

**Winfield Fire Protection District
Winfield, Illinois**

Annual Financial Report

For the Year Ended
April 30, 2018

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Winfield Fire Protection District
Winfield, Illinois
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INDEPENDENT AUDITORS REPORT

The Honorable President
and Members of the Board of Trustees
Winfield Fire Protection District
Winfield, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Winfield Fire Protection District, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the District'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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 financial statement 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, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Winfield Fire Protection District, Winfield, Illinois, as of April 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-10) and budgetary comparison information (beginning on page 41) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Winfield Fire Protection District basic financial statements. The combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended April 30, 2017, which are not presented with the accompanying financial statements. In our report dated October 21, 2017 we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Miriani & Associates, LTD.

MIRIANI & ASSOCIATES, LTD.
July 5, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

As management of the Winfield Fire Protection District ("the District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended April 30, 2018. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, we encourage readers to consider the information presented here in conjunction with the District's Financial Statements (beginning on page 11).

Historically, the primary focus of local government financial statements has been summarized by fund types on a current financial resource basis. Due to the requirement of Government Accounting Standards Board Statement No. 34, beginning in 2003 this approach was modified so that now the District's financial statements present two kinds of statements, each with a different snapshot of the District's finances. The focus of the new financial statements are on both the District as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the District's accountability.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis, for State and Local Governments" issued June 1999. Certain comparative information between the current and prior year is required to be presented in the MD&A.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements beginning on page 11.

Financial Highlights

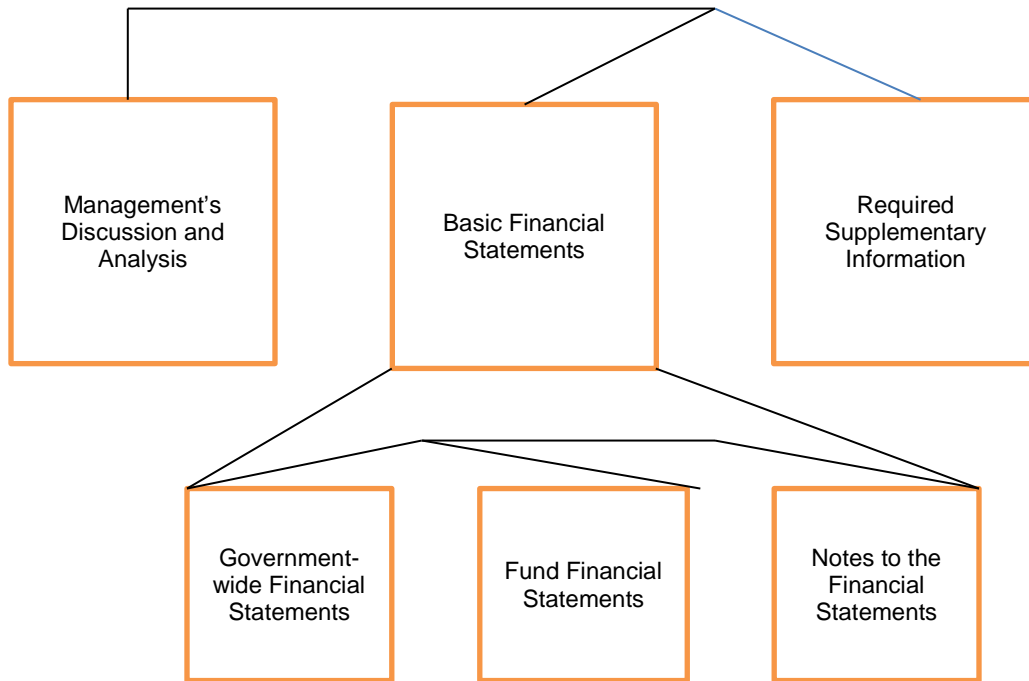
- The assets/deferred outflows of the District exceeded liabilities/deferred inflows at April 30, 2018, by \$3,274,377. Of this amount, \$413,459 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The District's net position decreased by \$278,807 from the fiscal year. Property taxes collected were \$2,405,011 compared to the prior year of \$2,382,237.
- At April 30, 2018, the District's governmental funds reported combined fund balances of \$3,342,226, an increase of \$102,032.

Overview of the Financial Statements

This discussion is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The following chart summarizes the District's financial statements:

Organizational Chart of Annual Financial Reports



Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include all assets and liabilities using the modified cash basis of accounting. This basis of accounting takes into account all of the current year's revenues and expenses activity when cash is received or paid and includes capital asset activity.

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

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

The government-wide financial statement distinguishes District functions that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities reflected the District's basic services including fire, ambulance and other administrative functions.

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

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 District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are classified as governmental funds.

Governmental funds are used to account for essentially the same functions as governmental activities in the governmental-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. All of the District's services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for use. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between government funds and government activities.

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

The District maintains five (5) individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and fund balances for the Corporate and Ambulance Fund and Capital Projects Fund all of which are considered to be major funds. Information from the District's other governmental funds are combined into a single column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements (beginning on page 19).

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the District's progress in funding its obligation to provide pension benefits to its employees. Nonmajor fund information can be found immediately following the required supplementary information.

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

The following table reflects the condensed Statement of Net Position:

| | <u>2017</u> | <u>2018</u> |
|---------------------------------------|---------------------|---------------------|
| Assets | | |
| Current Assets | \$ 4,464,719 | \$ 4,603,434 |
| Capital Assets | <u>1,400,615</u> | <u>1,277,459</u> |
| Total Assets | <u>5,865,334</u> | <u>5,880,893</u> |
| Deferred Outflows of Resources | <u>1,158,697</u> | <u>1,238,653</u> |
| Liabilities | | |
| Current Liabilities | 115,198 | 148,928 |
| Non-Current Liabilities | <u>1,590,290</u> | <u>1,965,589</u> |
| Total Liabilities | <u>1,705,488</u> | <u>2,114,517</u> |
| Deferred Inflows of Resources | <u>1,765,359</u> | <u>1,730,652</u> |
| Net Position | | |
| Net Investment in Capital Assets | 1,400,615 | 1,277,459 |
| Restricted | 1,507,086 | 1,583,459 |
| Unrestricted | <u>645,483</u> | <u>413,459</u> |
| Net Position | <u>\$ 3,553,184</u> | <u>\$ 3,274,377</u> |

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. In the District's case, assets/deferred outflows exceeded liabilities/deferred inflows by \$3,274,377. The large part of the District's net position reflects its investment in capital assets (land, buildings and improvements, infrastructure and vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Total revenues were \$3,128,747 while the expenditures totaled \$3,407,554 resulting in a decrease of \$278,807 in net position.

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

The following table reflects the condensed Statement of Activities:

| | <u>2017</u> | <u>2018</u> |
|---|---------------------|---------------------|
| Revenues: | | |
| Program Revenues: | | |
| Charge for Services | \$ 421,962 | \$ 464,309 |
| General Revenues: | | |
| Property Taxes | 2,382,237 | 2,405,011 |
| Other Taxes | 16,349 | 13,680 |
| Earnings on Investments | 10,802 | 10,596 |
| Grants | 6,129 | - |
| Other General Revenue | <u>176,198</u> | <u>235,151</u> |
| Total Revenues | <u>3,013,677</u> | <u>3,128,747</u> |
| Expenses: | | |
| Public Safety | <u>3,349,396</u> | <u>3,407,554</u> |
| Total Expenses | <u>3,349,396</u> | <u>3,407,554</u> |
| Excess or (Deficiency) of Revenues over Expenditures | (335,719) | (278,807) |
| Net Position | | |
| Beginning of Year | <u>3,888,903</u> | <u>3,553,184</u> |
| End of Year | <u>\$ 3,553,184</u> | <u>\$ 3,274,377</u> |

Normal Impact on the District's Revenue & Expenses

Economic conditions - this can reflect a declining, stable or growing economic environment and has a direct impact on property taxes, state replacement income tax, etc.

Changing patterns in intergovernmental and grant revenue - while certain recurring revenue (state shared revenue, etc.) may experience significant changes due to the economic environment, non-recurring or one-time grants are less predictable and often distort their impact on a year-to-year comparison.

Market impacts on investment income - market conditions may cause investment income to fluctuate.

Changes in authorized personnel - change in service demands may cause the District to change staffing levels. Personnel costs are a significant operating cost for the District.

Inflation - while overall inflation has been controlled in recent years, the District is a major consumer of certain commodities such as fuel, supplies, etc.

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The District's governmental funds reported combined ending fund balances of \$3,342,226 and a net increase of \$102,032 (see page 14 for additional details).

