295,000	$ 3,678,600	$ 595,000	$ 74,021,400	0.86%	$ 962.03
2008	73,330,000	1,916,428	300,000	71,113,572	0.70%	924.24
2009	68,130,000	1,946,327	-	66,183,673	0.61%	860.16
2010	64,690,000	1,789,843	-	62,900,157	0.57%	837.54
2011	59,185,000	1,744,304	-	57,440,696	0.56%	764.85
2012	53,730,000	1,761,874	-	51,968,126	0.56%	691.98
2013	48,423,632	1,724,730	-	46,698,902	0.54%	621.81
2014	42,636,145	1,117,003	-	41,519,142	0.56%	552.84
2015	43,986,033	989,407	-	42,996,626	0.57%	572.52
2015*	37,254,248	1,405,448	-	35,848,800	0.48%	477.34

* For the eight months ended December 31, 2015.

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Assessed Value and Actual Value of Taxable Property Schedule for property value data.
These ratios are calculated using levy year data.

(2) See the Demographic and Economic Statistics Schedule for the population data.
These ratios are calculated using calendar year data.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt
For the Eight Months Ended December 31, 2015 (Unaudited)

Governmental Unit	Gross Debt	(1) Percentage Debt Applicable to Village	Village's Share of Debt
Village of Arlington Heights	$ 37,254,248	100.00%	$ 42,540,000
Community College District 512	170,935,000	16.111%	27,539,338
Arlington Heights School District 25	-	96.627%	-
Cook County School District 15	31,038,099	3.044%	944,800
Cook County School District 21	40,805,000	23.501%	9,589,583
Cook County School District 57	7,045,000	3.719%	262,004
Cook County School District 59	20,685,000	13.336%	2,758,552
Prospect Heights School District 23	10,000,000	35.817%	3,581,700
Palatine Township High School District 211	12,380,000	0.505%	62,519
Arlington Heights School District 214	42,800,000	32.711%	14,000,308
Cook County	3,629,037,767	1.958%	71,056,559
Forest Preserve of Cook County	170,332,164	1.958%	3,335,104
Metropolitan Water Reclamation District of Greater Chicago	2,619,000,317	1.992%	52,170,486
Arlington Heights Park District	20,230,000	96.976%	19,618,245
Buffalo Grove Park District	18,290,000	13.805%	2,524,935
Prospect Heights Park District	8,235,990	5.640%	464,510
Mount Prospect Park District	22,112,000	2.691%	595,034
Palatine Park District	17,750,000	0.981%	174,128
Salt Creek Park District	3,549,000	32.912%	1,168,047
Total Overlapping Debt	6,844,225,337		209,845,850
Total Direct and Overlapping Debt	$ 6,881,479,585		$ 252,385,850

(1) Determined by ratio of assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in the Village. Percentages are based on 2014 Equalized Assessed Valuations.

Data Source: Cook County Tax Extension Office

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Legal Debt Margin
For the Eight Months Ended December 31, 2015 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of legal debt margin.

> "The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by some home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Pledged-Revenue Coverage - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Fiscal Year	Water Charges and Other	Less Operating Expenses	Water Net Available Revenue
2007	$ 12,955,422	$ 13,555,956	$ (600,534)
2008*	13,055,726	12,578,288	477,438
2009	12,085,784	12,852,717	(766,933)
2010	12,110,994	12,734,290	(623,296)
2011	12,888,535	13,750,981	(862,446)
2012	13,130,609	13,483,848	(353,239)
2013	14,517,362	14,331,095	186,267
2014	14,242,813	14,178,337	64,476
2015	14,312,322	14,900,500	(588,178)
2015**	10,628,076	11,427,831	(799,755)

Note: Details of the Village's outstanding debt can be found in the notes to financial statements. Water Charges and Other includes investment earnings but not tap on fees. Operating expenses do not include interest or depreciation.

* The Public Benefit portion of Special Assessment #206 was paid in full.

