

## NOTICE OF CORRECTION

FOR  
CITY OF WOOD DALE  
DuPage County, Illinois  
\$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A

Selling on:

**Thursday, April 23, 2020**  
Between 10:15 and 10:30 A.M., C.D.T.  
(Open Speer Auction)

Referencing the Official Statement and the Official Notice of Sale dated April 16, 2020,  
for the above referenced bond issue:

**The cover page of the Official Statement has been corrected to reflect that the  
Bonds are not bank qualified.**

*Subject to compliance by the City with certain covenants, in the opinion of Ice Miller LLP, Chicago, Illinois, Bond Counsel ("Bond Counsel"), under present law, interest on the Bonds is not includible in the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.*

**Revised April 22, 2020.**

For additional information please contact Speer Financial, Inc., Suite 4100, One North LaSalle Street, Chicago, Illinois 60602; telephone (312) 346-3700; FAX (312) 346-8833.

*\*Subject to change.*

New Issue

Date of Sale: Thursday, April 23, 2020  
Between 10:15 and 10:30 A.M., C.D.T.  
(Open Speer Auction)

Investment Rating:  
S&P Global Ratings ... AA+ (Stable)

### Official Statement

Subject to compliance by the City with certain covenants, in the opinion of Ice Miller LLP, Chicago, Illinois, Bond Counsel ("Bond Counsel"), under present law, interest on the Bonds is not includible in the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.



## CITY OF WOOD DALE DuPage County, Illinois

### \$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A

Dated Date of Delivery

Book-Entry

Due Serially December 30, 2020-2039

The \$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A (the "Bonds") are being issued by the City of Wood Dale, DuPage County, Illinois (the "City"). Interest is payable semiannually on June 30 and December 30 of each year, commencing December 30, 2020. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC, and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 30 in the following years and amounts.

#### AMOUNTS\*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS<sup>(1)</sup>

Principal Amount*	Due Dec. 30	Interest Rate	Yield or Price	CUSIP(1) Number	Principal Amount*	Due Dec. 30	Interest Rate	Yield or Price	CUSIP(1) Number
\$350,000	2020	%	%		\$525,000	2030	%	%	
255,000	2021	%	%		540,000	2031	%	%	
265,000	2022	%	%		560,000	2032	%	%	
280,000	2023	%	%		575,000	2033	%	%	
290,000	2024	%	%		590,000	2034	%	%	
300,000	2025	%	%		610,000	2035	%	%	
310,000	2026	%	%		630,000	2036	%	%	
325,000	2027	%	%		645,000	2037	%	%	
340,000	2028	%	%		665,000	2038	%	%	
510,000	2029	%	%		685,000	2039	%	%	

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

#### OPTIONAL REDEMPTION

Bonds due December 30, 2020-2028, inclusive, are not subject to optional redemption prior to maturity. Bonds due on or after December 30, 2029-2039, are callable in whole or in part on any date on or after December 30, 2028, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

#### PURPOSE, LEGALITY AND SECURITY

Bond proceeds will be used to (i) finance certain stormwater improvement projects within the City, and (ii) pay the costs of issuance of the Bonds. See "THE PROJECT" herein.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the City and are payable (i) ratably and equally with the City's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012 (the "2012 Bonds") from the collections distributed to the City by the State of Illinois from (i) receipts of the Retailer's Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes (the "Sales Taxes"), (ii) such other funds legally available and appropriated therefor (collectively, (i) and (ii) constitute the "Pledged Revenues") and (iii) ad valorem property taxes upon all taxable property in the City without limitation as to rate or amount for which its full faith and credit have been irrevocably pledged (the "Pledged Taxes"). See "THE AUTHORIZATION, PURPOSE AND SECURITY" herein.

The City does not intend to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Official Statement is dated April 16, 2020, and has been prepared in connection with the issuance of the Bonds. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statements Sales Calendar/Competitive". Additional copies may be obtained from Mr. Brad Wilson, Finance Director, City of Wood Dale, 404 North Wood Dale Road, Wood Dale, Illinois 60191, or from the Municipal Advisors to the City:



\*Subject to change.

(1) CUSIP data herein is provided by the CUSIP Global Services, managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw-Hill Companies Financial. No representations are made as to the correctness of the CUSIP numbers. These CUSIP numbers may also be subject to change after the issuance of the Bonds.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), this document, as the same may be supplemented or corrected by the City from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the City.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the City, shall constitute a “Final Official Statement” of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by an addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.**

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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OFFICIAL BID FORM  
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## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notice of Sale and the Official Bid Form, which is provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

<b>Issuer:</b>	City of Wood Dale, DuPage County, Illinois.
<b>Issue:</b>	\$9,250,000* General Obligation Bonds (Alternate Revenue Source), Series 2020A.
<b>Dated Date:</b>	Date of delivery, expected to be on or about May 6, 2020.
<b>Interest Due:</b>	Each June 30 and December 30, commencing December 30, 2020.
<b>Principal Due:</b>	Serially each December 30, commencing December 30, 2020 through December 30, 2039, as detailed on the front cover of this Official Statement.
<b>Optional Redemption:</b>	The Bonds maturing on or after December 30, 2029, are callable at the option of the City on any date on or after December 30, 2028, at a price of par plus accrued interest. See <b>“OPTIONAL REDEMPTION”</b> herein.
<b>Authorization:</b>	Pursuant to the provisions of the Illinois Municipal Code, as amended, the Local Government Debt Reform Act of the State of Illinois, as amended, and a bond ordinance adopted by the President and Board of Trustees of the City on March 5, 2020.
<b>Security:</b>	In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the City and are payable (i) ratably and equally with the City’s outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012 (the “2012 Bonds”) from the collections distributed to the City by the State of Illinois from (i) receipts of the Retailer’s Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes (the “Sales Taxes”), (ii) such other funds legally available and appropriated therefor (collectively, (i) and (ii) constitute the “Pledged Revenues”) and (iii) ad valorem property taxes upon all taxable property in the City without limitation as to rate or amount for which its full faith and credit have been irrevocably pledged (the “Pledged Taxes”). See <b>“THE AUTHORIZATION, PURPOSE AND SECURITY”</b> herein
<b>Credit Rating:</b>	The Bonds have received a credit rating of AA+ (Stable) from S&P Global Ratings, New York, New York. See <b>“INVESTMENT RATING”</b> herein.
<b>Purpose:</b>	Bond proceeds will be used to (i) finance certain stormwater improvement projects within the City, and (ii) pay the costs of issuance of the Bonds. See <b>“THE PROJECT”</b> herein.
<b>Tax Exemption:</b>	Ice Miller LLP, Chicago, Illinois, as Bond Counsel, will provide an opinion as to the tax exemption of the interest on the Bonds as discussed under <b>“TAX EXEMPTION”</b> in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. See also <b>APPENDIX C</b> for a proposed form of Bond Counsel opinion.
<b>No Bank Qualification:</b>	The Bonds are <b>not</b> “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
<b>Bond Registrar/Paying Agent:</b>	Amalgamated Bank of Chicago, Chicago, Illinois.
<b>Delivery:</b>	The Bonds are expected to be delivered on or about May 6, 2020.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Bonds. See <b>APPENDIX B</b> herein.
<b>Denomination:</b>	\$5,000 or integral multiples thereof.
<b>Municipal Advisor:</b>	Speer Financial, Inc., Chicago, Illinois.

\*Subject to change.

**CITY OF WOOD DALE**  
**DuPage County, Illinois**

Annunziato Pulice  
*Mayor*

**Aldermen**

Tony Calalano  
Peter A. Jakab  
Randy Messina

Sonny Sorrentino  
Michael Susmarski

Eugene Wesley  
Roy Wesley  
Art Woods

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**Officials**

Lynn Curiale  
*City Clerk*

Jeffrey Mermuys  
*City Manager*

Sandra L. Porch  
*Treasurer*

Alan Lange  
*Public Works Director*

Brad Wilson  
*Finance Director*

Patrick K. Bond, Esq.  
Bond Dickson & Associates PC  
*City Attorney*

Speer Financial, Inc.  
*Municipal Advisor*

**DESCRIPTION OF THE BONDS**

**Security: Alternate Revenue Sources and Tax Levy**

The Bonds are payable both as to principal and interest from: (i) ratably and equally with the City's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012 (the "2012 Bonds") from the collections distributed to the City by the State of Illinois, (the "State") from (i) receipts of the Retailer's Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes (the "Sales Taxes"), (ii) such other funds legally available and appropriated therefor (collectively, (i) and (ii) constitute the "Pledged Revenues") and (iii) ad valorem property taxes upon all taxable property in the City without limitation as to rate or amount for which its full faith and credit have been irrevocably pledged (the "Pledged Taxes"). Pursuant to the Local Government Debt Reform Act of the State of Illinois, as amended, (the "Debt Reform Act"), the City will pledge such monies to the payment of the Bonds and shall covenant to provide for and apply such Pledged Revenues to the payment of the Bonds and the provision of not less than an additional 0.25 times debt service, which pledge and covenant shall constitute a continuing obligation of the City and continuing appropriation of the amounts received. For the prompt payment of the Bonds, the full faith, credit and resources of the City are irrevocably pledged.

In the ordinance authorizing the issuance of the Bonds (the "Bond Ordinance") adopted by the City Council of the City (the "Council") on March 5, 2019, the City covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Revenues or, except for abatement of tax levies as permitted in the Bond Ordinance, to levy and collect the Pledged Taxes. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended and collected as provided in the Bond Ordinance and deposited in the bond fund created under the Bond Ordinance in connection with the Bonds (the "Bond Fund").

The Bond Ordinance provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the City in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. Such Bond Ordinance will be filed with the County Clerk of DuPage County, Illinois (the "County Clerk"), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in such Bond Ordinance to pay the Bonds.

For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, the City covenants and agrees with the purchasers and the owners of the Bonds that the City will deposit the Pledged Revenues into the Bond Fund. The Pledged Revenues are pledged to the payment of the Bonds and the Council covenants and agrees to provide for, budget, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service.

**General Obligation Bonds (Alternate Revenue Source), Series 2020A  
 (Sales Tax)  
 Estimated Debt Service Coverage(1)**

Year	Pledged Revenues(2)	Series 2012	The Bonds(3)(4)	Total(3)	Coverage(3)	Mandatory Coverage(3)(5)	Remainder Available(3)(6)
2020	\$2,351,450	\$651,070	\$548,023	\$1,199,093	1.96X	\$1,498,866	\$ 852,584
2021	2,351,450	661,970	545,650	1,207,620	1.95X	1,509,525	841,925
2022	2,351,450	672,470	545,450	1,217,920	1.93X	1,522,400	829,050
2023	2,351,450	677,075	549,850	1,226,925	1.92X	1,533,656	817,794
2024	2,351,450	690,855	548,650	1,239,505	1.90X	1,549,381	802,069
2025	2,351,450	698,550	547,050	1,245,600	1.89X	1,557,000	794,450
2026	2,351,450	705,230	545,050	1,250,280	1.88X	1,562,850	788,600
2027	2,351,450	715,855	547,650	1,263,505	1.86X	1,579,381	772,069
2028	2,351,450	725,255	549,650	1,274,905	1.84X	1,593,631	757,819
2029	2,351,450	733,380	706,050	1,439,430	1.63X	1,799,288	552,163
2030	2,351,450	738,880	705,750	1,444,630	1.63X	1,805,788	545,663
2031	2,351,450	743,630	705,000	1,448,630	1.62X	1,810,788	540,663
2032	2,351,450	752,630	708,800	1,461,430	1.61X	1,826,788	524,663
2033	2,351,450	0	707,000	707,000	3.33X	883,750	1,467,700
2034	2,351,450	0	704,750	704,750	3.34X	880,938	1,470,513
2035	2,351,450	0	707,050	707,050	3.33X	883,813	1,467,638
2036	2,351,450	0	708,750	708,750	3.32X	885,938	1,465,513
2037	2,351,450	0	704,850	704,850	3.34X	881,063	1,470,388
2038	2,351,450	0	705,500	705,500	3.33X	881,875	1,469,575
2039	2,351,450	0	705,550	705,550	3.33X	881,938	1,469,513

- Notes: (1) Source: the City.  
 (2) Based on the City's 2019 fiscal year audit.  
 (3) Subject to change.  
 (4) Debt service estimated at an average coupon of 3.11%.  
 (5) Equal to the mandatory 125% rate covenant.  
 (6) Remainder available after deducting mandatory coverage amount.

**Highlights of Alternate Bonds**

Section 15 of the Debt Reform Act provides that whenever there exists for a governmental unit (such as the City) a revenue source, the City may issue its general obligation bonds payable from any revenue source, and such general obligation bonds may be referred to as "alternate bonds." Such bonds are general obligation debt payable from the pledged revenues with the general obligation of the City as back-up security. The Debt Reform Act prescribes several conditions that must be met before alternate bonds payable from a revenue source may be issued.

First, alternate bonds must be issued for a lawful corporate purpose. If issued payable from a revenue source, which revenue source is limited in its purposes or applications, then the alternate bonds can only be issued for such limited purposes or applications.



Second, the question of issuance must be submitted to referendum if, within the time provided by law following publication of an authorizing ordinance and notice of intent to issue alternate bonds, a petition signed by the requisite number of registered voters in the governmental unit is filed.