CORPORATE & AMBULANCE FUND BUDGETARY HIGHLIGHTS

The following table reflects significant budgetary variances in the Corporate & Ambulance Fund:

| | 2018 | | | Variance Positive (Negative) |
|--|---------------------|---------------------|------------------|------------------------------------|
| | Original Budget | Final Budget | Actual | |
| <u>Corporate & Ambulance Fund</u> | | | | |
| Revenues: | | | | |
| Property Taxes | \$ 2,359,303 | \$ 2,359,303 | \$ 2,353,754 | \$ (5,549) |
| Replacement Taxes | 12,000 | 12,000 | 13,680 | 1,680 |
| Service Fees | 400,000 | 400,000 | 464,309 | 64,309 |
| Other | <u>217,000</u> | <u>217,000</u> | <u>221,344</u> | <u>4,344</u> |
| Total Revenue | <u>2,988,303</u> | <u>2,988,303</u> | <u>3,053,087</u> | <u>64,784</u> |
| Expenditures: | | | | |
| Public Safety | 3,159,675 | 3,159,675 | 2,952,428 | 207,247 |
| Transfers | <u>75,000</u> | <u>75,000</u> | <u>75,000</u> | <u>-</u> |
| Total Expenditures | <u>3,234,675</u> | <u>3,234,675</u> | <u>3,027,428</u> | <u>207,247</u> |
| Net Change in Fund Balance | <u>\$ (246,372)</u> | <u>\$ (246,372)</u> | <u>\$ 25,659</u> | <u>\$ 272,031</u> |

Additional details regarding budgetary variances for the Corporate and Ambulance Fund can be found beginning on page 41.

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

CAPITAL ASSETS AND DEBT ADMINISTRATION

Governmental Activities Change in Capital Assets

| | <u>April 30, 2017</u> | <u>Additions</u> | <u>Retirement</u> | <u>April 30, 2018</u> |
|--|-----------------------|---------------------|-------------------|-----------------------|
| Governmental Activities: | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 595,777 | \$ - | \$ - | \$ 595,777 |
| Capital assets subject to depreciation | | | | |
| Building & Improvements | 725,223 | - | - | 725,223 |
| Vehicles | 1,602,435 | - | - | 1,602,435 |
| Equipment | 414,915 | - | - | 414,915 |
| Total capital assets subject to depreciation | <u>2,742,573</u> | <u>-</u> | <u>-</u> | <u>2,742,573</u> |
| Less: Accumulated depreciation for: | | | | |
| Building & Improvements | 644,689 | 15,222 | - | 659,911 |
| Vehicles | 920,048 | 96,083 | - | 1,016,131 |
| Equipment | 372,998 | 11,851 | - | 384,849 |
| Total accumulated depreciation | <u>1,937,735</u> | <u>123,156</u> | <u>-</u> | <u>2,060,891</u> |
| Net capital assets subject to depreciation | <u>804,838</u> | <u>(123,156)</u> | <u>-</u> | <u>681,682</u> |
| Net capital assets - Governmental activities | <u>\$ 1,400,615</u> | <u>\$ (123,156)</u> | <u>\$ -</u> | <u>\$ 1,277,459</u> |

There were no major capital expenditures during the fiscal year.

Detailed information on the District's capital asset activity can be found in Note 6 on page 27 of the basic financial statements.

Debt Administration

At April 30, 2018, the District had no outstanding debt. Additional information regarding other non-current liabilities can be found in Note 7, page 28.

Winfield Fire Protection District
Winfield, Illinois
Management's Discussion and Analysis
April 30, 2018

Financial Analysis of the District's Funds

Changes in Fund Balance - Governmental Funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$3,342,226. Of this year-end total, the corporate fund reported a fund balance of \$1,758,767. The remaining \$1,583,459 is restricted, assigned or unrestricted. The following is a summary of changes in fund balances for the year ended April 30, 2018:

| <i>Governmental Funds</i> | <i>Fund Balance April 30, 2017</i> | <i>Increase (Decrease)</i> | <i>Fund Balance April 30, 2018</i> |
|---------------------------------------|--|--------------------------------|--|
| <i>Corporate & Ambulance Fund</i> | \$ 1,733,108 | \$ 25,659 | \$ 1,758,767 |
| <i>Capital Projects Fund</i> | 1,446,453 | 82,920 | 1,529,373 |
| <i>Audit Fund</i> | 6,868 | (1,663) | 5,205 |
| <i>Liability Insurance Fund</i> | 16,920 | (18) | 16,902 |
| <i>Worker's Compensation Fund</i> | 17,547 | (2,518) | 15,029 |
| <i>Foreign Fire Insurnace Fund</i> | <u>19,298</u> | <u>(2,348)</u> | <u>16,950</u> |
| | <u>\$ 3,240,194</u> | <u>\$ 102,032</u> | <u>\$ 3,342,226</u> |

ECONOMIC FACTORS

Property tax revenues are capped under State of Illinois rules for non-home rule communities like Districts. No additions to property tax revenues are allowed beyond the increase in the rate of inflation and a percentage factor for new construction.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances. If you have any questions about this report or would like to request additional information, please contact the District at 27W530 Highlake Road, Winfield, IL 60190.

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BASIC FINANCIAL STATEMENTS

Winfield Fire Protection District
Winfield, Illinois
Statement of Net Position
April 30, 2018

| | Governmental Activities |
|---|----------------------------|
| Assets | |
| Cash & Cash Equivalents | \$ 1,570,949 |
| Investments | 801,439 |
| Receivables: | |
| Property Taxes | 2,224,559 |
| Replacement Taxes | 2,928 |
| Accrued Interest | 510 |
| Other | 3,049 |
| Capital Assets, Not Being Depreciated | 595,777 |
| Capital Assets, Net of Depreciation | <u>681,682</u> |
| Total Assets | <u>5,880,893</u> |
| Deferred Outflows of Resources | |
| Pension items - Firefighters' Pension Fund | <u>1,238,653</u> |
| Total Deferred Outflows of Resources | <u>1,238,653</u> |
| Total Assets and Deferred Outflows | <u>7,119,546</u> |
| Liabilities | |
| Accounts Payable | 22,590 |
| Accrued Payroll | 91,610 |
| Compensated Absences Payable | 34,728 |
| Long-term and Other Liabilities | |
| Non Current Liabilities | <u>1,965,589</u> |
| Total Liabilities | <u>2,114,517</u> |
| Deferred Inflows of Resources | |
| Unearned Property Taxes | 1,112,280 |
| Pension items - Firefighters' Pension Fund | <u>618,372</u> |
| Total Deferred Inflows of Resources | <u>1,730,652</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>3,845,169</u> |
| Net Position | |
| Net Investment in Capital Assets | 1,277,459 |
| Restricted For | |
| Capital Projects | 1,529,373 |
| Special Revenue | 54,086 |
| Unrestricted | <u>413,459</u> |
| Net Position | <u>\$ 3,274,377</u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Statement of Activities
For the Year Ended April 30, 2018

| Functions/Program | Expenses | Program Revenues | | Net Revenue and Changes in Net Assets |
|-------------------------------------|---------------------|---------------------|------------------|---------------------------------------|
| | | Charge for Services | Operating Grants | |
| Primary Government | | | | |
| Governmental Activities | | | | |
| Public Safety | <u>\$ 3,407,554</u> | <u>\$ 464,309</u> | <u>\$ -</u> | <u>\$ (2,943,245)</u> |
| Total Governmental Activities | <u>\$ 3,407,554</u> | <u>\$ 464,309</u> | <u>\$ -</u> | <u>(2,943,245)</u> |
| General Revenues | | | | |
| Taxes | | | | |
| Property | | | | 2,405,011 |
| Replacement | | | | 13,680 |
| Investment Income | | | | 10,596 |
| Miscellaneous | | | | <u>235,151</u> |
| Total General Revenue | | | | <u>2,664,438</u> |
| Increase (Decrease) in Net Position | | | | (278,807) |
| Net Position | | | | |
| Beginning of year (restated) | | | | <u>3,553,184</u> |
| Ending | | | | <u>\$ 3,274,377</u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Statement of Revenues, Expenditures and Changes in Fund Balance -
Governmental Funds
For the Year Ended April 30, 2018

| | General Fund | Capital Projects Fund | Other Governmental Funds | Total |
|--|---------------------|-----------------------------|--------------------------------|---------------------|
| Revenues | | | | |
| Taxes | | | | |
| Property Taxes | \$ 2,353,754 | \$ - | \$ 51,257 | \$ 2,405,011 |
| Personal Property | 13,680 | - | - | 13,680 |
| Charge for Services | 464,309 | - | - | 464,309 |
| Investment Income | 2,676 | 7,920 | - | 10,596 |
| Miscellaneous | 218,668 | - | 16,483 | 235,151 |
| Total Revenues | <u>3,053,087</u> | <u>7,920</u> | <u>67,740</u> | <u>3,128,747</u> |
| Expenditures | | | | |
| Fire & Ambulance | 2,952,428 | - | 18,831 | 2,971,259 |
| Audit | - | - | 6,500 | 6,500 |
| Liability Insurance | - | - | 23,228 | 23,228 |
| Worker's Comp Insurance | - | - | 25,728 | 25,728 |
| Total Expenditures | <u>2,952,428</u> | <u>-</u> | <u>74,287</u> | <u>3,026,715</u> |
| Net Surplus (Deficiency) of Revenue over Expenditures | <u>100,659</u> | <u>7,920</u> | <u>(6,547)</u> | <u>102,032</u> |
| Other Sources (Uses) | | | | |
| Operating Transfers - In | - | 75,000 | - | (75,000) |
| Operating Transfers - Out | <u>(75,000)</u> | <u>-</u> | <u>-</u> | <u>75,000</u> |
| Total Other Sources (Uses) | <u>(75,000)</u> | <u>75,000</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Fund Balance | 25,659 | 82,920 | (6,547) | 102,032 |
| Fund Balance | | | | |
| Beginning | <u>1,733,108</u> | <u>1,446,453</u> | <u>60,633</u> | <u>3,240,194</u> |
| Ending | <u>\$ 1,758,767</u> | <u>\$ 1,529,373</u> | <u>\$ 54,086</u> | <u>\$ 3,342,226</u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2018