** For the eight months ended December 31, 2015.

Bonds			Special Assessment Bonds and/or Vouchers			
Debt Service			Current Special Assessment	Debt Service		
Principal	Interest	Coverage	Billed	Principal	Interest	Coverage
$ 295,000	$ 42,357	$ (1.78)	$ 32,456	$ 47,474	$ -	$ 0.68
300,000	10,371	1.54	156,014	3,099,585	2,353	0.05
-	-	-	86,516	175,605	20,865	0.44
-	-	-	42,493	132,546	11,941	0.29
-	-	-	35,447	-	-	-
-	-	-	30,650	-	-	-
-	-	-	27,292	-	-	-
-	-	-	23,027	-	-	-
-	-	-	23,027	-	-	-
-	-	-	19,089	-	-	-

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Fiscal Year	(1) Population	Personal Income	Per Capita Personal Income	(2) Unemployment Rate
2007	76,943	$ 2,580,975,992	$ 33,544	3.50%
2008	76,943	2,580,975,992	33,544	4.30%
2009	76,943	2,580,975,992	33,544	7.60%
2010	75,101	3,024,842,977	40,277	7.40%
2011	75,101	3,024,842,977	40,277	7.20%
2012	75,101	3,024,842,977	40,277	6.60%
2013	75,101	3,024,842,977	40,277	7.60%
2014	75,101	3,024,842,977	40,277	5.80%
2015	75,101	3,024,842,977	40,277	4.60%
2015*	75,101	3,024,842,977	40,277	4.30%

* For the eight months ended December 31, 2015.

Data Sources:
(1) U.S. Bureau of the Census
(2) Illinois Department of Employment Security

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
For the Eight Months Ended December 31, 2015 (Unaudited)

	2015*			2007		
Employer	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Arlington International Racecourse (Seasonal)	4500	1	5.99%	3,100	2	7.78%
Northwest Community Healthcare	3617	2	4.82%	3,000	3	7.53%
Arlington Heights High School District #214	1670	3	2.22%	1,520	4	3.81%
Nokia Siemens Networks	1267	4	1.69%			
Lutheran Home	800	5	1.07%	450	9	1.13%
Paylocity Corp	670	6	0.89%			
Alexian Brothers Health System	500	7	0.67%			
Paddock Publications	500	8	0.67%	550	6	1.38%
Clearbrook	450	9	0.60%			
Kroeschell Inc	450	10	0.60%			
Motorola Inc. - Cellular Phone Division				5,500	1	13.80%
Ameritech/IBM				900	5	2.26%
Market Facts				500	7	1.25%
Village of Arlington Heights				465	8	1.17%
Arlington Park Hilton				400	10	1.00%
	14,424		19.20%	16,385		41.11%

* For the eight months ended December 31, 2015.

Data Source: Illinois Manufacturers Directory, Illinois Services Directory and a selective telephone survey

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

See Following Page

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Function/Program	2007	2008	2009
General Government			
Manager's Office	5.50	5.50	6.50
Human Resources	4.50	4.50	4.50
Legal	3.50	3.50	3.25
Finance	19.00	19.00	19.00
Village Clerk	1.50	1.50	1.50
IT	6.00	6.00	6.00
GIS	1.00	1.00	1.00
Buildings and Grounds	7.00	7.00	8.00
Public Safety			
Police			
Officers	113.00	113.00	114.00
Civilian	37.00	37.00	36.00
Fire			
Firefighters and Officers	102.00	111.00	111.00
Civilian	3.50	3.50	3.50
Community Development			
Planning and Community Development	11.50	11.75	11.75
Building	18.00	18.50	19.50
Engineering	13.00	13.00	13.00
Health and Welfare			
Health Services	11.00	11.00	11.00
Youth Services	3.50	3.50	3.50
Senior Services	4.50	4.50	4.75
Highways and Streets			
Public Works	42.00	42.00	42.25
Other Public Works			
Water Utility Operations	41.00	41.00	41.25
Fleet Services	10.50	10.50	10.50
Totals	458.50	468.25	471.75

* For the eight months ended December 31, 2015.

Data Source: Village Budget

2010	2011	2012	2013	2014	2015	2015*
6.50	6.00	6.00	6.00	6.00	5.00	5.00
4.50	4.00	4.00	4.00	4.00	4.00	4.00
3.25	2.75	2.75	2.75	2.75	2.75	2.75
17.50	16.50	17.50	17.50	17.50	18.00	18.00
1.50	1.50	-	-	-	-	-
6.00	6.00	5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00
7.00	7.00	7.00	-	-	-	-
114.00	109.00	109.00	109.00	109.00	109.00	109.00
34.00	31.00	30.00	30.00	30.00	30.00	30.00
111.00	108.00	108.00	108.00	108.00	108.00	108.00
2.50	2.50	2.50	2.50	2.50	2.50	2.50
11.25	9.00	9.00	9.00	9.00	9.00	9.00
18.50	17.50	16.00	16.00	16.00	16.50	16.50
12.00	10.00	10.00	10.00	10.00	10.00	10.00
11.00	10.00	9.50	9.50	9.50	9.50	9.50
3.50	-	-	-	-	-	-
3.75	3.75	3.75	3.50	3.50	3.50	3.50
42.25	37.25	35.25	42.25	42.25	42.25	42.25
41.25	41.25	40.25	40.75	40.75	40.75	40.75
10.50	10.50	10.50	10.50	10.50	10.50	10.50
462.75	434.50	427.00	427.25	427.25	427.25	427.25