Third, an issuer must demonstrate that the pledged revenues are sufficient in each year to provide an amount not less than 1.25 times debt service on the alternate bonds payable from such revenue source previously issued and outstanding and the alternate bonds proposed to be issued. The sufficiency of the revenue source must be supported by the most recent audit of the governmental unit. The audit must be for a fiscal year ending not earlier than 18 months prior to the issuance of the alternate bonds. If the audit does not adequately show such revenue source or if such source of revenue is shown to be insufficient, then the determination of sufficiency must be supported by the report of an independent accountant or feasibility analyst, the latter having a national reputation for expertise in such matters. Such report must demonstrate the sufficiency of the revenue and explain how the revenues will be greater than those shown in the audit. Whenever such sufficiency is demonstrated by reference to a schedule of higher rates or charges for enterprise revenues or a higher tax imposition for a revenue source, such higher rates, charges or taxes must be imposed by a Bond Ordinance or resolution adopted prior to the delivery of the alternate bonds.

Fourth, the revenue source must be pledged to the payment of the alternate bonds.

Last, the governmental unit must covenant to provide for, collect and apply the revenue source to the payment of the alternate bonds and to provide for an amount equal to not less than an additional .25 times debt service.

The City will comply with all of the aforementioned conditions prior to the issuance of the Bonds, including demonstrating that the Pledged Revenues are sufficient in each year to make debt service payments on the Bonds by reference to the City's audit for the fiscal year ending 2019.

### **Abatement of Pledged Taxes**

Whenever the Pledged Revenues or other lawfully available funds are available to pay any principal of or interest on the Bonds when due, so as to enable the abatement of Pledged Taxes levied for the same, the City will direct the deposit of such Pledged Revenues and such funds into the Bond Fund created solely for such purpose. The City will direct the abatement of the Pledged Taxes by the amount of such deposit, and proper notification of such abatement will be filed with the County Clerk in a timely manner. **The City pledges to abate the levy for the Bonds only upon full funding of the Bond Fund in the appropriate levy amount.**

### **Bond Fund**

The City will deposit the appropriate Pledged Revenues and the Pledged Taxes into a separate Bond Fund, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by the Bond Ordinance. The Bonds are secured by a pledge of all of the monies on deposit in the Bond Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the City are discharged under the Bond Ordinance.

**Additional Bonds**

The City is authorized to issue from time to time additional bonds payable from the Pledged Revenues as permitted by law and such additional bonds may share ratably and equally in the Pledged Revenues with the Bonds; provided, however, that no such additional bonds shall be issued except in accordance with the provisions of the Debt Reform Act.

**Treatment of Bonds as Debt**

The Bonds will be payable from the Pledged Revenues and will not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes will have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the outstanding Bonds will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year, in accordance with the Debt Reform Act.

**Certain Risk Factors**

The ability of the City to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the City. There is no guarantee that the Pledged Revenues will continue to be available at current levels.

To the extent that Pledged Revenues may be insufficient to pay the Bonds, the Bonds are to be paid from the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of the Bonds, the amount of the Bonds then outstanding will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year.

**SOURCES AND USES(1)**

The sources and uses of funds resulting from the Bonds are shown below:

SOURCES:	
Principal Amount	\$ _____
Premium	_____
Total Sources	\$ _____
USES:	
Deposit to Project Fund	\$ _____
Costs of Issuance (2)	_____
Total Uses	\$ _____

- Notes: (1) Subject to change.  
(2) Includes underwriter's fee, bond counsel fee, financial advisor's fee, paying agent fee, rating agency fees and other costs of issuance.

## **RISK FACTORS**

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices and exhibits in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

### **Payment of the Bonds from the Pledged Revenues**

The ability of the City to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the City. There is no guarantee that the Pledged Revenues will continue to be available at current levels.

To the extent that Pledged Revenues are insufficient to pay the Bonds, the Bonds are to be paid from the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of the Bonds, the amount of the Bonds then outstanding will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year. See **“Treatment of Bonds as Debt”** under **“DESCRIPTION OF THE BONDS”** herein.

### **Global Health Emergency Risk**

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus. On March 20, 2020, Illinois Governor JB Pritzker declared a state of emergency, directing State agencies to use all resources necessary to prepare for and respond to the outbreak. On March 13, 2020, President Donald Trump declared a national emergency to unlock federal funds to help states and local governments fight the pandemic. The current spread of COVID-19 is altering the behavior of businesses and people in a manner that may have negative effects on economic activity, and therefore adversely affect the financial condition of the City, either directly or indirectly.

### **Finances of the State of Illinois**

The State has experienced adverse fiscal conditions resulting in significant shortfalls between the State’s general fund revenues and spending demands. The State failed to enact a full budget for the State fiscal years ending June 30, 2016, and June 30, 2017, which had a significant, negative impact on the State’s finances, although certain spending occurred through statutory transfers, statutory continuing appropriations, court orders and consent decrees, including spending for elementary and secondary education. In addition, the underfunding of the State’s pension systems and a bill backlog of billions of dollars contributed to the State’s poor financial health.

On July 6, 2017, the General Assembly of the State (the “General Assembly”) enacted a budget (the “Fiscal Year 2018 Budget”) for the State fiscal year ending June 30, 2018 (the “State Fiscal Year 2018”), overriding the Governor’s veto. On May 31, 2018, the General Assembly passed a budget (the “Fiscal Year 2019 Budget”) for the State for fiscal year ending June 30, 2019 (the “State Fiscal Year 2019”), and on June 4, 2018, the Governor approved the same. On June 1, 2019, the General Assembly passed a budget (the “Fiscal Year 2020 Budget”) for the State for fiscal year ending June 30, 2020 (the “State Fiscal Year 2020”), and on June 5, 2019, the Governor approved the same.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the City. The State's general fiscal condition and the underfunding of the State's pension systems have materially adversely affected the State's financial condition and may result in decreased or delayed revenues allocated to the City. In addition, the Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget contain a provision reducing the amount of income tax revenue to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the City, by 10% for State Fiscal Year 2018 and by 5% for State Fiscal Year 2019 and State Fiscal Year 2020. The Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget also include a service fee for collection and processing of local-imposed sales taxes. Such fee was 2% of such sales taxes for State Fiscal Year 2018 and was reduced to 1.5% of such sales taxes for State Fiscal Year 2019 and State Fiscal Year 2020. The City cannot determine at this time the financial impact of these provisions on its overall financial condition but such provisions may result in lower income tax revenues and sales tax revenues distributed to the City.

The City can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State.

### **Future Pension Plan Funding Requirements**

The City participates in a Police Pension Plan as hereinafter defined. Under the Illinois Pension Code, as amended (the "Pension Code"), the City is required to contribute to the plan in order to achieve a Funded Ratio of 90% by 2040. In order to achieve the 90% Funded Ratio for the plan by 2040, it is expected that the annual employer contributions required by the City will increase over time. The City also participates in the Illinois Municipal Retirement Plan (the "IMRF Plan"), which is a defined benefit pension plan administered by the Illinois Municipal Retirement Fund ("IMRF"); employer contributions are projected by IMRF to increase over time. Increasing annual required employer contributions for the City could have a material adverse effect on the finances of the City.

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the City to the Police Pension Plan to satisfy contribution shortfalls by the City. If the City does not make 100% of its annual required contributions to the Police Pension Plan, the City may have revenues withheld by the State Comptroller. Such withholdings by the State Comptroller could adversely affect the City's financial health and operations.

### **Cybersecurity**

Computer networks and data transmission and collection are vital to the efficient operation of the City. Despite the implementation of network security measures by the City, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer virus, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the City does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the City's operations and financial health. Further, as cybersecurity threats continue to evolve, the City may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

## **Local Economy**

The financial health of the City is in part dependent on the strength of the local economy. Many factors affect the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the City.

## **Declining Equalized Assessed Valuations**

The amount of property taxes extended for the City is determined by applying the various operating tax rates and the bond and interest tax rate levied by the City to the City's Equalized Assessed Valuation ("EAV"). The City's EAV could decrease for a number of reasons including, but not limited to, a decline in property values or large taxpayers moving out of the City.

## **Loss or Change of Bond Rating**

A credit rating for the Bonds has been requested from S&P Global Ratings, New York, New York ("S&P"). The rating can be changed or withdrawn at any time for reasons both under and outside the City's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

## **Secondary Market for the Bonds**

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The Underwriter (as defined herein) is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

## **Continuing Disclosure**

A failure by the City to comply with the Undertaking (as defined herein) for continuing disclosure (see "CONTINUING DISCLOSURE" and "THE UNDERTAKING" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Bonds and their market price.

## **Suitability of Investment**

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

## Future Changes in Laws

Various State and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City, or the taxing authority of the City. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the City, the taxable value of property within the City, and the ability of the City to levy property taxes or collect revenues for its ongoing operations.

## Bankruptcy

The rights and remedies of the holders of the Bonds (the “Bondholders”) may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

## THE CITY

### General Information

The City was incorporated in 1928 but the beginnings of its settlement had started in the early 1830’s. The construction of the Chicago and Pacific Railroad in the 1870’s fostered growth in the area, at first slowly, through the World War II era. The population in 1960 was 3,071 increasing to in excess of 11,000 in 1980, and at the 2000 Census was reported at 13,535. The 2010 Census recorded a population of 13,770. The City is located in northeastern DuPage County, approximately 22 miles northwest of Chicago, Illinois. Nearby communities include Bensenville, Addison, Itasca and Elk Grove Village. The City encompasses an area of approximately 4.7 square miles. The City is a maturing community, and most of its land has been built upon or designated as public open space.

### Population Data(1)

The estimated populations of the City, the County, and the State at the times of the last three U.S. Census surveys were as follows:

<u>Name of Entity</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>% Change 1990/2010</u>
The City .....	12,425	13,535	13,770	10.82%
The County .....	781,689	904,161	916,924	17.30%
The State .....	11,430,602	12,419,293	12,830,632	12.25%

Note: (1) Source: U.S. Census Bureau.

## **City Government and Services**

The City follows a Mayor/City Council form of government. The Mayor, Aldermen, City Clerk, and Treasurer are elected at large and serve four-year terms. The City Council is comprised of the Mayor and eight Aldermen (two Aldermen elected from each of the City's four wards). The City appoints a City Manager who is responsible for the day-to-day general activities of the government.

City services include residential waste collection/recycling water treatment and distribution, and sewage collection and treatment. The City receives its water supply from Lake Michigan.

Wood Dale Fire District No. 1, which is an independent local governmental unit, serves the City. It consists of two stations staffed by full-time fire fighters and paramedics. The Wood Dale Police Department (the "Department") has 24-hour emergency and order maintenance services. The Department offers a wide range of services including a Citizens Corps, 911 Communications, Community Oriented Policing, Community Emergency Response Team, and Traffic Enforcement. The Department achieved National Law Enforcement Accreditation.

## **Labor Relations**

The City employs a staff of 122, including 95 full-time employees, 8 part-time and 19 seasonal employees. City labor relations are governed by collective bargaining agreements each of which has typically been for three-year terms. The City's Police (officers) employees are represented by the Teamsters (contract expires on April 30, 2020 and is currently in negotiations).

## **Transportation**

The residents of the City have access to an extensive transportation system. Illinois Route 53 is two miles west of the City and Route 83 is on its eastern border. Major highways located less than 10 miles from the City include Interstate 290, Interstate 88, Interstate 355 and Interstate 90. Metra provides commuter rail service to Chicago. Air transportation is available at Chicago O'Hare International about six miles away; at Chicago Midway International approximately 21 miles away; and in Wisconsin, at Kenosha Regional approximately 43 miles away. Other nearby smaller airports are Schaumburg Municipal Heliport and DuPage Airport.

## **Community Life**

The Wood Dale Park District (the "District") provides recreational activities for the residents of the City. The District consists of 108 acres with 12 park sites, athletic fields, an outdoor water park, and a golf course. The District also operates four day-care/preschool centers, a health club, and a general-purpose center.

The Wood Dale Public Library District (which is an independent governmental unit) serves the residents of the City. In addition to a wide selection of books, it offers video tapes, audio tapes, magazines, newspapers, meeting rooms, typewriters, telephone reference service, and book loans from other libraries. The Wood Dale Historical Society maintains a museum on one of the original farms in the area.

There are 15 hospitals and/or medical centers located less than 10 miles from the City. The nearest are Alexian Brothers Medical Center in Elk Grove Village, Elmhurst Memorial Hospital in Elmhurst, Glen Oaks in Glendale Heights, and Kindred Hospital in Northlake.

## Education

Four elementary school districts meet the primary school needs of the City. Wood Dale School District Number 7 serves the major portion of the community with Bensenville School District Number 2, Itasca School District Number 10, and Addison School District Number 4 responsible for smaller portions. Three high school districts provide secondary education. Fenton High School District Number 100 serves the majority of the population while Lake Park High School District Number 108 and Addison Trail High School District Number 88 both serve smaller numbers.

Higher education opportunities are available at nearby Elmhurst College and Wheaton College. In addition, there are four junior colleges serving the area: Oakton Community College in Des Plaines, College of DuPage in Glen Ellyn, Triton College in River Grove, and William Rainey Harper College in Palatine. The City lies within the College of DuPage public community college district and is considered out-of-district for the other three junior colleges. Over 50 colleges/universities/technical schools are within a 100-mile range of the City.