| | | |
|---|----|-------------------------|
| Total Fund Balances - Governmental Funds | \$ | 3,342,226 |
| Amounts reported for governmental activities in the Statement of Net Assets are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds financial statements | | 1,277,459 |
| Deferred outflows of resources related to pensions are not current financial resources and are not reported in the funds financial statements | | 1,238,653 |
| Deferred inflows of resources related to pensions are not current financial resources and are not reported in the funds financial statements | | (618,372) |
| Non-current liabilities that are not due and payable in the current period and are not reported as liabilities in the funds financial statements | | <u>(1,965,589)</u> |
| Net Position of Governmental Activities | \$ | <u><u>3,274,377</u></u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended April 30, 2018

| | | |
|--|-----------|------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ | 102,032 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation exceeded capital outlay/dispositions in the current period, (\$0 current additions; \$0 current disposals; less depreciation of \$123,156) | | (123,156) |
| (Increase) Decrease in Non-current obligation not due and payable in the current period is not reported as an expenditure during the current year | | <u>(257,683)</u> |
| Change in Net Position of Governmental Activities | <u>\$</u> | <u>(278,807)</u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Statement of Fiduciary Net Position
Fiduciary Fund - Firefighter's Pension
April 30, 2018

| | | |
|---|----|------------------|
| Assets | | |
| Cash & Cash Equivalents | \$ | 27,836 |
| Investments | | |
| U.S Government Treasury Obligations | | 429,334 |
| U.S Government and Agency Obligations | | 2,591,314 |
| State & Local Obligations | | 517,654 |
| Equity Mutual Funds | | 1,999,673 |
| Mortgage Pools | | 627 |
| Receivables | | |
| Accrued Interest | | <u>30,837</u> |
| Total Assets | | <u>5,597,275</u> |
| Liabilities | | |
| Payables | | <u>338</u> |
| Net Position Held in Trust for Pension Benefits (A schedule of funding progress is presented in the required supplementary information) | \$ | <u>5,596,937</u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Statement of Changes in Net Position
Fiduciary Fund Type - Firefighter's Pension
For the Year Ended April 30, 2018

| | |
|---|----------------------------|
| Additions: | |
| Contributions | |
| Employer Contributions | \$ 186,784 |
| Employee Contributions | <u>108,781</u> |
| Total Contributions | <u>295,565</u> |
| Investment Income | |
| Investment Earnings | 106,688 |
| Net Change in Fair Value | <u>105,529</u> |
| Total Investment Income | 212,217 |
| Less: Investment Expenses | <u>(13,747)</u> |
| Net Investment Income | <u>198,470</u> |
| Other Income | <u>11,468</u> |
| Total Additions | <u>505,503</u> |
| Deductions: | |
| Professional Fees | 11,862 |
| Administrative Expenses | <u>2,832</u> |
| Total Deductions | <u>14,694</u> |
| Net Changes in Net Position | <u>490,809</u> |
| Net Position Held in Trust for Pension Benefits | |
| Beginning of Year | <u>5,106,128</u> |
| End of Year | <u><u>\$ 5,596,937</u></u> |

See Accompanying Notes to Financial Statements

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Winfield Fire Protection District (the "District") is a municipal corporation of the State of Illinois headquartered in the County of DuPage and duly chartered pursuant to Illinois Fire Protection District Art, 70 ILCS 705.

The District serves approximately 15,000 residents of Winfield, Winfield Township and parts of unincorporated part of DuPage County, Illinois. The District provides both fire and emergency medical services ("EMS") to residents of this area. In addition, the District has ongoing fire inspection and fire education programs and offers education in CPR and other medical topics along with a blood pressure screening program.

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

a. Reporting Entity

The District follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
- The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
- The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The District has concluded that no entities meet the criteria of GASB Statement No. 39 for inclusion as a component unit. Likewise, the District is not required to be included as a component unit of any other entity.

b. GASB Pronouncements

As of May 1, 2013, the District has implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position.

As of May 1, 2013, the District has implemented GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities". The objective of this statement is to establish accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. The Statement also recognizes as outflows of resources or inflows of resources certain items that were previously reported as assets and liabilities.

As of May 1, 2015, the District has implemented GASB Statement No. 68 "Accounting and financial Reporting for Pensions" which is an amendment of GASB Statement No. 27. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. GASB Pronouncements (Continued)

Upon implementation of GASB 68, the District has also implemented GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68."

c. Fund Accounting

Government-Wide Financial Statements - The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity has been eliminated from these statements

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The District does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

Fund Financial Statements - Financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental funds are at least ten (10) percent of the corresponding total for all funds of that category or type, and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund is at least five (5) percent of the corresponding total for all governmental funds combined.

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

The District reports the following major governmental funds

- **Corporate & Ambulance Fund** – Corporate and Ambulance Funds accounts for the District's primary operating activities. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **Capital Projects Fund** – Capital Projects Fund accounts for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

The other governmental funds of the District account for property taxes and other resources, whose use is restricted to a particular purpose.

- **Special Revenue Funds** - The special revenue fund type is used to account for the proceeds of specific revenue sources (other than those accounted for in debt service) that are legally restricted to expenditures for specified purposes. The District reports the Audit, Liability Insurance and Workers Compensation Fund, and Foreign Fire Insurance Fund as a nonmajor fund. The Foreign Fire Insurance Fund accounts for state allotment of charges assessed to insurance companies and is restricted for fire department related purposes under the control of the Foreign Fire Insurance Board.
- **Fiduciary Funds** – Fiduciary Funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District maintains one fiduciary fund: The Firefighters' Pension Fund (see note 9 for additional information).

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

In the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement of focus and 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 the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available to finance the District's operations. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. The District considers property taxes available if they are due and collected within 60 days in the year intended to finance. All other revenues are recognized when the cash is received. Expenditures are recorded when the related fund liability is incurred.

The District reports deferred revenues on its Governmental Funds Balance Sheet. For governmental funds financial statements, deferred revenues occur when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In the Government-Wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement focus, which means all assets and liabilities (whether current or non-current) are included in the Statement of Net Assets and the Statement of Activities presents increases and decreases in net total assets.

The measurement focus incorporates the current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements, but are excluded from fund financial statements. The related expenditures are recognized in the fund financial statements when the liabilities are liquidated. Historically, the expenditures have been recorded to the general and special revenue funds.

e. Cash and Investments

Cash and cash equivalents of the District's funds with maturities of one year or less from the date of purchase and non-negotiable certificates of deposit are stated at cost or amortized cost.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

f. Receivables and Payables

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

g. Prepaid Expenses/Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/items.

h. Capital Assets

In the government-wide financial statements, the District has adopted a capitalization threshold of \$5,000 for individual equipment and apparatus and \$10,000 for building and improvements. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated.

Prior to June 1, 2004, capital assets of governmental funds were accounted for in the general fixed assets account group and were not recorded directly as a part of any individual fund's financial statement. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government wide financial statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is currently encouraged, but not required.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

| | |
|-------------------------|---------------|
| Buildings | 40 years |
| Machinery and Equipment | 5 to 10 years |
| Vehicles | 5 to 10 years |
| Furniture | 3 to 10 years |

In the fund financial statements, assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made.

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

i. Accumulated Vacation and Sick Pay

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In the fund financial statements, compensated absences are reported as a fund liability for amounts owed to terminated or retired employees. Accumulated unused vacation and sick pay is recorded in the government-wide financial statements as an expense and liability of those funds as the benefits accrue to employees. The general fund has been used in prior years to liquidate the liability for compensated absences.

All full-time employees earn vacation benefits in varying annual amounts. All vacation leave to which an employee is entitled must be taken within one year of the employment anniversary date. The Fire Chief must approve any deviation from this policy. Therefore, unused vacation pay of \$34,728 is expected to be available from resources and is recorded as an accrued liability in the appropriate general fund account.

Sick leave shall be available for all regular full-time employees, equivalent to twelve (12) days per year, accrued at a rate of eight (8) hours per month cumulative to 150 days for weekly personnel, and six (6) 24-hour work days, accrued at a rate of twelve (12) hours per month, cumulative to a maximum of 90 work days, for shift personnel. Full time employees, upon retirement, voluntary termination or death, who have completed 20 years or more continuous service to the District shall be compensated, or in the case of death their beneficiary shall be compensated, for their accrued sick leave of an amount not to exceed 90 days. At year end, the unused sick pay for employees totaled \$331,605.

j. Deferred Outflows/Inflows of Resources

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

k. Fund Position and Fund Balance

Net position represents the difference between assets and liabilities. Net invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Position and Fund Balance (Continued)

In order to comply with the Governmental Accounting Standard Board's (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, the fund balance section of the statement of assets, liabilities and fund balances of the governmental funds include the following line items:

- Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because they are either (a) not spendable by form (i.e. inventory or prepaid amounts) or (b) legally or contractually required to be maintained intact.
- Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments, as well as, limitations imposed by law through constitutional provision or enabling legislation.
- Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the District, the Board of Trustees is the highest level of decision making.
- Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees designated for that purpose. The intended use is established by an official designated for that purpose. The Board of Trustees has not designated any members of management for this purpose nor has it adopted a specific policy granting members of management the authority to assign fund balance.