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Function/Program	2007	2008	2009
Public Safety			
Police			
Service Calls	29,882	29,613	28,074
Total Crime Reported	4,580	5,193	4,550
Arrests	1,486	1,475	1,381
Citations Issued	32,339	33,018	29,443
Fire			
Service Calls (EMS)	6,233	6,588	6,318
Service Calls (Non-EMS)	3,415	3,396	3,198
Public Works			
Snow Removal (Miles)	75,529	97,185	61,049
Streets Resurfaced (Miles)	6.32	8.09	8.00
Water			
Water Main Breaks	173	174	145
Sewer Repairs	22	23	24
Average Daily Consumption	8.70 MGD	8.70 MGD	8.70 MGD

* For the eight months ended December 31, 2015.

Data Source: Various Village Departments

MGD - Millions Gallons Daily

2010	2011	2012	2013	2014	2015	2015*
26,221	26,211	25,425	11,569	23,678	24,148	16,527
3,694	3,815	3,232	1,111	2,270	2,196	2,019
1,309	1,171	1,089	1,006	1,073	921	558
24,593	26,443	28,956	15,918	27,584	29,795	19,000
6,387	6,718	6,688	3,283	6,667	6,779	4,648
3,201	3,576	3,349	1,559	3,266	3,286	2,101
53,418	53,188	51,795	24,843	91,651	52,072	14,727
8.52	8.40	9.54	1.60	8.10	8.10	7.45
284	247	363	100	244	157	228
16	26	13	5	28	32	60
8.70 MGD	8.70 MGD	8.70 MGD	8.70 MGD	8.70 MGD	8.20 MGD	7.58 MGD

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
For the Eight Months Ended December 31, 2015 (Unaudited)

Function/Program	2007	2008	2009	2010
Public Safety				
Police				
Police Stations	1	1	1	1
Marked Police Vehicles	38	48	48	49
Unmarked Police Vehicles	16	10	14	14
Police Motorcycles	4	4	4	4
Fire				
Fire Stations	4	4	4	4
Fire Pumpers	6	7	7	6
Fire Ladder Trucks	2	2	2	2
Rescue Squads	4	4	4	3
Ambulances	6	6	6	6
Utility Vehicles	-	-	-	-
Boats with Trailer	1	1	1	1
TRS Rescue Trailers	1	1	1	1
Public Education Trailers	1	1	1	1
Hazardous Material Vehicles	1	1	1	1
Administrative Vehicles	8	9	10	11
Public Works				
Streets (Miles)	229	229	229	229
Streetlights	3,207	3,207	3,207	3,207
Traffic Signals	9,784	9,784	9,784	9,784
Water				
Water Mains (Miles)	252	252	252	252
Fire Hydrants	2,732	2,732	2,732	2,732
Storage Capacity (Gallons)	31,000,000	31,000,000	31,000,000	31,000,000
Wastewater				
Sanitary Sewers (Miles)	226	226	226	226
Storm Sewers (Miles)	162	162	162	162

* For the eight months ended December 31, 2015.

Data Source: Various Village Departments

2011	2012	2013	2014	2015	2015*
1	1	1	1	1	1
45	45	44	44	44	44
13	17	17	17	17	18
4	4	4	4	4	4
4	4	4	4	4	4
6	6	6	6	6	5
2	2	2	2	2	2
4	4	4	4	4	5
6	6	6	6	6	6
-	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
9	9	9	7	7	8
230	230	230	230	230	230
3,212	3,212	3,212	3,212	3,865	3,865
9,784	9,784	9,784	9,784	9,784	9,784
253	253	253	253	260	260
2,740	2,740	2,740	2,740	3,318	3,318
31,000,000	31,000,000	31,000,000	31,000,000	32,000,000	31,000,000
227	227	227	227	255	255
163	163	163	163	213	213