## Commerce and Industry

The City is primarily residential with some commerce and industry. Industrial parks on the north side of the City cover an area of approximately 700 acres. There are at least 24 companies that have employment of 100 people or more. Some of the larger companies are Videojet Technologies, Inc.; AAR Corp. and C.H. Robinson.

## SOCIOECONOMIC INFORMATION

### Employment

Substantial employment is available in surrounding communities, the “Research and Development Corridor” north of the City, and throughout the Chicago metropolitan area. Numerous employers are located within the City and in surrounding communities.

The following employment data shows a consistently diverse and strong growth trend for employment in DuPage County. This data is **NOT** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.

### DuPage County Private, Non-Agricultural Employment Covered by the Illinois Unemployment Insurance Act(1)

	(Data as of March for each Year)				
	2015	2016	2017	2018	2019
Farm, Forestry, Fisheries .....	316	448	419	422	310
Mining and Quarrying .....	276	278	274	255	286
Construction .....	23,613	25,510	25,124	26,554	27,081
Manufacturing .....	55,224	55,017	55,641	56,571	56,915
Transportation, Communications, Utilities .....	34,863	35,981	38,673	37,619	38,459
Wholesale Trade .....	51,530	49,888	50,944	49,687	48,432
Retail Trade .....	59,960	60,072	61,065	59,207	57,268
Finance, Insurance, Real Estate .....	39,882	39,934	40,044	39,667	38,652
Services(2) .....	<u>278,699</u>	<u>287,722</u>	<u>292,950</u>	<u>291,189</u>	<u>292,467</u>
Total .....	543,363	554,850	565,134	561,171	559,870

Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Includes unclassified establishments.



Following are lists of large employers located in the City and in the surrounding area.

### Major City Employers(1)

Name	Product/Service	Approximate Employment
Videojet	Printing Solutions	500
AAR Corp.	Aircraft Equipment	470
C.H. Robinson	Logistics	398
Tempco Electric Heater Corp.	Manufacturer Electric Heaters	350
OPTO International, Inc.	Store Fixtures	200
Optimas OE Solutions, LLC	Fasteners	165
Madden Communications, Inc.	Promotional Marketing	160
Advance Thermal Corp.	Insulation Blankets	140
Wiegel Tool Works, Inc.	Metal Stampings	140
Complete Cleaning Company	Janitor	120

Note: (1) Source: 2019 IndustrySelect.

### Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
Elk Grove Village	Alexian Bros. Medical Center	Medical Center	3,100
Elmhurst	Edward-Elmhurst Healthcare	Hospital	2,758
Schaumburg	Zurich North America Commercial	Insurance	2,500
Schaumburg	Nation Pizza Products L.P.	Frozen Pizzas and Crusts	2,000
Schaumburg	Motorola, Inc.	Communications Equipment	1,600
Elk Grove Village	Automatic Data Processing, Inc., Employer Services	Direct Mail Advertising Services	1,500
Addison	United Parcel Service	Parcel Delivery Service	1,400
Addison	Pampered Chef Ltd.	Kitchen Tools Distributor	950
Elmhurst	McMaster-Carr Supply Co.	Industrial Supplies	800
Schaumburg	Palocity Corp.	Software Development	800
Schaumburg	OptumRx, Inc.	Pharmacy Software	800
Elk Grove Village	Symons	Construction Machinery	770
Elk Grove Village	Citigroup	Credit Card Plans and Services	725
Elmhurst	Elmhurst College	College	688
Schaumburg	Verizon Wireless, Inc.	Mobile Phones	670
Elk Grove Village	Executive Building Maintenance, Inc.	Building Maintenance Services	632
Schaumburg	Experian Information Solutions, Inc.	Direct Mail Advertising Services	600

Note: (1) Source: 2019 IndustrySelect.

The following tables show employment by industry and by occupation for the City, the County and the State as reported by the U.S. Census Bureau 2014-2018 American Community Survey 5-year estimated values.

### Employment By Industry(1)

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	28	0.4%	1,101	0.2%	66,259	1.1%
Construction	562	7.5%	23,280	4.8%	328,620	5.3%
Manufacturing	1,400	18.7%	59,261	12.1%	753,276	12.1%
Wholesale Trade	393	5.3%	19,490	4.0%	188,536	3.0%
Retail Trade	909	12.2%	48,599	9.9%	669,968	10.8%
Transportation and Warehousing, and Utilities	773	10.3%	29,738	6.1%	394,511	6.3%
Information	50	0.7%	12,524	2.6%	120,002	1.9%
Finance and Insurance, and Real Estate and Rental and Leasing	320	4.3%	44,343	9.1%	453,391	7.3%
Professional, Scientific, and Management, and Administrative and Waste Management Services	723	9.7%	72,542	14.8%	735,339	11.8%
Educational Services and Health Care and Social Assistance	1,073	14.4%	103,602	21.1%	1,426,656	22.9%
Arts, Entertainment and Recreation and Accommodation and Food Services	755	10.1%	41,052	8.4%	568,457	9.1%
Other Services, Except Public Administration	346	4.6%	22,616	4.6%	294,078	4.7%
Public Administration	140	1.9%	11,710	2.4%	226,871	3.6%
Total	7,472	100.0%	489,858	100.0%	6,225,964	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

### Employment By Occupation(I)

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science and Arts .....	2,238	30.0%	225,819	46.1%	2,370,095	38.1%
Service .....	1,005	13.5%	62,242	12.7%	1,072,423	17.2%
Sales and Office .....	1,952	26.1%	119,294	24.4%	1,393,893	22.4%
Natural Resources, Construction, and Maintenance .....	744	10.0%	27,113	5.5%	448,917	7.2%
Production, Transportation, and Material Moving .....	<u>1,533</u>	<u>20.5%</u>	<u>55,390</u>	<u>11.3%</u>	<u>940,636</u>	<u>15.1%</u>
Total .....	7,472	100.0%	489,858	100.0%	6,225,964	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

### Unemployment Rates

#### Annual Average Unemployment Rates(I)

Calendar Year	The City	The County	The State
2010 .....	10.9%	8.9%	9.6%
2011 .....	9.5%	8.2%	8.9%
2012 .....	8.5%	7.5%	8.1%
2013 .....	8.4%	7.4%	7.4%
2014 .....	6.5%	5.7%	6.2%
2015 .....	5.2%	4.7%	5.3%
2016 .....	5.6%	4.7%	4.9%
2017 .....	4.7%	4.1%	4.4%
2018 .....	3.6%	3.1%	4.3%
2019(2) .....	NA	2.2%	3.5%

Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Preliminary rates for the month of December 2019.

### Building Permits

#### City Building Permits(I) (Excludes the Value of Land)

Fiscal Year	Number of Permits		Total Construction
	Residential	Industrial/ Commercial	Value of Permits
2008 .....	99	67	\$11,432,181
2009 .....	36	49	6,521,034
2010 .....	34	43	7,048,684
2011 .....	37	51	10,258,972
2012 .....	43	41	4,641,276
2013 .....	61	33	4,393,700
2014 .....	59	34	15,090,636
2015 .....	63	40	17,906,278
2016 .....	75	46	23,001,903
2017 .....	55	36	33,785,596
2018 .....	22	35	26,318,821

Note: (1) Source: The City.

## Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was \$226,300. This compares to \$299,000 for the County and \$187,200 for the State. The following table represents the five-year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2014-2018 American Community Survey.

### Specified Owner-Occupied Units(I)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000 .....	135	3.4%	4,616	1.8%	214,345	6.7%
\$50,000 to \$99,999 .....	97	2.5%	7,885	3.2%	476,898	15.0%
\$100,000 to \$149,999 .....	349	8.8%	16,880	6.7%	499,362	15.7%
\$150,000 to \$199,999 .....	935	23.6%	28,374	11.3%	513,220	16.1%
\$200,000 to \$299,999 .....	1,432	36.2%	68,011	27.2%	668,842	21.0%
\$300,000 to \$499,999 .....	743	18.8%	81,542	32.6%	537,360	16.9%
\$500,000 to \$999,999 .....	212	5.4%	35,003	14.0%	223,197	7.0%
\$1,000,000 or more .....	55	1.4%	7,824	3.1%	55,811	1.8%
Total .....	3,958	100.0%	250,135	100.0%	3,189,035	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

### Mortgage Status(I)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage .....	2,405	60.8%	170,362	68.1%	2,034,106	63.8%
Housing Units without a Mortgage .....	1,553	39.2%	79,773	31.9%	1,154,929	36.2%
Total .....	3,958	100.0%	250,135	100.0%	3,189,035	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

## Income

### Per Capita Personal Income for the Highest Income Counties in the State(I)

Rank		2014-2018
1	Lake County .....	\$44,287
2	<b>DuPage County</b> .....	<b>43,982</b>
3	Monroe County .....	39,988
4	McHenry County .....	38,047
5	Cook County .....	35,575
6	Will County .....	35,259
7	Woodford County .....	35,104
8	Kane County .....	34,924
9	Sangamon County .....	34,548
10	Menard County .....	34,495
11	Kendall County .....	34,423
12	Putnam County .....	34,144

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

The following shows a ranking of median family income for the Chicago metropolitan area from the 2014-2018 American Community Survey.

### Ranking of Median Family Income(I)

County	Family Income	Rank
<b>DuPage County</b> .....	<b>\$108,865</b>	<b>1</b>
Lake County .....	105,329	2
Kendall County .....	99,365	3
McHenry County .....	97,998	4
Monroe County.....	97,965	5
Will County .....	97,733	6
Kane County .....	90,558	7
Cook County .....	76,327	21

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of \$75,172. This compares to \$108,865 for the County and \$79,747 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2014-2018 American Community Survey.

### Family Income(I)

Income	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	99	2.8%	4,968	2.1%	118,179	3.8%
\$10,000 to \$14,999.....	53	1.5%	2,292	1.0%	70,168	2.3%
\$15,000 to \$24,999.....	95	2.7%	7,097	3.0%	186,491	6.0%
\$25,000 to \$34,999.....	245	6.9%	10,008	4.2%	216,864	7.0%
\$35,000 to \$49,999.....	434	12.2%	18,436	7.7%	340,169	10.9%
\$50,000 to \$74,999.....	846	23.8%	32,317	13.5%	538,213	17.3%
\$75,000 to \$99,999.....	443	12.5%	32,494	13.6%	444,134	14.2%
\$100,000 to \$149,999.....	702	19.8%	55,755	23.3%	598,534	19.2%
\$150,000 to \$199,999.....	359	10.1%	32,748	13.7%	286,266	9.2%
\$200,000 or more .....	<u>276</u>	<u>7.8%</u>	<u>42,951</u>	<u>18.0%</u>	<u>318,315</u>	<u>10.2%</u>
Total .....	3,552	100.0%	239,066	100.0%	3,117,333	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of \$67,891. This compares to \$88,711 for the County and \$63,575 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2014-2018 American Community Survey.

### Household Income(I)

Income	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	235	4.6%	12,909	3.8%	314,802	6.5%
\$10,000 to \$14,999.....	107	2.1%	6,829	2.0%	194,284	4.0%
\$15,000 to \$24,999.....	318	6.3%	18,773	5.5%	431,405	8.9%
\$25,000 to \$34,999.....	343	6.8%	20,583	6.0%	415,960	8.6%
\$35,000 to \$49,999.....	643	12.7%	33,404	9.8%	577,213	12.0%
\$50,000 to \$74,999.....	1,115	22.0%	51,908	15.2%	828,597	17.2%
\$75,000 to \$99,999.....	631	12.5%	45,972	13.4%	613,917	12.7%
\$100,000 to \$149,999.....	919	18.2%	68,068	19.9%	751,099	15.6%
\$150,000 to \$199,999.....	425	8.4%	36,813	10.8%	335,066	6.9%
\$200,000 or more .....	<u>323</u>	<u>6.4%</u>	<u>46,564</u>	<u>13.6%</u>	<u>367,695</u>	<u>7.6%</u>
Total .....	5,059	100.0%	341,823	100.0%	4,830,038	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

## Sales Tax Trend

The table below shows the distribution of the municipal portion of the Retailers' Occupation, Service Occupation and Use Tax ("Sales Tax") collected by the State Department of Revenue from retailers within the City. The table indicates the level of retail activity in the City.

### Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	Municipal Sales Tax(2)	Non-Home Rule Sales Tax (3)	Total	Annual Percentage Change + or (-)
2010 .....	\$2,501,254	\$2,030,370	\$4,531,624	(8.37%)(4)
2011 .....	2,713,163	2,186,918	4,900,081	8.13%
2012 .....	2,931,131	2,386,137	5,317,268	8.51%
2013 .....	2,921,303	2,385,273	5,306,576	(0.20%)
2014 .....	3,022,698	2,480,809	5,503,507	3.71%
2015 .....	3,307,212	2,598,685	5,905,897	7.31%
2016 .....	3,323,652	2,552,864	5,876,516	(0.50%)
2017 .....	3,246,265	2,400,249	5,646,514	(3.91%)
2018 .....	3,195,587	2,223,820	5,419,407	(4.02%)
2019 .....	3,733,629	2,351,450	6,085,079	12.28%
Growth from 2010 to 2019.....				34.28%

- Notes:
- (1) Source: Illinois Department of Revenue.
  - (2) Tax distributions are based on records of the Department relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
  - (3) Non-home rule municipalities by referendum may tax sales except of food and drugs in the amount of 0.25%, 0.50%, 0.75% or 1.0%. The City's non-home rule sales tax was approved in the amount of 1.0%.
  - (4) The 2010 percentage is based on 2009 sales taxes of \$4,945,450.