Unassigned fund balance is the total fund balance in the Corporate Fund in excess of nonspendable, restricted, committed, and assigned fund balance.

If an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the District will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

The District does not have a minimum fund balance policy.

l. Use of Estimates

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

m. Total Columns on Combined Statements

Total columns on the Combined Statements are presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- n. The District follows these procedures in establishing the budgetary data reflected in the financial statements:
- The Fire Chief submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
 - The working budget is then approved by the Board and adopted. The Board holds public hearings to solicit comments and may add to, subtract from, or change appropriations, but may not change the form of the budget. Prior to August 31, the final budget is passed by an appropriation ordinance.
 - The tax levy ordinance for the next fiscal year is filed with the County Clerk by the last Tuesday in December to obtain tax revenue.
 - The Board of Trustees must approve all formal appropriation transfers. Any increases to the final budget require a public hearing before the Board of Trustees' approval. No formal supplemental appropriation was made during the fiscal year. The Fire Chief can approve expenditures that exceed any line item of department expenditures of a fund as long as the expenditures does not exceed appropriations. Thus, the legal level of budgetary control is determined by fund.
 - The legal budgetary authority lapses at the end of the fiscal year.
 - The Budget for fiscal year ended April 30, 2018 was not amended.

The District does not have a formal policy regarding the flow of funds.

NOTE 2 - PROPERTY TAXES

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The taxes attach as an enforceable lien on property on January 1. The owner of real property on January 1 in any year is liable for taxes for the year. The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which, in general, limits the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

Property taxes are collected by the DuPage County Collector who remits to the District its share of taxes collected. Taxes levied in one year become payable during the following year in two equal installments, on June 1 and on September 1. Taxes on railroad real property used for transportation purposes are payable in one installment on August 1. The District generally receives the real estate taxes within 30 to 60 days of the due dates.

The levy for the year 2017 are based upon an assessed valuation of \$663,453,288. The following are the tax rate limits permitted by Illinois statute and by local referendum and actual rates levied per \$100 of assessed valuation and the extensions produced there from:

| Fund and/or purpose | Limit | Rate | Extension |
|-----------------------|--------|---------------|---------------------|
| Corporate | 0.4000 | 0.1635 | \$ 1,084,746 |
| Ambulance | 0.4000 | 0.1634 | 1,084,083 |
| Firefighters' Pension | None | 0.0328 | 217,613 |
| Fire Pension Exempt | None | 0.0041 | 27,202 |
| Audit | 0.0050 | 0.0008 | 5,308 |
| Liability Insurance | None | 0.0038 | 25,211 |
| Workers Compensation | None | 0.0038 | 25,211 |
| | | <u>0.3722</u> | <u>\$ 2,469,374</u> |

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 3 - PERSONAL PROPERTY REPLACEMENT TAX

The Personal Property Replacement Tax represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and Subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

Revenues are collected by the State of Illinois under the replacement tax and are allocated and paid by the State eight times a year. The replacement tax law provides that monies received should be first applied toward payment of the proportionate share of the pension or retirement obligation which were previously levied on personal property. Remaining allocations are made at the discretion of the Board of Trustees.

NOTE 4 - DISTRICT CASH AND INVESTMENTS

At April 30, 2018, the District had cash and investments on the financial statements consisting of the following:

| | Cash & Cash | | |
|----------------------|---------------------|-------------------|---------------------|
| | Equivalents | Investments | Total |
| Cash and Investments | <u>\$ 1,570,949</u> | <u>\$ 801,439</u> | <u>\$ 2,372,388</u> |

At year-end the District had the following debt investment and maturities:

| | Investment Maturities (In Years) | | | | |
|-------------------------------------|----------------------------------|---------------------|-------------------|-------------|-----------------|
| | Fair Value | Less than 1 year | 1 to 5 | 6 to 10 | More than 10 |
| Negotiable Certificates of Deposits | <u>\$ 801,439</u> | <u>\$ 438,594</u> | <u>\$ 362,845</u> | <u>\$ -</u> | <u>\$ -</u> |
| | <u>\$ 801,439</u> | <u>\$ 438,594</u> | <u>\$ 362,845</u> | <u>\$ -</u> | <u>\$ -</u> |

Illinois statute authorizes the District to invest in obligations of the U.S Treasury, U.S. Agencies and banks and savings and loan associations covered by federal depository insurance. The District may also invest in commercial paper of U.S. corporations with assets exceeding \$500,000,000 provided that (a) the obligations are rated with the 3 highest classifications by at least 2 standards rating services and they mature within 180 days from the date of purchase, and (b) no more that 25% of any fund is invested in such obligation at any one time and (c) such purchases do not exceed 10% of the corporation's outstanding obligations.

Investment Policy - Governmental Funds

The District holds money market type investments and deposits with financial institutions, including certificate of deposits. As of April 30, 2018, the carrying amount of the District's deposits for governmental funds totaled \$2,364,114 and the bank balances totaled \$2,379,950. The weighted-average maturity of these investments held by the District is less than one (1) year.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

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

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 4 - DISTRICT CASH AND INVESTMENTS (Continued)

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. At year-end the governmental funds did not hold any investments of this type.

Concentrations: This is a risk of loss attributed to the magnitude of the District's investment in a single issuer. Although the District's investment policy does not formally address this risk, it is the District's practice to diversify its investments with various financial institutions.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES and TRANSFERS

For the year ended April 30, 2018 transfers consisted of the following:

| | <u>Transfer In</u> | <u>Transfer Out</u> |
|--------------------------|--------------------|---------------------|
| Corporate/Ambulance Fund | \$ - | \$ 75,000 |
| Capital Projects Fund | <u>75,000</u> | <u>-</u> |
| | <u>\$ 75,000</u> | <u>\$ 75,000</u> |

The purpose of this transfer is to fund the future acquisition of equipment. The transfer will not be repaid.

NOTE 6 - CAPITAL ASSETS

As of June 1, 2004, records were updated to report the actual capital assets in use, to prospectively report capital assets, and to calculate and report depreciation of governmental type capital assets, historical costs or estimated historical costs if actual costs are not available. Total depreciation expense for governmental activities for the year ended April 30, 2018 was \$123,156. A summary of the changes in capital assets for the year follows:

| | <u>April 30, 2017</u> | <u>Additions</u> | <u>Retirement</u> | <u>April 30, 2018</u> |
|--|-----------------------|---------------------|-------------------|-----------------------|
| Governmental Activities: | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 595,777 | \$ - | \$ - | \$ 595,777 |
| Capital assets subject to depreciation | | | | |
| Building & Improvements | 725,223 | - | - | 725,223 |
| Vehicles | 1,602,435 | - | - | 1,602,435 |
| Equipment | <u>414,915</u> | <u>-</u> | <u>-</u> | <u>414,915</u> |
| Total capital assets subject to depreciation | <u>2,742,573</u> | <u>-</u> | <u>-</u> | <u>2,742,573</u> |
| Less: Accumulated depreciation for: | | | | |
| Building & Improvements | 644,689 | 15,222 | - | 659,911 |
| Vehicles | 920,048 | 96,083 | - | 1,016,131 |
| Equipment | <u>372,998</u> | <u>11,851</u> | <u>-</u> | <u>384,849</u> |
| Total accumulated depreciation | <u>1,937,735</u> | <u>123,156</u> | <u>-</u> | <u>2,060,891</u> |
| Net capital assets subject to depreciation | <u>804,838</u> | <u>(123,156)</u> | <u>-</u> | <u>681,682</u> |
| Net capital assets - Governmental activities | <u>\$ 1,400,615</u> | <u>\$ (123,156)</u> | <u>\$ -</u> | <u>\$ 1,277,459</u> |

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 7 - LONG TERM DEBT

The following is a summary of changes in long-term debt and other liabilities for the year ended April 30, 2018:

| | Balance April 30, 2017 | Increases | Retirements | Balance April 30, 2018 | Long-Term Debt |
|--|------------------------------|-------------------|-------------|------------------------------|---------------------|
| Compensated absences payable | \$ 314,701 | \$ 16,904 | \$ - | \$ 331,605 | \$ 331,605 |
| Net pension liability - Firefighters' Pension Fund | <u>1,275,589</u> | <u>358,395</u> | <u>-</u> | <u>1,633,984</u> | <u>1,633,984</u> |
| | <u>\$ 1,590,290</u> | <u>\$ 375,299</u> | <u>\$ -</u> | <u>\$ 1,965,589</u> | <u>\$ 1,965,589</u> |

NOTE 8 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all governmental employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation plan is not available to employees until termination, retirement, death or unforeseeable emergency.

The plan was converted to a trust in the name of the District's fiduciary agent to comply with amendments to Section 457. In accordance with GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the District is not required to report the assets and liabilities of the plan on its balance sheet unless it is acting as a fiduciary agent. The District does not act as a fiduciary agent.

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters' Pension Plan

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 District accounts for the Fund as a pension trust fund. The Fund is governed by a five-member Board of Trustees. Two members of the Board are appointed by the District's Trustees, one member is elected by pension beneficiaries and two members are elected by active firefighters.

Plan Membership

At April 30, 2018, the measurement date, the Firefighters' Pension Plan membership consisted of the following:

| | |
|--|-----------|
| Inactive Plan Members Entitled to but not Receiving Benefits | 2 |
| Active Plan Members | <u>13</u> |
| Total | <u>15</u> |

(Based on the April 30, 2018 actuarial report)

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters' Pension Plan (Continued)

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 as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited services 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% of the original pension and 3% compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the 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 for the calendar year of 2011, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ % 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 firefighters retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, effective each January 1st thereafter. The increase is the lesser of 3% of $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

Deposits, Investments and Concentrations

The deposits and investments of the Pension Fund are held separately from those of other District 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

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Plan (Continued)

Deposits, Investments and Concentrations (Continued)

pension Fund's fiduciary 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 fiduciary net position of \$2.5 million or more may invest up to forty-five percent of fiduciary net position in separate accounts of life insurance companies and mutual funds. Pension Funds with fiduciary 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 fiduciary net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with fiduciary net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty-five percent of its fiduciary net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2012.

Credit Risk, Custodial Credit Risk and Concentration Risk

Investments. At year-end, the Pension Fund has the following debt investments and maturities:

| Investment Type | Fair Value | Investment Maturities - in Years | | | |
|----------------------------------|---------------------|----------------------------------|---------------------|---------------------|-------------------|
| | | Less than 1 year | 1-5 | 6-10 | More Than 10 |
| U.S. Treasury Notes | \$ 429,334 | \$ 141,301 | \$ 181,694 | \$ 106,339 | \$ - |
| Federal Farm Credit Bank | 1,205,487 | 29,885 | 165,621 | 815,691 | 194,290 |
| Federal Home Loan Bank | 1,164,473 | 128,385 | 494,411 | 541,677 | - |
| Federal Home Loan Mortgage Corp. | 24,507 | - | 24,507 | - | - |
| Federal National Mortgage Assoc. | 98,025 | - | 73,592 | 24,433 | - |
| Mortgage Backed Securities | 627 | 627 | - | - | - |
| State and Local Obligations | 517,654 | 124,449 | 195,722 | 149,998 | 47,485 |
| Tennessee Valley Authority | 98,822 | - | - | 98,822 | - |
| Money Market Mutual Funds | 27,836 | 27,836 | - | - | - |
| Total | \$ 3,566,765 | \$ 452,483 | \$ 1,135,547 | \$ 1,736,960 | \$ 241,775 |

The Pension Fund assumes any callable securities will not be called.

The Fund has the following recurring fair value measurement as of April 30, 2018:

| Investments by Fair Value Levels | April 30, 2018 | Fair Value Measurements Using | | |
|---|---------------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Debt Securities | | | | |
| U.S. Treasury | \$ 429,334 | \$ 429,334 | \$ - | \$ - |
| U.S. Agencies | 2,591,314 | - | 2,591,314 | - |
| State and Local Obligations | 517,654 | - | 517,654 | - |
| Mortgage Back Securities | 627 | - | 627 | - |
| Money Market Mutual Funds | 27,836 | - | 27,836 | - |
| Equity Securities | | | | |
| Mutual Funds | 1,999,673 | - | 1,999,673 | - |
| Total Investments Measured at Fair Value | \$ 5,566,438 | \$ 429,334 | \$ 5,137,104 | \$ - |

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Plan (Continued)

Deposits, Investments and Concentrations (Continued)

Credit Risk, Custodial Credit Risk and Concentration Risk (Continued)

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 the Pension Fund’s investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund’s investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code.

The investments in the securities of State and Local Obligations were rated A or better, U.S. Government Agencies were all rated AA+ or better by Standard & Poor’s or by Moody’s Investors Services or were small issues that were unrated or underrated. Unrated (N/R) and underrated investments are listed in the following table.

| Investment | Market Value | Interest Rate | Maturity Date | Standard & Poor’s | Moody’s |
|----------------------------|--------------|---------------|---------------|-------------------|---------|
| Bartlett IL PK | \$ 15,661 | 4.75% | 15-Dec-21 | AA | N/R |
| Bartlett IL PK | 25,739 | 4.63% | 15-Dec-19 | AA | N/R |
| Cook Cnty IL CCSD | 10,014 | 4.20% | 1-Dec-17 | N/R | Aa2 |
| Countryside IL | 29,156 | 3.10% | 1-Jan-23 | N/R | Aa2 |
| Federal Home Loan Mortgage | 24,507 | 1.50% | 29-Sep-21 | AA+ | N/R |
| GNMA Pool | 627 | 5.00% | 15-Dec-18 | N/R | N/R |
| McHenry IL CSD | 20,396 | 6.40% | 15-Jan-30 | AA | N/R |
| Palatine, IL | 29,065 | 3.00% | 1-Dec-25 | AA+ | N/R |
| Skokie IL | 28,712 | 1.75% | 1-Jan-18 | Aa1 | N/R |
| Wheaton IL PK | 25,946 | 5.65% | 15-Dec-19 | N/R | Aa2 |
| Will Etc IL CSD | 25,141 | 5.50% | 1-Jan-22 | AA | N/R |
| Will Etc IL CSD | 24,560 | 3.20% | 1-Jan-26 | N/R | Aa2 |

The Pension Fund’s investment policy also prescribes to the “prudent person” rule, which states, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return.”

Custodial Credit Risk - Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the Pension Fund’s deposits may not be returned to it. At April 30, 2018, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund’s investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Pension Fund’s deposits with financial institutions.

Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. While it is not required in the investment policy, the Pension Fund limits its exposure to custodial credit risk by utilizing an independent third-party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Plan (Continued)

Deposits, Investments and Concentrations (Continued)

Credit Risk, Custodial Credit Risk and Concentration Risk (Continued)

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the Pension Fund’s investment in a single issuer. The Pension Fund’s investment policy states “the Board of Trustees has consciously diversified the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio.” At April 30, 2018, the Pension Fund has over 5%, \$279,847, of fiduciary net position invested in various agency securities as indicated in the preceding table. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the “full faith and credit” backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

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

| <u>Asset Class</u> | <u>Target</u> |
|---------------------------|---------------|
| Cash and Cash Equivalents | 1.00% |
| Fixed Income | 64.00% |
| Equities | 35.00% |
| Equity Diversification | |
| US Large Cap Stock | 65.00% |
| US Small Cap Stocks | 20.00% |
| Foreign Securities | 15.00% |

Illinois Compiled Statutes (ILCS) limit the Fund’s investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fiduciary net position.

| <u>Asset Class</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------|---|
| Equities | |
| Large Cap Domestic Equity | 6.65% |
| Small Cap Domestic Equity | 8.55% |
| International Equity | 6.45% |
| Fixed Income | 1.45% |
| Cash | 0.00% |
| Inflation | 2.85% |

The long-term expected rate of return on the Fund’s investments was determined using an asset allocation study conducted by *Morningstar Analyst Research Center* covering the period through December 31, 2017, which best-estimate 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 April 30, 2018 are listed in the table above.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Plan (Continued)

Deposits, Investments and Concentrations (Continued)

The Pension Fund has diversified its equity holdings as follows:

| | Fair Value |
|--------------------------------|--------------------------------|
| Bridgeway Ultra Small | \$ 61,920 |
| Cohen & Steers Inst. | 29,332 |
| Fidelity Adv Materials | 26,732 |
| First Eagle Overseas | 108,734 |
| Goldman Sachs Intl Equity Fund | 34,488 |
| Hennessy Focus FD | 61,283 |
| Homestead Focus Fund | 130,218 |
| LSV Value Equity Fund | 189,662 |
| Oppenheimer Developing | 33,923 |
| Oppenheimer Intl Growth | 129,451 |
| Pioneer Equity Income | 191,270 |
| T Rowe Price Growth | 402,595 * |
| T Rowe Price QM US Small | 147,661 |
| Vanguard Energy Fund | 7,969 |
| Vanguard 500 Index Fd | <u>444,435 *</u> |
| Total Equity Mutual Funds | <u><u>\$ 1,999,673</u></u> |

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. For the year-ended April 30, 2018, the District’s contribution of \$186,784 was 13.70% of covered payroll. The District is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the District 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.