Public Act 101-0009, effective June 5, 2019, included the "Leveling the Playing Field for Illinois Retailers Act." This legislation requires certain remote retailers to collect and remit state and locally-imposed sales taxes for the jurisdiction where the product is delivered (destination) starting on July 1, 2020. Information from the Illinois Municipal League ("IML") indicates that "local governments could receive \$92 million per state fiscal year." There will, however, be a decrease in collections of Use Tax. Ultimately, the IML anticipates that municipalities will experience a net increase as a result of Public Act 101-0009.

## Income Tax Revenue History(1)

The following table shows the distribution of the municipal portion of the State Income Tax collected by the State and distributed through the Local Government Distributive Fund by the State Comptroller.

Fiscal Year	Income Tax Revenues Distribution(2)
2015.....	\$1,348,551
2016.....	1,467,510
2017.....	1,301,607
2018.....	1,248,689
2019.....	1,336,915

- Notes:
- (1) Source: The City's Comprehensive Annual Financial Reports for fiscal years ended April 30, 2015 - April 30, 2019.
  - (2) The Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget contain a provision reducing the amount of income tax revenue to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the City, by 10% for State Fiscal Year 2018 and by 5% for State Fiscal Year 2019 and State Fiscal Year 2020. The City cannot determine at this time the financial impact of this provision on its overall financial condition for the future.

## THE PROJECT

Bond proceeds will be used to finance the acquisition, construction, installation and rehabilitation of various capital related projects, including, but not limited to, certain stormwater improvements within the City, including, connection with said work, acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful, or advisable thereto and pay certain costs of issuance thereof.

## DEFAULT RECORD

The City has no record of default and has met its debt repayment obligations promptly.

## SHORT-TERM BORROWING

The City has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

## DEBT INFORMATION

After issuance of the Bonds, the City will have outstanding \$16,830,000(3) principal amount of general obligation debt and \$2,990,000 of Special Service Area debt.

The City does not intend to issue additional debt within the next three months.

### General Obligation Debt(1) (Principal Only)

Calendar Year	Series 2012(2)	The Bonds(3)(4)	Total Debt(3)	Cumulative Retirement(3)	
				Amount	Percent
2020	\$ 455,000	\$ 350,000	\$ 805,000	\$ 805,000	4.78%
2021	475,000	255,000	730,000	1,535,000	9.12%
2022	495,000	265,000	760,000	2,295,000	13.64%
2023	510,000	280,000	790,000	3,085,000	18.33%
2024	535,000	290,000	825,000	3,910,000	23.23%
2025	555,000	300,000	855,000	4,765,000	28.31%
2026	575,000	310,000	885,000	5,650,000	33.57%
2027	600,000	325,000	925,000	6,575,000	39.07%
2028	625,000	340,000	965,000	7,540,000	44.80%
2029	650,000	510,000	1,160,000	8,700,000	51.69%
2030	675,000	525,000	1,200,000	9,900,000	58.82%
2031	700,000	540,000	1,240,000	11,140,000	66.19%
2032	730,000	560,000	1,290,000	12,430,000	73.86%
2033	0	575,000	575,000	13,005,000	77.27%
2034	0	590,000	590,000	13,595,000	80.78%
2035	0	610,000	610,000	14,205,000	84.40%
2036	0	630,000	630,000	14,835,000	88.15%
2037	0	645,000	645,000	15,480,000	91.98%
2038	0	665,000	665,000	16,145,000	95.93%
2039	0	685,000	685,000	16,830,000	100.00%
Total	\$7,580,000	\$9,250,000	\$16,830,000		

- Notes: (1) Source: the City.  
 (2) Payable from water and sewer revenues, non-home rule sales taxes and such other funds of the City lawfully available and annually appropriated for such purpose.  
 (3) Subject to change.  
 (4) Payable from Non-home Rule Sales Tax.

### Detailed Overlapping Bonded Debt(1)

	Outstanding Debt	Applicable to City	
		Percent(2)	Amount
<b>Schools:</b>			
Grade School District Number 2 .....	\$ 34,371,000	14.35%	\$ 4,932,239
Grade School District Number 4 .....	5,635,000	3.50%	197,225
Grade School District Number 7 .....	130,000	73.55%	95,615
Grade School District Number 10 .....	9,170,000	4.54%	416,318
High School District Number 88 .....	80,685,000	1.44%	1,161,864
High School District Number 100 .....	9,470,000	40.81%	3,864,707
High School District Number 108 .....	18,620,000	1.13%	210,406
Community College District Number 502 .....	200,635,000	1.49%	<u>2,989,462</u>
Total Schools .....			\$13,867,835
<b>Other:</b>			
DuPage County .....	\$143,845,000	1.44%	\$ 2,071,368
DuPage County Forest Preserve District .....	102,721,129	1.44%	1,479,184
Wood Dale Park District .....	2,195,000	78.60%	1,725,270
Itasca Park District .....	3,784,416	3.72%	140,780
Bensenville Park District .....	5,996,260	11.62%	<u>696,765</u>
Total Other .....			<u>\$ 6,113,368</u>
Total Schools and Other Overlapping Bonded Debt .....			\$19,981,203

- Notes: (1) Source: DuPage County Clerk.  
 (2) As of December 5, 2019.  
 (3) Overlapping debt percentages are based on 2018 EAVs.

### Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2010 Census Pop. 13,770)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2018(2) .....	\$ 577,244,079	100.00%	33.33%	\$ 41,920.41
Estimated Actual Value, 2018 .....	\$1,731,732,237	300.00%	100.00%	\$125,761.24
Total Direct Bonded Debt(3)(4)(5) .....	\$ 16,830,000	2.92%	0.97%	\$ 1,222.22
Less: Alternate Revenue Source Bonds(3)(6) .....	<u>(16,830,000)</u>	<u>(2.92%)</u>	<u>(0.97%)</u>	<u>(1,222.22)</u>
Total City Net Direct Debt(3) .....	\$ 0	0.00%	0.00%	\$ 0.00
<b>Overlapping Bonded Debt (5):</b>				
Schools .....	\$ 13,867,835	2.40%	0.80%	\$ 1,007.10
Other .....	<u>6,113,368</u>	<u>1.06%</u>	<u>0.35%</u>	<u>443.96</u>
Total Overlapping Bonded Debt .....	\$ 19,981,203	3.46%	1.15%	\$ 1,451.07
Total Direct and Overlapping Bonded Debt .....	\$ 19,981,203	3.46%	1.15%	\$ 1,451.07

- Notes: (1) Source: DuPage County Clerk.  
 (2) Excludes tax increment financing ("TIF") EAV.  
 (3) Subject to change.  
 (4) Excludes special service area bonds in the amount of \$2,990,000, which are expected to be paid from sources other than City revenue.  
 (5) As of December 5, 2019.  
 (6) The 2012 Bonds and the Bonds are issued as general obligation alternate bonds under Illinois statutes and do not count against the 8.625% of EAV debt limit for general obligation debt, so long as the debt service for such bonds is abated annually and not extended.

**Legal Debt Margin(I)**  
 (As of March 4, 2020)

City EAV of Taxable Property, 2018(2).....		\$577,244,079
Statutory Debt Limitation (8.625% of EAV).....		\$ 49,787,302
General Obligation Debt:		
Series 2012(3) .....	\$ 7,580,000	
The Bonds(3)(4).....	<u>9,250,000</u>	
Total Bonded Debt(4).....	\$ 16,830,000	
Less: Alternate Revenue Bonds(4).....	<u>(16,830,000)</u>	
Net General Obligation Bonds .....	\$ 0	
Total Applicable Debt.....		\$ 0
Legal Debt Margin .....		\$ 49,787,302

- Notes: (1) Source: the City.  
 (2) Excludes TIF EAV.  
 (3) The 2012 Bonds and the Bonds are issued as general obligation alternate bonds under Illinois statutes and do not count against the 8.625% of EAV debt limit for general obligation debt, so long as the debt service for such bonds is abated annually and not extended.  
 (4) Subject to change.

**PROPERTY ASSESSMENT AND TAX INFORMATION**

For the 2018 levy year, the City’s EAV was comprised of approximately 61% residential, 31% industrial and 8% commercial property valuations.

**Equalized Assessed Valuation(I)**

Property Class	Levy Years				
	2014	2015	2016	2017	2018
Residential .....	\$278,888,995	\$283,139,720	\$307,349,058	\$333,931,669	\$349,803,671
Commercial .....	40,971,200	41,347,910	43,402,330	44,898,520	47,381,900
Industrial .....	<u>165,588,040</u>	<u>166,579,130</u>	<u>172,116,348</u>	<u>177,115,528</u>	<u>180,058,508</u>
Total(2).....	\$485,448,235	\$491,066,760	\$522,867,736	\$555,945,717	\$577,244,079
Percent Change +(-) .....	(1.69%)(3)	1.16%	6.48%	6.33%	3.83%

- Notes: (1) Source: DuPage County Clerk.  
 (2) Excludes TIF EAV.  
 (3) Percentage change based on 2013 EAV of \$493,770,840.

A portion of the City’s EAV is contained in a TIF district, as detailed below. When a TIF district is created within the boundaries of a taxing body, such as the City, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated as such (the “Base EAV”). Any incremental increases in property tax revenue produced by the increase in EAV derived from the redevelopment project area during the life of the TIF district are not provided to the City until the TIF district expires.

**TIF(I)**

Location/ Name of TIF	Year Established	Revised Frozen Valuation	2018 EAV	Incremental EAV
Wood Dale - TIF District Number 1.....	2015	\$95,156,078	\$119,620,430	\$ 24,464,352
Wood Dale – TIF District Number 2(2).....	2018	0	0	0
		2018 EAV .....		<u>577,244,079</u>
		Total EAV .....		\$601,708,431

- Notes: (1) Source: DuPage County Clerk.  
 (2) Values not determined as of the date of this official statement. TIF Number 2 is comprised of approximately 39.5 acres generally located at the corner of Wood Dale Road and Commercial Street. Its purpose is to add residential density and retail options to the center of the City to spur economic growth.



### Representative Tax Rates(I) (Per \$100 EAV)

	Levy Years				
	2014	2015	2016	2017	2018
City Rates:					
Corporate .....	\$0.3282	\$0.3274	\$0.3099	\$0.2980	\$0.2940
IMRF .....	0.0475	0.0474	0.0449	0.0432	0.0427
Police Pension .....	0.0937	0.0935	0.0886	0.0852	0.0841
Audit .....	0.0061	0.0061	0.0058	0.0056	0.0056
Tort Judgments/Liability .....	0.0452	0.0451	0.0428	0.0412	0.0407
Social Security .....	<u>0.0900</u>	<u>0.0898</u>	<u>0.0850</u>	<u>0.0818</u>	<u>0.0808</u>
Total City Rates .....	\$0.6107	\$0.6093	\$0.5770	\$0.5550	\$0.5479
DuPage County .....	0.2057	0.1971	0.1848	0.1749	0.1673
DuPage County Forest Preserve District .....	0.1691	0.1622	0.1514	0.1306	0.1278
DuPage Airport Authority .....	0.0196	0.0188	0.0176	0.0166	0.0146
Addison Township .....	0.0738	0.0717	0.0676	0.0646	0.0636
Addison Township Road .....	0.1106	0.1075	0.1013	0.0967	0.0952
Wood Dale Park District .....	0.4955	0.4957	0.4707	0.4673	0.4632
Wood Dale Fire District .....	1.0132	1.0137	0.9611	0.9263	0.9141
Wood Dale Library District .....	0.5148	0.5165	0.4904	0.4733	0.4670
Grade School District 7 .....	2.5124	2.5181	2.3958	2.3200	2.2918
High School District 100 .....	2.3019	2.2934	2.1741	2.0849	2.0567
College of DuPage 502 .....	<u>0.2975</u>	<u>0.2786</u>	<u>0.2626</u>	<u>0.2431</u>	<u>0.2317</u>
Total Rates (2) .....	\$8.3248	\$8.2826	\$7.8544	\$7.5533	\$7.4409

- Notes: (1) Source: DuPage County Clerk.  
 (2) Representative tax rates for other government units are from Addison Township tax code 3044, which represents approximately 40% of the City's 2018 EAV.

### City Tax Extensions and Collections(I)

Levy Year	Coll. Year	Taxes Extended(2)	Total Collections	
			Amount(3)	Percent
2014	2015	\$2,964,632	\$2,952,610	99.59%
2015	2016	2,992,070	2,965,487	99.11%
2016	2017	3,016,947	2,998,008	99.37%
2017	2018	3,085,499	3,046,260	98.73%
2018	2019	3,162,720	3,112,518	98.41%(3)

- Notes: (1) Source: DuPage County Treasurer.  
 (2) Includes back taxes.  
 (3) Taxes collected through November 8, 2019.

### Principal City Taxpayers(I)

Taxpayer Name	Business/Service	2018 EAV(2)
AMB Property Corp. ....	Real Estate Developer .....	\$19,420,100
Hamilton Partners .....	Real Property .....	8,624,820
Videojet Technologies Inc. ....	Industrial Ink Jet Printing .....	6,679,480
Centerpoint Properties .....	Real Estate Developer .....	5,570,100
800 Mittel LLC .....	Real Property .....	4,942,760
Parkway Bank and Trust .....	Real Property .....	4,764,590
Orchard Lake Apartments .....	Apartment Complex .....	4,475,690
Nippon Express .....	Manufacturing .....	4,421,620
STRS Ohio .....	Real Property .....	4,329,650
Prologis .....	Real Property .....	<u>4,290,250</u>
Total .....		\$67,519,060
Ten Largest Taxpayers as Percent of 2018 EAV .....		11.70%

- Notes: (1) Source: DuPage County Clerk.  
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2018 EAV is the most current available for this purpose.

## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

### **Summary of Property Assessment, Tax Levy and Collection Procedures**

A separate tax to pay the principal of and interest on the Bonds will be levied on all taxable real property within the City. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the County. There can be no assurance that the procedures described herein will not change.

### **Tax Levy and Collection Procedures**

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Department assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

### **Exemptions**

The Illinois Property Tax Code, as amended (the "Property Tax Code"), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes ("Residential Property") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000 for tax year 2012 and thereafter.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to \$75,000 for up to four years, to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2013, the maximum exemption is \$5,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$55,000 for assessment year 2008 through assessment year 2017. Beginning in assessment year 2018, the maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Beginning January 1, 2015 purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the applicable section of the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index ("CPI"). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Three exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

## **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law, as amended (the “Limitation Law”), limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the City. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds (as are the Bonds) or are for certain refunding purposes.

The City has the authority to levy taxes for many different purposes. See the table entitled “**Representative Tax Rates**” under “**PROPERTY ASSESSMENT AND TAX INFORMATION**” herein. The ceiling at any particular time on the rate at which these taxes may be extended for the City is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. Public Act 94-0976, effective June 30, 2006, provides that the only ceiling on a particular tax rate is the ceiling set by statute above, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the City) will have increased flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the City’s limiting rate computed in accordance with the provisions of the Limitation Law.

Local governments, including the City, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The City cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the City predict the effect of any such change on the City’s finances.

## **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the “Law”) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Law do not apply to levies made to pay principal of and certain interest on the Bonds.

## FINANCIAL INFORMATION

### Budgets

The City operates under the Illinois Municipal Budget Law.

All departments of the City submit budget requests to the City Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the Council for review. The Council holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is employed during the year. Encumbrances are not reported in the financial statements.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Council. Budgetary authority lapses at the fiscal year end.

Annual appropriations are adopted for the General Fund, Special Revenue Funds (except for the Grant Fund), Capital Projects Funds, Enterprise Funds, and the Pension Trust Fund. Budgets for these funds are adopted on a basis consistent with GAAP.

Expenditures may not legally exceed appropriations at the fund level.

### Deposits and Investments

The City's investment policy authorizes the City to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participant's fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The City's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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

### Financial Reports

The City's financial statements are audited annually by certified public accountants. The City's financial statements are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more detail.

## **No Consent or Updated Information Requested of the Auditor**

The tables and excerpts (collectively, the “Excerpted Financial Information”) contained in this “**FINANCIAL INFORMATION**” section and in **APPENDIX A** are from the audited financial statements of the City, including the audited financial statements for the fiscal year ended April 30, 2019 (the “2019 Audit”). The 2019 Audit has been approved by formal action of the Council. The City has not requested the Auditor to update information contained in the Excerpted Financial Information nor has the City requested that the Auditor consent to the use of the Excerpted Financial Information in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information has not been updated since the date of the 2019 Audit. The inclusion of the Excerpted Financial Information in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the City since the date of the 2019 Audit. Questions or inquiries relating to financial information of the City since the date of the 2019 Audit should be directed to the City.

## **Summary Financial Information**

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for the City’s 2019 Audit.

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## Statement of Net Position Governmental Activities

	Audited as of April 30				
	2015	2016	2017	2018	2019
<b>ASSETS:</b>					
Cash and Investments .....	\$ 8,718,241	\$ 9,281,989	\$10,402,221	\$ 8,970,095	\$ 10,719,668
Receivables, Net of Allowance for Uncollectible Amounts:					
Taxes .....	2,964,632	2,992,070	3,016,947	3,085,499	3,162,720
Accounts .....	3,835,664	4,296,276	4,892,837	4,383,438	4,300,676
Interest .....	12,236	3,825	6,303	6,197	14,152
Other .....	0	0	4,812	5,872	6,812
Due from Other Governments .....	3,140,236	2,466,232	2,111,774	2,067,932	2,491,329
Internal Balances .....	530,084	497,587	1,834,113	1,991,213	2,048,710
Prepaid Expenses .....	218,399	202,011	225,828	280,094	157,570
Inventories .....	29,591	15,351	16,460	17,321	25,179
Total Current Asset .....	<u>\$19,449,083</u>	<u>\$19,755,341</u>	<u>\$22,511,295</u>	<u>\$ 20,807,661</u>	<u>\$ 22,926,816</u>
Noncurrent Assets:					
Capital Assets Not Being Depreciated .....	\$22,892,544	\$23,149,541	\$22,513,399	\$ 24,736,422	\$ 26,122,919
Capital Assets Depreciable, Net .....	<u>48,626,014</u>	<u>47,999,279</u>	<u>49,430,629</u>	<u>48,237,433</u>	<u>48,272,696</u>
Total Noncurrent Assets .....	<u>71,518,558</u>	<u>71,148,820</u>	<u>71,944,028</u>	<u>72,973,855</u>	<u>74,395,615</u>
Total Assets .....	<u>\$90,967,641</u>	<u>\$90,904,161</u>	<u>\$94,455,323</u>	<u>\$ 93,781,516</u>	<u>\$ 97,322,431</u>
Deferred Outflows of Resources:					
Pension Items(1) .....	\$ 0	\$ 0	\$ 0	\$ 3,016,224	\$ 4,668,520
OPEB Items(1) .....	0	0	0	0	54,282
Pension Items - IMRF .....	0	1,046,365	890,737	0	0
Pension Items - Police Pension .....	0	3,535,892	3,123,890	0	0
Total Deferred Outflows of Resources .....	<u>\$ 0</u>	<u>\$ 4,582,257</u>	<u>\$ 4,014,627</u>	<u>\$ 3,016,224</u>	<u>\$ 4,722,802</u>
Total Assets and Deferred Outflows of Resources .....	\$ 0	\$95,486,418	\$98,469,950	\$ 96,797,740	\$102,045,233
<b>LIABILITIES:</b>					
Current Liabilities:					
Accounts Payable .....	\$ 1,052,181	\$ 975,856	\$ 2,439,791	\$ 1,218,173	\$ 1,587,324
Accrued Payroll .....	498,460	259,612	282,524	359,372	360,990
Other Payables .....	0	0	0	4,146	4,078
Deposits Payable .....	484,810	535,803	437,674	569,877	812,098
Due to Fiduciary Fund .....	16,830	0	0	0	0
Unearned Revenue .....	25,900	36,670	56,776	64,994	95,204
Total Current Liabilities .....	<u>\$ 2,078,181</u>	<u>\$ 1,807,941</u>	<u>\$ 3,216,765</u>	<u>\$ 2,216,562</u>	<u>\$ 2,859,694</u>
Noncurrent Liabilities:					
Due Within One Year .....	\$ 157,836	\$ 310,329	\$ 335,719	\$ 311,881	\$ 417,351
Due in More Than One Year .....	<u>1,862,626</u>	<u>21,855,738</u>	<u>21,198,845</u>	<u>23,384,368</u>	<u>27,705,151</u>
Total Noncurrent Liabilities .....	<u>2,020,462</u>	<u>22,166,067</u>	<u>21,534,564</u>	<u>23,696,249</u>	<u>28,122,502</u>
Total Liabilities .....	<u>\$ 4,098,643</u>	<u>\$23,974,008</u>	<u>\$24,751,329</u>	<u>\$ 25,912,811</u>	<u>\$ 30,982,196</u>
Deferred Inflows of Resources(2)					
Unearned Tax Revenue .....	\$ 2,964,632	\$ 2,992,070	\$ 3,016,947	\$ 3,085,499	\$ 3,162,720
Pension Items(1) .....	0	0	0	2,382,997	1,117,264
Pension items - IMRF .....	0	255,131	205,621	0	0
Pension items - Police Pension .....	0	307,423	1,724,613	0	0
Total Deferred Inflows of Resources .....	<u>\$ 2,964,632</u>	<u>\$ 3,554,624</u>	<u>\$ 4,947,181</u>	<u>\$ 5,468,496</u>	<u>\$ 4,279,984</u>
Total Liabilities and Deferred Inflows of Resources .....	\$ 7,063,275	\$27,528,632	\$29,698,510	\$ 31,381,307	\$ 35,262,180
Net Position:					
Invested in Capital Assets, Net of Related Debt .....	\$71,518,558	\$71,148,820	\$71,944,028	\$ 72,144,655	\$ 72,764,415
Restricted for:					
Public Safety .....	39,854	26,499	427,180	466,197	487,197
Highways and Streets .....	1,372,959	1,146,385	1,342,357	1,532,306	805,959
Recreation .....	369,619	516,364	556,474	505,045	464,020
Grant Projects .....	124,266	120,309	120,309	120,309	120,309
Economic Development .....	219,694	0	408,538	1,235,252	2,696,522
Unrestricted .....	<u>10,259,416</u>	<u>(5,000,591)</u>	<u>(6,027,446)</u>	<u>(10,587,331)</u>	<u>(10,555,369)</u>
Total Net Position .....	<u>\$83,904,366</u>	<u>\$67,957,786</u>	<u>\$68,771,440</u>	<u>\$ 65,416,433</u>	<u>\$ 66,783,053</u>

Note: (1) Change in reporting format.

**Statement of Activities  
 Governmental Activities  
 Net (Expense) Revenue and Changes in Net Position**

	Audited Fiscal Years Ending April 30				
	2015	2016	2017	2018	2019
<b>Functions/Programs(1):</b>					
General Government.....	\$ (3,853,983)	\$ (5,191,161)	\$ (4,795,222)	\$ (5,187,647)	\$ (5,467,725)
Public Safety .....	(5,474,751)	(6,945,222)	(6,747,531)	(6,778,442)	(6,550,668)
Highways and Streets .....	(4,497,838)	(4,069,484)	(2,701,047)	(3,952,742)	(3,439,922)
Recreation .....	(194,275)	(146,155)	(254,607)	(342,680)	(306,046)
Economic Development .....	0	0	(68,918)	(114,411)	(106,554)
Interest .....	0	0	0	(4,146)	(5,001)
<b>Total Governmental Activities .....</b>	<b><u>\$(14,020,847)</u></b>	<b><u>\$(16,352,022)</u></b>	<b><u>\$(14,567,325)</u></b>	<b><u>\$(16,380,068)</u></b>	<b><u>\$(15,875,916)</u></b>
<b>General Revenues:</b>					
<b>Taxes:</b>					
Property and Replacement .....	\$ 3,136,608	\$ 3,174,884	\$ 3,713,218	\$ 4,196,113	\$ 4,898,132
Taxes-Other .....	460,417	493,815	494,384	496,447	515,293
Sales and Use .....	6,167,493	6,222,471	5,950,468	5,780,389	6,564,057
Telecommunications .....	1,308,644	1,350,321	1,191,147	1,047,509	922,019
Utility .....	1,138,954	1,002,169	1,037,736	1,039,569	1,076,765
Income .....	1,348,551	1,467,510	1,301,607	1,248,689	1,336,915
Investment Income .....	145,136	144,565	25,251	60,330	137,509
Miscellaneous .....	1,212,312	905,771	1,562,250	809,175	1,511,846
Transfers In (Out).....	0	300,000	104,918	224,574	280,000
<b>Total General Revenues and Transfers .....</b>	<b><u>\$ 14,918,115</u></b>	<b><u>\$ 15,061,506</u></b>	<b><u>\$ 15,380,979</u></b>	<b><u>\$ 14,902,795</u></b>	<b><u>\$ 17,242,536</u></b>
<b>Changes in Net Position.....</b>	<b>\$ 897,268</b>	<b>\$ ( 1,290,516)</b>	<b>\$ 813,654</b>	<b>\$ (1,477,273)</b>	<b>\$ 1,366,620</b>
<b>Net Position:</b>					
Beginning .....	<u>83,007,098(2)</u>	<u>\$ 69,248,302(2)</u>	<u>\$ 67,957,786</u>	<u>\$ 66,893,706(2)</u>	<u>\$ 65,416,433</u>
Ending .....	<b>\$ 83,904,366</b>	<b>\$ 67,957,786</b>	<b>\$ 68,771,440</b>	<b>\$ 65,416,433</b>	<b>\$ 66,783,053</b>

- Notes: (1) Expenses less program revenues of Charges for Services, Operating Grants and Contributions, and Capital Grants and Contributions.  
 (2) Prior period adjustment.