Rate of Return

For the year ended April 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.738%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

Net Pension Liability

The District’s net pension liability was measured as of April 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2018 using the following actuarial methods and assumptions:

| | |
|----------------------------|----------------------------|
| Actuarial Valuation Date | April 30, 2018 |
| Actuarial Cost Method | Entry Age Normal (Level %) |
| Asset Valuation Method | Market Value |
| Actuarial Assumptions | |
| Interest Rate | 5.55% |
| Salary Increases | 3.25% |
| Individual Pay Increases | 4.25% - 9.64% |
| Cost of Living Adjustments | 2.50% |
| Inflation | 2.50% |

Single Discount Rate

A Single Discount Rate of 5.55% 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 long-term rate of return on plan investments is 6.00%, the municipal bond rate is 3.97%, and the resulting single discount rate is 5.55%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan’s net pension liability, calculated using a Single Discount Rate of 5.55%, 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% Lower | Current Discount Rate | 1% Higher |
|-------------------------------|---------------------|-----------------------|-------------------|
| Firefighters' Pension Plan | 4.55% | 5.55% | 6.55% |
| Total Pension Liability | \$ 8,827,709 | \$ 7,230,921 | \$ 5,990,102 |
| Plan Fiduciary Net Position | <u>5,596,937</u> | <u>5,596,937</u> | <u>5,593,937</u> |
| Net Pension Liability (Asset) | <u>\$ 3,230,772</u> | <u>\$ 1,633,984</u> | <u>\$ 396,165</u> |

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Plan (Continued)

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Position Liability (A) - (B) |
|--|-----------------------------------|---------------------------------------|--|
| Balances at April 30, 2017 | \$ 6,381,717 | \$ 5,106,128 | \$ 1,275,589 |
| Changes for the year: | | | |
| Service Cost | 381,107 | - | 381,107 |
| Interest on the Total Pension Liability | 359,929 | - | 359,929 |
| Changes of Benefit Terms | - | - | - |
| Differences Between Expected and Actual Experience of the Total Pension Liability | (16,322) | - | (16,322) |
| Changes of Assumptions | 124,490 | - | 124,490 |
| Contributions - Employer | - | 186,784 | (186,784) |
| Contributions - Employees | - | 108,781 | (108,781) |
| Contributions - Other | - | - | - |
| Net Investment Income | - | 209,938 | (209,938) |
| Benefit Payments, including Refunds of Employee Contributions | - | - | - |
| Administrative Expenses | - | (14,694) | 14,694 |
| Other (Net Transfer) | - | - | - |
| Net Changes | <u>849,204</u> | <u>490,809</u> | <u>358,395</u> |
| Balances at April 30, 2018 | <u>\$ 7,230,921</u> | <u>\$ 5,596,937</u> | <u>\$ 1,633,984</u> |

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

For the year ended April 30, 2018, the District recognized pension expense of \$427,564. At April 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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:

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 9 - DEFINED BENEFIT PENSION PLANS – Firefighters’ Pension Fund (Continued)

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Net Deferred Outflows of Resources |
|--|--------------------------------------|-------------------------------------|--|
| Differences between expected and actual experience | \$ - | \$ 614,535 | \$ (614,535) |
| Changes of assumptions | 1,082,224 | - | 1,082,224 |
| Net difference between projected and actual earnings on pension plan investments | <u>156,429</u> | <u>3,837</u> | <u>152,592</u> |
| Total Deferred Amounts to be recognized in pension expense in future periods | <u>\$ 1,238,653</u> | <u>\$ 618,372</u> | <u>\$ 620,281</u> |

| Year Ending April 30, | Net Deferred Outflows of Resources |
|-----------------------|--|
| 2019 | \$ 95,409 |
| 2020 | 95,408 |
| 2021 | 59,136 |
| 2022 | 60,411 |
| 2023 | 39,443 |
| Thereafter | <u>270,474</u> |
| Total | <u>\$ 620,281</u> |

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance from private insurance companies to cover these risks. Risks covered include general liability, workers' compensation, medical and other. Premiums have been recorded as expenditures in appropriate funds. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage during the year ended April 30, 2018.

NOTE 11 - DEFICIT FUND BALANCE

For the year ended April 30, 2018, none of the District's funds had a deficit fund balance.

NOTE 12 - EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

For the year ended April 30, 2018, none of the District's funds had an excess of actual expenditures over legally enacted budgeted amounts.

Winfield Fire Protection District
Winfield, Illinois
Notes to the Financial Statements
April 30, 2018

NOTE 13 - LEGAL DEBT MARGIN

| | |
|---|-----------------------|
| Assessed Valuation (2017 tax levy) | <u>\$ 663,453,288</u> |
| Legal Debt Limits - 5.75% of Assessed Valuation | \$ 38,148,564 |
| Outstanding Debt | <u>-</u> |
| Legal Debt Margin, April 30, 2018 | <u>\$ 38,148,564</u> |

NOTE 14 - COMMON BANK ACCOUNTS

Separate bank accounts are not maintained for all District funds; instead, certain funds maintain their un-invested cash balances in common checking accounts, with accounting records being maintained to show the portion of the common bank account balances attributed to each participating fund.

NOTE 15 - CONTINGENCIES

Per administration, as of April 30, 2018, the District is currently involved in a labor grievance filed by the Professional Firefighters Union representing all full-time firefighters and lieutenants employed by the District. That grievance contends that the District is liable to pay step raises which the union asserts were contemplated in the collective bargaining agreement that expired on April 30, 2018. The District contends that the collective bargaining agreement did not provide for step raises as asserted by the Union and that there was no pre-bargaining history that would have created an expectation that annual raises would occur absent a specific agreement to that effect. Should arbitration result in an award unfavorable to the District back-pay is unlikely to exceed \$25,000.00.

The Firefighters' Pension Fund is currently not involved in any litigation.

NOTE 16 - DATE OF MANAGEMENT'S REVIEW

Management has evaluated events and transactions occurring after the balance sheet date through July 5, 2018, which is the date the financial statements were available to be used. Management has determined that none of the events occurring after the date of the balance sheet through the date of management's review substantially affect the amount and disclosure of the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Winfield Fire Protection District

Winfield, Illinois

Required Supplementary Information

For the Year Ended April 30, 2018

SCHEDULE OF EMPLOYER CONTRIBUTION FIREFIGHTER'S PENSION FUND

| Calendar Year Ended April 30 | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a % of Covered Valuation Payroll |
|------------------------------|-------------------------------------|---------------------|----------------------------------|---------------------------|---|
| 2018 | \$ 253,880 | \$ 186,784 | \$ 67,096 | \$ 1,362,616 | 13.71% |
| 2017 | 217,012 | 182,784 | 34,228 | 1,091,091 | 16.75% |
| 2016 | 199,609 | 168,554 | 31,055 | 1,316,304 | 12.81% |
| 2015 | 197,303 | 167,151 | 30,152 | 1,024,650 | 16.31% |

Notes to Schedule

Valuation date: Actuarially determined contribution rates are calculated as of April 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2018 Contribution Rates:

| | |
|-------------------------------|---|
| Actual cost method | Aggregate Entry Age Normal |
| Amortization method | Level Percentage of Payroll, Closed |
| Remaining amortization period | 100% Funded over 17 years |
| Asset valuation method | 5-Year smoothed market |
| Wage growth | 3.25% |
| Price inflation | 2.50% -- approximate; No explicit price inflation assumption is used in this valuation. |
| Salary increases | 4.25% to 9.64% including inflation |
| Investment rate of return | 6.00% |
| Retirement age | See the Notes to the Financial Statements |
| Mortality | Mortality rates are based on rates developed in the Lauterbach & Amen, LLP 2016 Mortality Table for Illinois Firefighters |

(See independent auditor's report.)

Winfield Fire Protection District

Winfield, Illinois

Required Supplementary Information

For the Year Ended April 30, 2018

FIREFIGHTERS' PENSION FUND SCHEDULE OF CHANGE IN THE EMPLOYER'S NET PENSION LIABILITY

| | 04/30/2018 | 04/30/2017 | 04/30/2016 | 04/30/2015 |
|---|---------------------|---------------------|---------------------|---------------------|
| Total Pension Liability | | | | |
| Service Costs | \$ 381,107 | \$ 360,760 | \$ 318,481 | \$ 262,866 |
| Interest | 359,929 | 320,324 | 264,471 | 277,528 |
| Changes in Benefit Terms | - | - | - | - |
| Differences Between Expected and Actual Experience | (16,322) | (136,538) | (608,128) | (248,163) |
| Change of Assumptions | 124,490 | 157,669 | 1,048,493 | 94,292 |
| Benefit Payments, Including Refunds of Member Contributions | - | - | - | - |
| Net Change in Total Pension Liabilities | 849,204 | 702,215 | 1,023,317 | 386,523 |
| Total Pension Liability - Beginning | 6,381,717 | 5,679,502 | 4,656,185 | 4,269,662 |
| Total Pension Liability - Ending | <u>\$ 7,230,921</u> | <u>\$ 6,381,717</u> | <u>\$ 5,679,502</u> | <u>\$ 4,656,185</u> |
| Plan Fiduciary Net Position | | | | |
| Contributions - Employer | \$ 186,784 | \$ 182,784 | \$ 168,554 | \$ 167,151 |
| Contributions - Members | 108,781 | 102,824 | 103,706 | 94,530 |
| Contributions - Other | - | - | - | - |
| Net Investment Income | 209,938 | 286,485 | 79,471 | 210,214 |
| Benefit Payments, Including Refunds of Member Contributions | - | - | - | - |
| Administrative Expenses | (14,694) | (22,853) | (11,913) | (7,837) |
| Other | - | - | - | - |
| Net Change in Plan Net Position | 490,809 | 549,240 | 339,818 | 464,058 |
| Plan Net Position - Beginning | 5,106,128 | 4,556,888 | 4,217,070 | 3,753,012 |
| Plan Net Position - Ending | <u>5,596,937</u> | <u>5,106,128</u> | <u>4,556,888</u> | <u>4,217,070</u> |
| Employer's Net Pension Liability | <u>\$ 1,633,984</u> | <u>\$ 1,275,589</u> | <u>\$ 1,122,614</u> | <u>\$ 439,115</u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | <u>77.40%</u> | <u>80.01%</u> | <u>80.23%</u> | <u>90.57%</u> |
| Covered Payroll | <u>\$ 1,362,616</u> | <u>\$ 1,091,091</u> | <u>\$ 1,316,304</u> | <u>\$ 1,024,650</u> |
| Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll | <u>119.92%</u> | <u>116.91%</u> | <u>85.29%</u> | <u>42.86%</u> |

(See independent auditor's report.)