## General Fund Balance Sheet

	Audited as of April 30				
	2015	2016	2017	2018	2019
<b>ASSETS:</b>					
Cash and Investments .....	\$ 6,225,377	\$ 6,014,496	\$ 4,295,351	\$ 5,031,073	\$ 4,087,724
Receivables, Net of Allowance for Uncollectibles:					
Taxes .....	2,964,632	2,992,070	3,016,947	3,085,499	3,162,720
Accounts .....	3,784,097	4,245,890	4,861,429	4,350,620	4,266,929
Interest .....	8,403	3,753	6,185	6,081	13,887
Due from Other Governments .....	1,453,266	1,409,723	1,362,401	1,183,850	1,396,572
Due from Other Funds .....	969,622	0	1,201,792	750,000	837,497
Prepaid Items .....	218,399	202,011	224,671	271,960	147,594
Inventories .....	29,591	15,351	16,460	17,321	25,179
Advances to Other Funds .....	527,587	497,587	467,587	137,587	107,587
Total Assets .....	<u>\$16,180,974</u>	<u>\$15,380,881</u>	<u>\$15,452,823</u>	<u>\$14,833,991</u>	<u>\$14,045,689</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</b>					
Liabilities:					
Accounts Payable .....	\$ 257,168	\$ 339,901	\$ 357,527	\$ 529,843	\$ 497,016
Accrued Payroll .....	494,539	257,536	280,641	357,953	359,534
Due to Fiduciary Fund .....	16,830	0	0	0	0
Deposits Payable .....	373,604	429,787	333,908	466,761	704,382
Deferred Revenue .....	0	15,920	36,226	56,494	76,604
Total Liabilities .....	<u>\$ 1,142,141</u>	<u>\$ 1,043,144</u>	<u>\$ 1,008,302</u>	<u>\$ 1,411,051</u>	<u>\$ 1,637,536</u>
Deferred Inflow of Resources					
Unavailable Revenues .....	\$ 4,740,765	\$ 5,097,301	\$ 5,584,684	\$ 5,100,903	\$ 4,996,055
Fund Balances:					
Nonspendable .....	\$ 775,577	\$ 714,949	\$ 708,718	\$ 426,868	\$ 280,360
Restricted .....	0	0	394,769	431,391	454,119
Unassigned .....	9,522,491	8,525,487	7,756,350	7,463,778	6,677,619
Total Fund Balances .....	<u>\$10,298,068</u>	<u>\$ 9,240,436</u>	<u>\$ 8,859,837</u>	<u>\$ 8,322,037</u>	<u>\$ 7,412,098</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances .....	<u>\$16,180,974</u>	<u>\$15,380,881</u>	<u>\$15,452,823</u>	<u>\$14,833,991</u>	<u>\$14,045,689</u>

## General Fund Revenues and Expenditures

	Audited Fiscal Years Ending April 30				
	2015	2016	2017	2018	2019
<b>REVENUES:</b>					
Taxes .....	\$ 4,501,934	\$ 4,542,844	\$ 4,453,863	\$ 4,331,475	\$ 4,298,204
Licenses and Permits .....	773,617	789,180	914,233	1,389,222	722,087
Intergovernmental .....	4,950,809	5,116,093	4,886,053	4,823,136	5,530,336
Charges for Services .....	598,309	634,601	584,518	560,970	586,360
Fines, Fees and Forfeits .....	790,749	587,441	349,177	363,908	825,024
Investment Income .....	141,313	143,426	22,248	49,296	101,435
Miscellaneous .....	<u>408,323</u>	<u>314,257</u>	<u>623,306</u>	<u>811,805</u>	<u>1,155,616</u>
Total Revenues .....	\$12,165,054	\$12,127,842	\$11,833,398	\$12,329,812	\$13,219,062
<b>EXPENDITURES:</b>					
Current:					
General Government .....	\$ 4,773,487	\$ 4,427,092	\$ 4,591,100	\$ 4,971,788	\$ 5,347,638
Public Safety .....	6,181,078	6,366,280	6,184,604	6,449,574	6,748,651
Highways and Streets .....	<u>1,081,575</u>	<u>1,110,554</u>	<u>1,101,323</u>	<u>1,047,756</u>	<u>1,119,765</u>
Total Expenditures .....	\$12,036,140	\$11,903,926	\$11,877,027	\$12,469,118	\$13,216,054
Excess (Deficiency) of Revenues over Expenditures .....	\$ 128,914	\$ 223,916	\$ (43,629)	\$ (139,306)	\$ 3,008
Other Financing Sources (Uses):					
Transfers In .....	\$ 0	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000
Transfers Out .....	<u>0</u>	<u>(1,264,111)</u>	<u>(536,970)</u>	<u>(598,494)</u>	<u>(1,162,947)</u>
Total Other Financing Sources (Uses) .....	\$ 0	\$ (1,064,111)	\$ (336,970)	\$ (398,494)	\$ (912,947)
Net Change in Fund Balances .....	\$ 128,914	\$ (840,195)	\$ (380,599)	\$ (537,800)	\$ (909,939)
Fund Balances					
Beginning .....	\$10,169,154(1)	\$10,080,631(1)	\$ 9,240,436	\$ 8,859,837	\$ 8,322,037
Ending .....	\$10,298,068	\$ 9,240,436	\$ 8,859,837	\$ 8,322,037	\$ 7,412,098

Note: (1) As restated.

## General Fund Budget Financial Information

	Budget Twelve Months Ending 4/30/2020	Interim Ten Months Ending 2/29/20
<b>REVENUES:</b>		
Taxes .....	\$ 9,914,126	\$ 7,777,389
Licenses and Permits .....	1,290,580	935,110
Intergovernmental .....	4,620	2,173
Charges for Services .....	510,248	582,455
Fines, Fees and Forfeits .....	903,150	695,418
Investment Income .....	110,000	78,646
Miscellaneous .....	881,548	54,726
Interfund Transfers .....	<u>1,048,000</u>	<u>524,000</u>
Total Revenues .....	\$14,662,272	\$10,649,916
<b>EXPENDITURES:</b>		
Personnel .....	\$ 7,998,857	\$ 4,827,258
Contractual Services .....	4,173,082	2,926,544
Commodities .....	363,000	200,061
Capital Outlay .....	105,615	13,645
Interfund Transfers .....	310,000	155,000
Other .....	<u>1,652,756</u>	<u>560,229</u>
Total Expenditures .....	\$14,603,310	\$ 8,682,738
Revenues Over/(Under) Expenses .....	\$ 58,962	\$ 1,967,178

Note: (1) Unaudited.

## **EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS**

See **APPENDIX D** herein for a discussion of the City's employee retirement and other postemployment benefits obligations.

## **REGISTRATION, TRANSFER AND EXCHANGE**

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued in book-entry form.

The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the designated corporate trust office maintained for the purpose by the Bond Registrar in Chicago, Illinois. The City will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the designated corporate trust office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond from the fifteenth (15<sup>th</sup>) day (whether or not a business day) of the month in which an interest payment date on such Bond (known as the record date) and ending on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

## TAX EXEMPTION

In the opinion of Bond Counsel, under existing federal statutes, decisions, regulations, and rulings, interest on the Bonds is excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax. This opinion relates only to the exclusion from gross income of interest on the Bonds for federal income tax purposes under Section 103 of the Code and is conditioned on continuing compliance by the City with the Tax Covenants (as hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the date of issue. Interest on the Bonds is not exempt from present State income taxes. See **APPENDIX C** hereto for the form of the approving opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the exclusion from gross income of interest on the Bonds for federal income tax purposes. The City will covenant not to take any action, nor fail to take any action within its power and control, with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code (collectively, the "Tax Covenants"). The Bond Ordinance and certain certificates and agreements to be delivered on the date of delivery of the Bonds establish procedures under which compliance with the requirements of the Code can be met. It is not an event of default under the Bond Ordinance if interest on the Bonds is not excludable from gross income for federal income tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Bonds.

Although Bond Counsel will render an opinion on the federal tax matters described above, the accrual or receipt of interest on the Bonds may otherwise affect a Bondholder's federal income tax liability. The nature and extent of these other tax consequences will depend upon the Bondholder's particular tax status and the Bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits, and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Bonds.

### **Amortizable Bond Premium**

The initial offering prices of the Bonds maturing on December 30, 20\_\_ (the "Premium Bonds") are greater than the principal amount payable at maturity or call date. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). An owner who acquires a Premium Bond in the initial offering will be required to adjust the owner's basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption, or payment at maturity or call). The amount of amortizable Bond Premium will be computed on the basis of the owner's yield to maturity, with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of Premium Bonds and with respect to the State and local tax consequences of owning and disposing of Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax exempt securities are found at Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning treatment of Bond Premium.

## **Original Issue Discount**

The initial offering prices of the Bonds maturing on December 30, 20\_\_ (the “Discount Bonds”) are less than the principal amounts payable at maturity or call date. As a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of each maturity of the Discount Bonds (or portions thereof) as set forth on the inside cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity, or a portion thereof, is sold) (the “Issue Price for such maturity”), and the amount payable at maturity of the Discount Bonds will be treated as “original issue discount.” A taxpayer who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity, or a portion thereof, and who holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Discount Bonds on the basis of the yield to maturity determined on the basis of compounding semiannually (or shorter period from the date of the original issue). Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner’s tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption, or payment at maturity). Owners of the Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors as to the amount of original discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

The original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial public offering should consult their own tax advisors with regard to the other tax consequences of owning the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the State and local tax consequences of owning Discount Bonds. It is possible under the applicable provisions governing the determination of State and local income taxes that accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

## CONTINUING DISCLOSURE

The City will enter into a Continuing Disclosure Undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of the Rule adopted by the Commission under the Exchange Act. No person, other than the City, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under “**THE UNDERTAKING.**”

The City failed to file its comprehensive annual financial report (“CAFR”) for the 2015 fiscal year within the timeframe specified in its continuing disclosure undertakings. The CAFR was filed on February 9, 2016 together with a failure to file annual financial notice.

The City failed to file its financial and operating data and CAFR for fiscal year 2018 within the timeframe specified in its prior continuing disclosure undertakings. A notice of such late submission was filed with EMMA on November 27, 2018 together with a draft copy of the CAFR and the financial and operating data. The final CAFR was submitted to EMMA on December 6, 2018.

A failure by the City to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See “**THE UNDERTAKING - Consequences of Failure of the City to Provide Information.**” The City must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

## THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the City and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the City.

### Annual Financial Information Disclosure

The City covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below), to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information within 210 days after the last day of the City’s fiscal year (currently April 30). If Audited Financial Statements are not available when the Annual Financial Information is filed, the City will file unaudited financial statements. The City will submit Audited Financial Statements to EMMA within 30 days after availability to the City. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

“Annual Financial Information” means:

1. The table under the heading of “**Retailers’ Occupation, Service Occupation and Use Tax**” within this Official Statement;
2. All of the tables under the heading “**PROPERTY ASSESSMENT AND TAX INFORMATION**” within this Official Statement;
3. All of the tables under the heading “**DEBT INFORMATION**” within this Official Statement; and
4. All of the tables under the heading “**FINANCIAL INFORMATION**” (excluding Budget Financial Information) within this Official Statement.

“Audited Financial Statements” means financial statements of the City as audited annually by independent certified public accountants. Audited Financial Statements are expected to continue to be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

### **Reportable Events Disclosure**

The City covenants that it will disseminate in a timely manner (not in excess of 10 business days after the occurrence of the Reportable Event, as defined below) Reportable Events Disclosure to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The “Reportable Events” are:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
7. Modifications to the rights of security holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City\*;

\* This Reportable Event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect Bondholders, if material\*\*; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties\*\*.

### **Consequences of Failure of the City to Provide Information**

The City shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the City to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the City to comply with the Undertaking shall be an action to compel performance.

### **Amendment; Waiver**

Notwithstanding any other provision of the Undertaking, the City by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

- (a) (i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the City, or type of business conducted; or
- (ii) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the City (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority approves or requires Annual Financial Information, Audited Financial Statements or notices of a Reportable Event to be filed with a central post office, governmental agency or similar entity other than the MSRB or in lieu of the MSRB, the City shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending the Undertaking.

\*\* The term “financial obligation” means a: (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.



## **Termination of Undertaking**

The Undertaking shall be terminated if the City shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The City shall give notice to the MSRB in a timely manner if this paragraph is applicable.

## **Additional Information**

Nothing in the Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event, in addition to that which is required by the Undertaking. If the City chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by the Undertaking, the City shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

## **Dissemination of Information; Dissemination Agent**

When filings are required to be made with the MSRB in accordance with the Undertaking, such filings are required to be made through EMMA or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

## **OPTIONAL REDEMPTION**

Bonds due December 30, 2020-2028, inclusive, are not subject to optional redemption prior to maturity. Bonds due on or after December 30, 2029-2039, are callable in whole or in part on any date on or after December 30, 2028, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot.

The Bond Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption will be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the City will not redeem such Bonds, and the Bond Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City will deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on the date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Ordinance, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Bond Registrar at the redemption price.

## **LITIGATION**

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof.

## **LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES**

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the Bondholder upon a default under the Bond Ordinance are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Bond Ordinance may not be readily available or may be limited. Under federal and State environmental laws, certain liens may be imposed on property of the City from time to time, but the City does not have reason to believe, under existing law, that any such lien would have priority over the lien on the ad valorem property tax which is pledged to the owners of the Bonds under the Bond Ordinance.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the City, the State and the United States of America and bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the City), in a manner consistent with the public health and welfare. Enforceability of the Bond Ordinance in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

## **OFFICIAL STATEMENT AUTHORIZATION**

This Official Statement has been prepared for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the City, and all expressions of opinion, whether or not so stated, are intended only as such.