Winfield Fire Protection District

Winfield, Illinois

Required Supplementary Information

For the Year Ended April 30, 2018

FIREFIGHTERS' PENSION FUND SCHEDULE OF INVESTMENT RETURNS

| Fiscal Year | Annual Money-Weights Rate of Return, Net of Investment Expenses |
|-------------|---|
| 2018 | 3.37% |
| 2017 | 6.05% |
| 2016 | 2.01% |
| 2015 | 5.44% |

(See independent auditor's report.)

MAJOR GOVERNMENTAL FUNDS

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Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

The Fire Chief submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.

The working budget is then approved by the Board and adopted. The Board holds public hearings to solicit comments and may add to, subtract from, or change appropriations, but may not change the form of the budget. Prior to August 31, the final budget is passed by an appropriation ordinance. The tax levy ordinance is filed with the County Clerk by the last Tuesday in December to obtain tax revenue.

The Board of Trustees must approve all formal appropriation transfers. Any increases to the final budget require a public hearing before the Board of Trustees' approval. The Supervisor can approve expenditures that exceed any line item within the fund as long as the expenditures do not exceed appropriations. Thus, the legal level of budgetary control is determined by fund.

The legal budgetary authority lapses at the end of the fiscal year.

The budget amounts shown in the financial statements are those originally adopted ("Original") and the ("Final") as there were line item transfers made during the fiscal year.

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Winfield Fire Protection District

Winfield, Illinois

Corporate & Ambulance Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Actual to Budget

For the Year Ended April 30, 2018

With Comparative Totals for the Year Ended April 30, 2017

| | Original Budget | Final Budget | Actual | Variance With Final Budget Over (Under) | Prior Year Actual |
|---|---------------------|---------------------|---------------------|--|----------------------|
| Revenues | | | | | |
| Taxes | | | | | |
| Property Taxes | \$ 2,359,303 | \$ 2,359,303 | \$ 2,353,754 | \$ (5,549) | \$ 2,331,070 |
| Replacement Taxes | 12,000 | 12,000 | 13,680 | 1,680 | 16,349 |
| Charge for Services | 400,000 | 400,000 | 464,309 | 64,309 | 421,962 |
| Investment Income | 2,000 | 2,000 | 2,676 | 676 | 2,623 |
| Miscellaneous | <u>215,000</u> | <u>215,000</u> | <u>218,668</u> | <u>3,668</u> | <u>166,037</u> |
| Total Revenues | <u>2,988,303</u> | <u>2,988,303</u> | <u>3,053,087</u> | <u>64,784</u> | <u>2,938,041</u> |
| Expenditures | | | | | |
| Current | | | | | |
| Compensation & Benefits | 2,490,175 | 2,529,375 | 2,401,850 | (127,525) | 2,343,988 |
| Firefighters' Pension Fund | 250,000 | 250,000 | 186,784 | (63,216) | 182,784 |
| Legal & Professional | 100,000 | 123,600 | 119,946 | (3,654) | 86,057 |
| Administrative Costs | 35,500 | 27,000 | 22,203 | (4,797) | 31,308 |
| Building & Facility | 77,000 | 62,000 | 59,106 | (2,894) | 66,362 |
| Equipment Maintenance/Supplies | 107,500 | 98,000 | 101,708 | 3,708 | 141,645 |
| Fire & Rescue Equipment | 40,000 | 20,200 | 17,705 | (2,495) | 16,207 |
| Capital Projects | 18,000 | 13,000 | 10,826 | (2,174) | 17,550 |
| Training & Education | <u>41,500</u> | <u>36,500</u> | <u>32,300</u> | <u>(4,200)</u> | <u>33,167</u> |
| Total Current Expenditures | <u>3,159,675</u> | <u>3,159,675</u> | <u>2,952,428</u> | <u>(207,247)</u> | <u>2,919,068</u> |
| Excess (Deficiency) of Revenue over Expenditures | (171,372) | (171,372) | 100,659 | 272,031 | 18,973 |
| Other Sources (Uses) | | | | | |
| Operating Transfers - Out | <u>(75,000)</u> | <u>(75,000)</u> | <u>(75,000)</u> | <u>-</u> | <u>(75,000)</u> |
| Total Other Sources (Uses) | <u>(75,000)</u> | <u>(75,000)</u> | <u>(75,000)</u> | <u>-</u> | <u>(75,000)</u> |
| Net Increase (Decrease) in Fund Balance | <u>\$ (246,372)</u> | <u>\$ (246,372)</u> | 25,659 | <u>\$ 272,031</u> | (56,027) |
| Fund Balance at Beginning of Year | | | <u>1,733,108</u> | | <u>1,789,135</u> |
| Fund Balance at End of Year | | | <u>\$ 1,758,767</u> | | <u>\$ 1,733,108</u> |

(See independent auditor's report.)

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**COMBINING & INDIVIDUAL FUND
FINANCIAL STATEMENTS & SCHEDULES**
(Nonmajor Governmental Funds)

Winfield Fire Protection District
Winfield, Illinois
Balance Sheet - Nonmajor Governmental Funds
April 30, 2018

| | Special Revenue Funds | | | | Total |
|--|-----------------------|--------------------------|----------------------------|-----------------------------|------------------|
| | Audit Fund | Liability Insurance Fund | Worker's Compensation Fund | Foreign Fire Insurance Fund | |
| ASSETS | | | | | |
| Cash & Cash Equivalents | \$ 2,551 | \$ 4,966 | \$ 3,093 | \$ 16,950 | \$ 27,560 |
| Receivables: | | | | | |
| Property Taxes | <u>5,308</u> | <u>25,211</u> | <u>25,211</u> | <u>-</u> | <u>55,730</u> |
| Total Assets | <u>\$ 7,859</u> | <u>\$ 30,177</u> | <u>\$ 28,304</u> | <u>\$ 16,950</u> | <u>\$ 83,290</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$ - | \$ 669 | \$ 669 | \$ - | \$ 1,338 |
| Total Liabilities | <u>-</u> | <u>669</u> | <u>669</u> | <u>-</u> | <u>1,338</u> |
| Deferred Inflows of Resources | | | | | |
| Unearned Property Tax Revenue | <u>2,654</u> | <u>12,606</u> | <u>12,606</u> | <u>-</u> | <u>27,866</u> |
| Total Deferred Inflows of Resources | <u>2,654</u> | <u>12,606</u> | <u>12,606</u> | <u>-</u> | <u>27,866</u> |
| Fund Balances | | | | | |
| Restricted For | | | | | |
| Special Revenue Funds | <u>5,205</u> | <u>16,902</u> | <u>15,029</u> | <u>16,950</u> | <u>54,086</u> |
| Total Fund Balances | <u>5,205</u> | <u>16,902</u> | <u>15,029</u> | <u>16,950</u> | <u>54,086</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | <u>\$ 7,859</u> | <u>\$ 30,177</u> | <u>\$ 28,304</u> | <u>\$ 16,950</u> | <u>\$ 83,290</u> |

(See independent auditor's report.)

Winfield Fire Protection District
Winfield, Illinois
Statement of Revenues, Expenditures and Changes in Fund Balance -
Nonmajor Governmental Funds
For the Year Ended April 30, 2018

| | Special Revenue Funds | | | | Total |
|--|-----------------------|--------------------------|----------------------------|-----------------------------|------------------|
| | Audit Fund | Liability Insurance Fund | Worker's Compensation Fund | Foreign Fire Insurance Fund | |
| Revenue: | | | | | |
| Property & Replacement Taxes | \$ 4,837 | \$ 23,210 | \$ 23,210 | \$ - | \$ 51,257 |
| Miscellaneous | - | - | - | 16,483 | 16,483 |
| Total Revenues | <u>4,837</u> | <u>23,210</u> | <u>23,210</u> | <u>16,483</u> | <u>67,740</u> |
| Expenditures | | | | | |
| Public Safety | | | | | |
| Audit | 6,500 | - | - | - | 6,500 |
| Liability Insurance | - | 23,228 | - | - | 23,228 |
| Worker's Compensation Insurance | - | - | 25,728 | - | 25,728 |
| Foreign Fire Insurance | - | - | - | 18,831 | 18,831 |
| Total Expenditures | <u>6,500</u> | <u>23,228</u> | <u>25,728</u> | <u>18,831</u> | <u>74,287</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(1,663)</u> | <u>(18)</u> | <u>(2,518)</u> | <u>(2,348)</u> | <u>(6,547)</u> |
| Other Sources (Uses) | | | | | |
| Operating Transfers - In | - | - | - | - | - |
| Operating Transfers - Out | - | - | - | - | - |
| Total Other Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Fund Balance | (1,663) | (18) | (2,518) | (2,348) | (6,547) |
| Fund Balance at Beginning of Year | <u>6,868</u> | <u>16,920</u> | <u>17,547</u> | <u>19,298</u> | <u>60,633</u> |
| Fund Balance at End of Year | <u>\$ 5,205</u> | <u>\$ 16,902</u> | <u>\$ 15,029</u> | <u>\$ 16,950</u> | <u>\$ 54,086</u> |

(See independent auditor's report.)