## INVESTMENT RATING

The Bonds have received a rating of AA+ (Stable) from S&P Global Ratings, New York, New York. (“S&P”). The City has supplied certain information and material concerning the Bonds and the City to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone 212-438-2000.

## UNDERWRITING

The Bonds were offered for sale by the City at a public, competitive sale on April 23, 2020. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the “Underwriter”). The City awarded the contract for sale of the Bonds to the Underwriter at a price of \$ \_\_\_\_\_ (reflecting the par amount of \$ \_\_\_\_\_, plus a reoffering premium of \$ \_\_\_\_\_, and less an Underwriter’s discount of \$ \_\_\_\_\_). The Underwriter has represented to the City that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

## MUNICIPAL ADVISOR

The City has engaged Speer Financial, Inc. as municipal advisor (the “Municipal Advisor”) in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the City’s continuing disclosure undertaking.

## CERTIFICATION

We have examined this Official Statement dated April 16, 2020, for the \$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

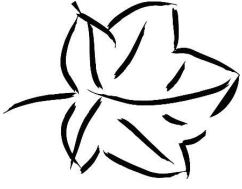
/s/ **ANNUZIATO PULICE**  
*Mayor*  
CITY OF WOOD DALE  
DuPage County, Illinois

/s/ **JEFFREY MERMUYS**  
*City Manager*  
CITY OF WOOD DALE  
DuPage County, Illinois

\*Subject to change.

**APPENDIX A**

**CITY OF WOOD DALE, DUPAGE COUNTY, ILLINOIS  
FISCAL YEAR 2019 AUDITED FINANCIAL STATEMENTS**



# City of Wood Dale, Illinois

Comprehensive Annual  
Financial Report

For the Year Ended  
April 30, 2019

CITY OF WOOD DALE, ILLINOIS

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Year Ended  
April 30, 2019

Prepared by Finance Department

Bradley W. Wilson  
Finance Director

**CITY OF WOOD DALE, ILLINOIS**  
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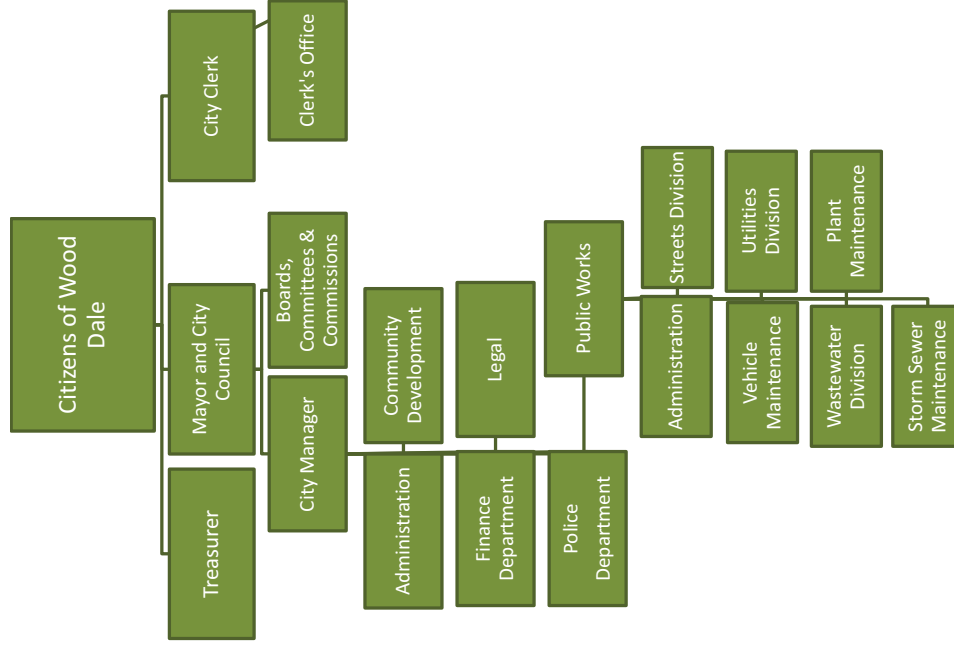
**INTRODUCTORY SECTION**

CITY OF WOOD DALE, ILLINOIS  
 PRINCIPAL OFFICIALS

April 30, 2019

- Mayor  
 Annunziato Pulice
- City Council  
 Gandolfo Messina  
 Art Woods  
 Antonio Catalano  
 Roy Wesley  
 Peter Jakab  
 Michael Susmarski  
 Eugene Wesley  
 Ralph Sorrentino
- City Clerk  
 Shirley J. Siebert
- City Treasurer  
 Sandra Porch
- City Manager  
 Jeffrey Mermuys
- Finance Director  
 Bradley W. Wilson

# Organizational Chart





Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Wood Dale  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2018**

*Christopher P. Morrell*

Executive Director/CEO



November 7, 2019

Honorable Mayor  
Members of the City Council  
Citizens of the City of Wood Dale

Ladies and Gentlemen:

Illinois Compiled Statutes require that all municipalities annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit the Comprehensive Annual Financial Report (CAFR) of the City of Wood Dale, Illinois for the year ended April 30, 2019. This report consists of management's representations concerning the finances of the City of Wood Dale. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report.

Management of the City of Wood Dale has established a comprehensive internal control framework that is designed to compile sufficient reliable information for the preparation of the City of Wood Dale's financial statements in conformity with Generally Accepted Accounting Principles. Further details can be found in Section 1 of the Notes to Financial Statements beginning on page 17 of the report. Because the cost of internal controls should not outweigh their benefits, the City of Wood Dale's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

As part of management's responsibility for the statements and report, we have prepared the Management's Discussion and Analysis, which follows the auditor's report and is before the basic financial statements.

The City of Wood Dale's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The independent auditor concluded that the City of Wood Dale's financial statements for the fiscal year ended April 30, 2019 are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. The City of Wood Dale's Management Discussion and Analysis can be found immediately following the report of the independent auditor.

### **Profile of the Government**

The City of Wood Dale, incorporated in 1928, is located two miles west of Chicago's O'Hare International Airport, and is less than twenty miles west/northwest of the City of Chicago. Wood Dale encompasses an area of almost 4.7 square miles and serves a population of 13,770 residents. The City of Wood Dale is empowered to levy a property tax on real properties located within its boundaries. It is also empowered, by state statute, to extend its corporate limits by annexation, when deemed appropriate by the City Council.

The City of Wood Dale operates under the council-manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the mayor and eight members.

The City Council is responsible for passing ordinances, adopting the annual budget, serving on standing committees and hiring the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City Council is elected on a nonpartisan basis, with two members from each of the City's four wards. Council members serve four-year, staggered terms, with four council members elected every two years. The mayor is elected at large to serve a four-year term.

The City of Wood Dale provides a full range of services, including police protection, the construction and maintenance of infrastructure, community development and special events. The City also operates a commuter parking lot and a water and sewer utility.

The annual budget serves as the foundation for the City of Wood Dale's financial planning and control. The Council is required to adopt a final budget and appropriation ordinance by no later than the close of the fiscal year. The budget is prepared by fund and department. Department heads may make budget transfers within their departments, and the City Manager may make budget transfers between departments. Any revisions that alter the total expenditures of any fund require special approval of the City Council.

### **Local Economy**

Wood Dale is a mature community located in the O'Hare Industrial corridor of the Chicago metropolitan area, with limited land for new development. Equalized assessed valuation, (EAV) of real property at the end of the fiscal year totaled \$577,244,079; a decrease of 15.62% over the past decade. However, this valuation is an increase of 3.83% over the previous year. This continues a trend of increases with each of the past 5 years showing increase in EAV. At a rate of 33.3% of market value, the equalized assessed valuation translates into \$1.73 billion of investment in the community.

Approximately 800 businesses operate in the City, many located in the industrial and business parks in the north part of Wood Dale. Despite a respectable return in sales tax revenue after a steady decline over the past four years, the City is still actively seeking methods to attract and retain retailers, primarily focusing on locations in or near the "town center." Redevelopment of this area will occur in tandem with the improvements contemplated for the Irving Park, Wood Dale Road and Meira intersection. Construction on the Egin-O'Hare Expressway (IL-390) has been completed through Wood Dale, and the City is doing all that it can to position itself to take advantage of this project now and into the future.

Permits for residential construction decreased by 33 (55 to 22) for calendar year 2018 when compared to calendar year 2017. In addition to the decrease in residential permits, Commercial permits were down 2, to 36 in 2018 versus 38 in 2017. Other permits (fence, roof, windows, etc.) were down by 139 (688 to 729) in 2018 compared to 2017. Despite the decreases in the overall number of permits, the value of the permits is the 3<sup>rd</sup> highest that the City has recorded, as there are a number of large scale projects, compared to many smaller ones.

The City has long had a planned unit development comprising approximately 97 units, which finally broke ground in late FY 2016, and was finally completed in the last portion of FY 2018 with occupancy approximately two years after the facility opens. The facility continues to become more occupied every month. Additionally, there is a 150 unit development that is in the works, and construction is anticipated to begin spring 2020. . Also, the final buildout of a subdivisions is moving along at a slow but steady pace. These projects, along with the increased interest along the IL-390 corridor will undoubtedly drive these numbers higher in future years.

### **Long-Term Financial Planning**

The City of Wood Dale is dedicated to long-term financial planning, and prepares and updates detailed operational and capital budgets annually. Multi-year projections of revenues and expenses are utilized when appropriate so that the City can be proactive in areas identified as potential problems.

Due to the property tax cap and the City's increasing reliance on sales taxes, the City Council will continue to consider various opportunities to increase the sales taxes collected, including strategies to attract and retain retail businesses and alternative financing strategies including special service area and tax increment financing.

A referendum question was placed on the November 6, 2006 ballot to increase the sales tax for non-home rule communities to 1% in Wood Dale. The referendum was successful and the sales tax was imposed beginning July 1, 2007. This increase is used only for the construction, purchase, or maintenance of capital assets.

The City's other long-term infrastructure needs have been identified through a street-sufficiency study and updating of the City's 5-year Capital Improvement Plan (CIP). The City passed the Non-Home Rule Sales Tax referenced above and recently increased the water and sewer rates to raise enough capital to maintain the infrastructure on a pay-as-you-go basis, to avoid the need for issuing debt.

The City Council and staff also participate in an ongoing, strategic planning process that allows for the development of long-range objectives and implementation strategies. This strategic plan, coupled with the capital and operating budgets ensures that the City identifies, prioritizes, and addresses areas of concern in a comprehensive fashion.

### Major Initiatives

The City has been involved in a variety of projects throughout the fiscal year. These projects reflect the City's commitment to maintaining and enhancing the environment for all citizens. The most significant projects are listed below:

- Maintained its AAAA bond rating from Standard & Poor's.
- Continued to work with the Tollway to maximize the City's presence and impact of the IL-390 project. The project will be closed out during F Y20.
- Reconstructed and/or Resurfaced over 1 mile of roadway.
- Continued the implementation of the study on City-wide flooding issues, beginning with studies of the worst areas via a Stormwater Master Plan. These areas will continue to be programmed into future CIP projects.
- Continued to expand the use of beet juice and other salt brine mixes to aid in snow removal operations.
- Replaced 2 Public Works vehicles.
- Replaced 1 Community Development vehicle.
- Replaced 1 Water/Wastewater vehicle.
- Replacement of 1 squad car and the City's Emergency Response vehicle.
- Receiving the GFOA Popular Annual Financial Reporting Award for the eighth time.
- Receiving the GFOA Distinguished Budget Presentation Award for the tenth time.
- Continuing replacing the ORION water meters with "IME" style water meters continuing to provide greater accountability for the water system.
- Continued implementation of a new document retention program, allowing greater access to historical documents.
- Continued to revise and update all economic development materials to promote economic and business growth within the City.
- Was designated as a "Tree City" for the 14<sup>th</sup> year in a row.


### Awards and Acknowledgements


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wood Dale for its comprehensive annual financial report for the fiscal year ended April 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Preparation of this report could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department, and the assistance of the staff of the other operating departments of the City. Credit must also be given to the Mayor and City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Wood Dale's finances.

Respectfully submitted,

  
Jeffrey R. Mermuys  
City Manager

  
Bradley W. Wilson  
Finance Director



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Naperville, IL 60563  
630.566.8400

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the City Council  
City of Wood Dale, Illinois

### FINANCIAL SECTION

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

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

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

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

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

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, other supplemental information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and other supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Governmental Auditing Standards*, we have also issued our report dated November 7, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the City's internal control over financial reporting and compliance.

**Sieck LLP**

Naperville, Illinois  
November 7, 2019

**City of Wood Dale, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2019**

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The City of Wood Dale management's discussion and analysis is designed to assist the reader in analyzing and understanding the City's financial activities for the fiscal year ended April 30, 2019. It should be read in conjunction with the Letter of Transmittal on pages iv through viii and the financial statements, which begin on page 4.

**Overview of the Financial Statements**

The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different perspectives that allow the reader a broader basis of comparison in assessing the City's financial condition. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide a broad overview of the City's finances, in a format similar to that found in the financial statements of a private-sector business. They provide both long and short-term information about the City, taken as a whole.

The statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include the City of Wood Dale's basic services of public safety, public works, and general administration. The business-type activities include the water & sewer operations, refuse disposal, and the commuter parking lot.