Winfield Fire Protection District

Winfield, Illinois

Audit Fund

Statement of Revenue, Expenditures and Changes in Fund Balance - Actual to Budget

For the Year Ended April 30, 2018

With Comparative Totals for the Year Ended April 30, 2017

| | Original Budget | Final Budget | Actual | Variance With Final Budget Over (Under) | Prior Year Actual |
|---|--------------------|-------------------|-----------------|--|----------------------|
| Revenues | | | | | |
| Taxes | | | | | |
| Property Taxes | <u>\$ 4,380</u> | <u>\$ 4,380</u> | <u>\$ 4,837</u> | <u>\$ 457</u> | <u>\$ 4,815</u> |
| Total Revenues | <u>4,380</u> | <u>4,380</u> | <u>4,837</u> | <u>457</u> | <u>4,815</u> |
| Expenditures | | | | | |
| Current Expenditures | | | | | |
| Audit | <u>6,500</u> | <u>6,500</u> | <u>6,500</u> | <u>-</u> | <u>6,250</u> |
| Total Current Expenditures | <u>6,500</u> | <u>6,500</u> | <u>6,500</u> | <u>-</u> | <u>6,250</u> |
| Excess (Deficiency) of Revenue over Expenditures | <u>(2,120)</u> | <u>(2,120)</u> | <u>(1,663)</u> | <u>457</u> | <u>(1,435)</u> |
| Other Sources (Uses) | | | | | |
| Operating Transfers - In | - | - | - | - | - |
| Operating Transfers - Out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Fund Balance | <u>\$ (2,120)</u> | <u>\$ (2,120)</u> | <u>(1,663)</u> | <u>\$ 457</u> | <u>(1,435)</u> |
| Fund Balance at Beginning of Year | | | <u>6,868</u> | | <u>8,303</u> |
| Fund Balance at End of Year | | | <u>\$ 5,205</u> | | <u>\$ 6,868</u> |

(See independent auditor's report.)

Winfield Fire Protection District

Winfield, Illinois

Liability Insurance Fund

Statement of Revenue, Expenditures and Changes in Fund Balance - Actual to Budget

For the Year Ended April 30, 2018

With Comparative Totals for the Year Ended April 30, 2017

| | Original Budget | Final Budget | Actual | Variance With Final Budget Over (Under) | Prior Year Actual |
|---|--------------------|------------------|------------------|--|----------------------|
| Revenues | | | | | |
| Taxes | | | | | |
| Property Taxes | <u>\$ 21,273</u> | <u>\$ 21,273</u> | <u>\$ 23,210</u> | <u>\$ 1,937</u> | <u>\$ 23,176</u> |
| Total Revenues | <u>21,273</u> | <u>21,273</u> | <u>23,210</u> | <u>1,937</u> | <u>23,176</u> |
| Expenditures | | | | | |
| Current Expenditures | | | | | |
| Liability Insurance | <u>20,000</u> | <u>20,000</u> | <u>23,228</u> | <u>3,228</u> | <u>23,273</u> |
| Total Current Expenditures | <u>20,000</u> | <u>20,000</u> | <u>23,228</u> | <u>(3,228)</u> | <u>23,273</u> |
| Excess (Deficiency) of Revenue over Expenditures | <u>1,273</u> | <u>1,273</u> | <u>(18)</u> | <u>(1,291)</u> | <u>(97)</u> |
| Other Sources (Uses) | | | | | |
| Operating Transfers - In | - | - | - | - | - |
| Operating Transfers - Out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Fund Balance | <u>\$ 1,273</u> | <u>\$ 1,273</u> | <u>(18)</u> | <u>\$ (1,291)</u> | <u>(97)</u> |
| Fund Balance at Beginning of Year | | | <u>16,920</u> | | <u>17,017</u> |
| Fund Balance at End of Year | | | <u>\$ 16,902</u> | | <u>\$ 16,920</u> |

(See independent auditor's report.)

Winfield Fire Protection District

Winfield, Illinois

Worker's Compensation Insurance Fund

Statement of Revenue, Expenditures and Changes in Fund Balance - Actual to Budget

For the Year Ended April 30, 2018

With Comparative Totals for the Year Ended April 30, 2017

| | Original Budget | Final Budget | Actual | Variance With Final Budget Over (Under) | Prior Year Actual |
|---|--------------------|------------------|------------------|--|----------------------|
| Revenues | | | | | |
| Taxes | | | | | |
| Property Taxes | <u>\$ 21,273</u> | <u>\$ 21,273</u> | <u>\$ 23,210</u> | <u>\$ 1,937</u> | <u>\$ 23,176</u> |
| Total Revenues | <u>21,273</u> | <u>21,273</u> | <u>23,210</u> | <u>1,937</u> | <u>23,176</u> |
| Expenditures | | | | | |
| Current Expenditures | | | | | |
| Workers Compensation | <u>20,000</u> | <u>20,000</u> | <u>25,728</u> | <u>5,728</u> | <u>20,773</u> |
| Total Current Expenditures | <u>20,000</u> | <u>20,000</u> | <u>25,728</u> | <u>5,728</u> | <u>20,773</u> |
| Excess (Deficiency) of Revenue over Expenditures | <u>1,273</u> | <u>1,273</u> | <u>(2,518)</u> | <u>(3,791)</u> | <u>2,403</u> |
| Other Sources (Uses) | | | | | |
| Operating Transfers - In | - | - | - | - | - |
| Operating Transfers - Out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Fund Balance | <u>\$ 1,273</u> | <u>\$ 1,273</u> | <u>(2,518)</u> | <u>\$ (3,791)</u> | <u>2,403</u> |
| Fund Balance at Beginning of Year | | | <u>17,547</u> | | <u>15,144</u> |
| Fund Balance at End of Year | | | <u>\$ 15,029</u> | | <u>\$ 17,547</u> |

(See independent auditor's report.)

ADDITIONAL SUPPLEMENTAL INFORMATION

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Winfield Fire Protection District
Winfield, Illinois
Statistical Comparison of Property Taxes Levied
Tax Years 2017-2012
April 30, 2018

| | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessed Valuation | <u>\$ 663,453,288</u> | <u>\$ 625,677,460</u> | <u>\$ 584,761,266</u> | <u>\$ 569,820,952</u> | <u>\$ 579,175,546</u> | <u>\$ 616,762,623</u> |
| Tax Rates | | | | | | |
| Fire Protection | 0.1635 | 0.1736 | 0.1822 | 0.1848 | 0.1771 | 0.1623 |
| Ambulance | 0.1634 | 0.1735 | 0.1821 | 0.1848 | 0.1771 | 0.1622 |
| Pension | 0.0328 | 0.0260 | 0.0294 | 0.0279 | 0.0271 | 0.0254 |
| Pension (Exempt) | 0.0041 | 0.0039 | 0.0019 | 0.0018 | 0.0018 | 0.0016 |
| Audit | 0.0008 | 0.0007 | 0.0009 | 0.0009 | 0.0009 | 0.0008 |
| Tort Liability | 0.0038 | 0.0034 | 0.0043 | 0.0045 | 0.0044 | 0.0042 |
| Worker's Compensation | <u>0.0038</u> | <u>0.0034</u> | <u>0.0043</u> | <u>0.0045</u> | <u>0.0044</u> | <u>0.0042</u> |
| Total Tax Rates | <u>0.3722</u> | <u>0.3845</u> | <u>0.4051</u> | <u>0.4092</u> | <u>0.3928</u> | <u>0.3607</u> |
| Tax Extension | | | | | | |
| Fire Protection | \$ 1,084,746 | \$ 1,086,176 | \$ 1,065,435 | \$ 1,050,802 | \$ 1,025,720 | \$ 1,001,006 |
| Ambulance | 1,084,083 | 1,085,550 | 1,064,850 | 1,050,802 | 1,025,720 | 1,000,389 |
| Pension | 217,613 | 162,676 | 171,920 | 158,644 | 156,957 | 156,658 |
| Pension (Exempt) | 27,202 | 24,401 | 11,110 | 10,235 | 10,425 | 9,868 |
| Audit | 5,308 | 4,380 | 5,263 | 5,118 | 5,212 | 4,934 |
| Tort Liability | 25,211 | 21,273 | 25,145 | 25,588 | 25,484 | 25,904 |
| Worker's Compensation | <u>25,211</u> | <u>21,273</u> | <u>25,145</u> | <u>25,588</u> | <u>25,484</u> | <u>25,904</u> |
| Total Tax Extension | <u>\$ 2,469,374</u> | <u>\$ 2,405,729</u> | <u>\$ 2,368,868</u> | <u>\$ 2,326,777</u> | <u>\$ 2,275,002</u> | <u>\$ 2,224,663</u> |

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