There are two statements presented for each of these activities. The first is the **Statement of Net Position**, which presents all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between the two being reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The second statement is the **Statement of Activities**, which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

**Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Wood Dale, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Major funds are reported separately while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining schedules later in this report.

**Governmental Funds**

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements, providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources in the near term.

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**



**City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019**

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund and the Capital Projects Fund, both of which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation.

The City of Wood Dale adopts an annual appropriation ordinance for its General Fund, as required by Illinois Statutes. A budgetary statement on page 55 has been provided for the General Fund to demonstrate compliance with this budget.

**Proprietary Funds**

The City of Wood Dale has three enterprise funds that are considered proprietary funds in the financial statements. Enterprise funds are presented as business-type activities in the government-wide financial statements, and include the funds used to account for the water & sewer utility, the commuter parking lot, and refuse disposal services (sanitation).

Proprietary funds provide the same type of information as the business-type activities in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water & Sewer Fund, and aggregated information for the Commuter Parking Lot Fund and the Sanitation Fund.

The basic proprietary fund financial statements can be found on pages 11 through 14 of this report.

**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 City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City of Wood Dale maintains two fiduciary funds: The Police Pension Fund and the Special Service Area Fund.

The basic fiduciary fund financial statements can be found on pages 15 and 16 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 17 through 54 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget-to-actual comparisons for the General Fund.

Other supplementary information includes certain required information regarding the City's progress in funding its pension obligations to employees. Required supplementary information can be found after Notes to the Financial Statements beginning on page 55 through 62.

**City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019**

**Government-wide Financial Analysis**

The government-wide financial statements for the fiscal years ended April 30, 2019 and April 30, 2018 are presented below for comparative purposes. These statements reflect the operations and net position of the government as a whole. The changes in the financial statement reporting model are mandated by the Governmental Accounting Standards Board (GASB) and were first implemented by the City of Wood Dale for the period ended April 30, 2004.

**Net Position**

The following table presents the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 22,928,816	\$20,807,661	\$ 177,669	\$ 551,488	\$ 23,104,485	\$ 21,359,149
Capital Assets	74,395,615	72,973,855	50,194,334	51,189,030	124,589,949	124,162,885
Total Assets	97,324,431	93,781,516	50,372,003	51,740,518	147,694,434	145,522,034
Deferred Outflows of Resources						
OPFB Items	54,282	-	-	-	54,282	-
Pension Item - MMF	2,050,326	276,559	947,538	112,097	2,997,864	390,656
Pension Item - Police	2,618,194	2,737,665	-	-	2,618,194	2,737,665
Total Deferred Outflows	4,722,802	3,016,224	947,538	112,097	5,670,340	3,128,321
Long-term Liabilities	27,705,151	23,384,368	27,090,603	26,809,820	54,795,754	50,194,288
Other Liabilities	3,277,045	2,528,443	2,596,733	2,521,802	5,873,778	5,050,345
Total Liabilities	30,982,196	25,912,811	29,687,336	29,331,622	60,669,552	55,244,633
Deferred Inflows of Resources						
Deferred Rev - Prop Taxes	3,162,720	3,065,499	-	-	3,162,720	3,065,499
Pension Item - MMF	277,773	1,355,429	125,162	627,667	402,935	1,983,096
Pension Item - Police	839,491	1,027,568	-	-	839,491	1,027,568
Total Deferred Inflows	4,279,984	5,448,496	125,162	627,667	4,405,146	6,096,163
Net Position:						
Net Investment in Capital Assets	72,764,415	72,144,655	23,610,571	23,238,195	96,374,986	95,382,850
Restricted	4,574,007	3,659,109	-	-	4,574,007	3,659,109
Unrestricted	(10,555,969)	(10,597,331)	(2,103,546)	(1,345,069)	(12,659,517)	(11,932,400)
Total Net Position	\$ 66,782,053	\$65,416,433	\$ 21,507,023	\$ 21,893,126	\$ 88,290,076	\$ 87,390,559

City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019

Total assets and deferred outflows of resources exceed total liabilities and deferred inflows of resources for governmental activities as well as business-type activities for the fiscal year ended April 30, 2019. Approximately \$96,374,986 of the City's total net position represents investment in capital assets, (buildings, equipment and infrastructure, net of related debt), \$4,574,007 of the total net position represents resources that are restricted on how they may be used. The remaining balance of unrestricted net position, (\$12,658,917), may be used to meet the City's ongoing obligations to citizens and creditors.

As of April 30, 2019, the City is able to report positive net position, both for the government as a whole, as well as, for its separate governmental and business-type activities. The City reports deficit unrestricted net positions for both its governmental and business-type activities as a result of the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68 and No. 75 which required the City to record the net pension liabilities and total OPEB liability and related deferred inflows and outflows of resources on the Statement of Net Position. Factoring out the pension and OPEB related amounts, the City would report a positive unrestricted net position of approximately \$12 million for the governmental activities, while there would still be a deficit of just over \$1 million for the business-type activities. For more detailed information, see the Statement of Net Position on page 4.

City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019

Activities

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

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>REVENUE</b>						
Program Revenues						
Charges for Services	\$ 2,067,051	\$ 1,904,478	\$ 8,819,996	\$ 9,215,743	\$ 10,887,047	\$ 11,120,221
Operating Grants and Contributions	385,667	396,024	-	-	385,667	396,024
Capital Grants	499,705	219,162	-	-	499,705	219,162
General Revenues						
Property Taxes	4,898,132	4,196,113	-	-	4,898,132	4,196,113
Other Taxes	10,415,049	9,612,603	-	-	10,415,049	9,612,603
Other Revenues	1,649,355	869,505	256,538	199,765	1,905,893	1,869,270
<b>TOTAL REVENUE</b>	<b>19,914,959</b>	<b>17,197,885</b>	<b>9,076,534</b>	<b>9,415,508</b>	<b>28,991,493</b>	<b>26,613,393</b>
<b>EXPENSES</b>						
General Government	6,322,028	6,365,261			6,322,028	6,365,261
Public Safety	7,692,939	7,443,201			7,692,939	7,443,201
Highways and Streets	4,289,173	4,523,494			4,289,173	4,523,494
Recreation	412,644	449,219			412,644	449,219
Economic Development	106,554	114,411			106,554	114,411
Interest	5,001	4,146			5,001	4,146
Waterworks and Sewer			7,836,950	8,484,730	7,836,950	8,484,730
Commuter Parking			206,346	176,959	206,346	176,959
Sanitation			1,139,341	822,428	1,139,341	822,428
<b>TOTAL EXPENSES</b>	<b>16,828,539</b>	<b>16,899,732</b>	<b>9,162,637</b>	<b>9,484,116</b>	<b>25,991,176</b>	<b>26,383,848</b>
Change in Net Position Before Transfers	1,086,620	(1,701,847)	(106,103)	(68,608)	980,517	(1,770,455)
<b>TRANSFERS</b>						
	280,000	224,574	(280,000)	(224,574)	-	-
<b>CHANGE IN NET POSITION</b>	<b>1,366,620</b>	<b>(1,477,273)</b>	<b>(386,103)</b>	<b>(293,182)</b>	<b>980,517</b>	<b>(1,770,455)</b>
<b>NET POSITION, MAY 1</b>	<b>65,416,433</b>	<b>68,771,440</b>	<b>21,893,126</b>	<b>22,186,308</b>	<b>87,309,559</b>	<b>90,957,748</b>
Change in accounting principle	-	(1,877,734)	-	-	-	(1,877,734)
<b>NET POSITION, APRIL 30</b>	<b>\$ 66,783,053</b>	<b>\$ 65,416,433</b>	<b>\$ 21,507,023</b>	<b>\$ 21,893,126</b>	<b>\$ 88,290,076</b>	<b>\$ 87,309,559</b>

**City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019**

**Statement of Activities**

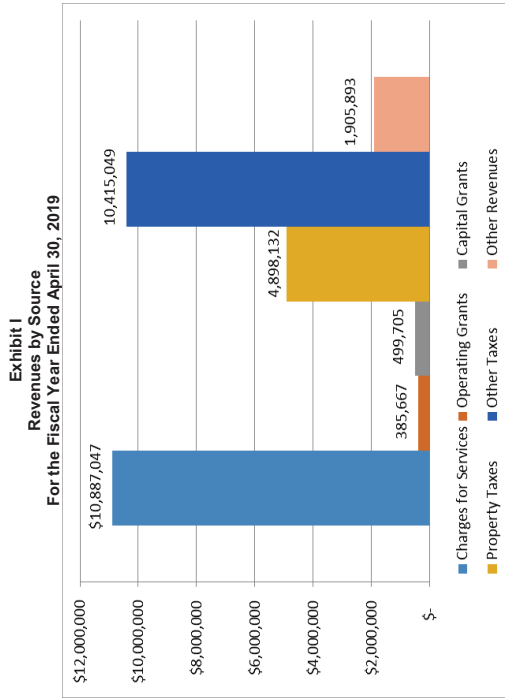
Net position for governmental activities increased by \$1,366,620 during fiscal year 2019. This increase is due to an increase in General Fund revenues namely the Trax Guard railroad safety system, while also seeing a decrease in General Government expenses.

Net position for business-type activities decreased by \$386,103 in the current year when compared to the prior year. This decrease is due to an increase in expenses within the Water & Sewer Fund, Commuter Parking fund being the same as last year and Sanitation Fund seeing a decrease from last year.

Governmental activities net position of \$66,783,053 represent 75.64% of the total net position, and business-type activities net position of \$21,507,023 represent 24.36% of the total net position at April 30, 2019.

**Revenues**

Of the total City revenue, \$19,914,959 or 68.69% was accounted for by governmental activities and \$9,076,534 or 31.31% by business-type activities.



Revenues from governmental activities primarily consist of taxes and intergovernmental totaling \$15,313,181 and charges from services of \$2,067,051. Property and replacement taxes account for \$4,898,132 or 31.99% of the total taxes, while all other taxes (telecommunication, utility, sales, use, income and other) comprise the remaining 68.01% or \$10,415,049 of total taxes.

**City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019**

The remaining governmental activities revenue was generated by utility tax, hotel tax, permit fees, fines, vehicle licenses, investment income and miscellaneous revenue.

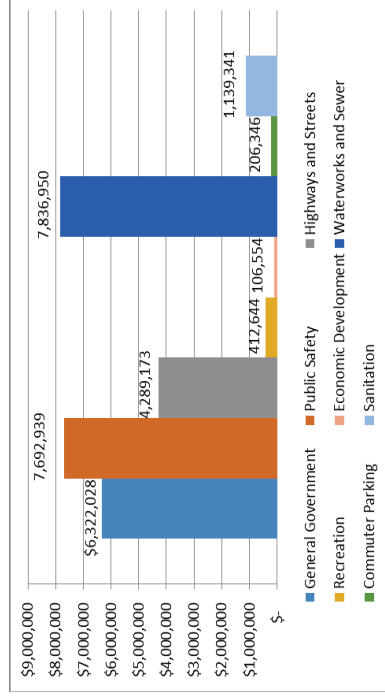
Revenues from business-type activities consist primarily of user charges for the water & sewer utility, parking fees charged to users of the commuter parking lot, and charges for refuse disposal services.

**Expenses**

Of the total City expenses, \$18,828,339 or 67.22% was accounted for by governmental activities and \$9,182,637 or 32.78% by business-type activities.

Governmental activities expenses consist of those related to public safety, highways and streets, recreation, and general government, while business-type expenses are derived from the operations for waterworks, sewerage, and sanitation services.

**Exhibit II  
Expenses by Type  
For the Fiscal Year Ended April 30, 2019**



**City of Wood Dale, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2019**

**Financial Analysis of the City's Funds**

**Major Funds – Governmental Activities**

**General Fund**

The General Fund is the major operating fund of the City. For the fiscal year ended April 30, 2019, the General Fund reported an unassigned fund balance of \$6,677,619, and total fund balance of \$7,412,098 including the restricted, committed, and non-spendable amounts. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year, and as a measure of the General Fund's liquidity. Measuring the unassigned fund balance against total General Fund annual expenditures indicates that the unassigned fund balance equals just over 6 months or 50.53% of total annual expenditures.

At April 30, 2019, the unassigned fund balance in the General Fund was \$786,159 lower than the unassigned fund balance in the General Fund at April 30, 2018. This represents a 10.53% decrease, which is largely related to Advances To and Due From to the Water/Sewer Fund and Metra Parking Lot Fund of \$845,084, and the transfer to Land Acquisition Fund to cover its negative cash balance as of 04/30 of \$837,947. Total revenues were up \$54,428 versus the budget. Expenditures came in \$176,933 over budget. This total \$122,505 spread in revenues and expenditures was offset at the fund balance level by a decrease of \$98,997 in total liabilities, an increase in deferred inflows of resources of \$356,536 as well as; a decrease of \$60,628 in nonspendable fund balance.

**Table 3**  
**General Fund Budgetary Highlights**  
**For the Fiscal Year Ended April 30, 2019**

	Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>			
Taxes	\$ 4,584,576	\$ 4,298,204	\$ (286,372)
Charges for Services	586,530	586,360	(170)
Other	7,993,528	8,334,498	340,970
<b>Total Revenues</b>	<b>13,164,634</b>	<b>13,219,062</b>	<b>54,428</b>
<b>EXPENDITURES</b>			
General Government	5,189,697	5,347,638	(157,941)
Public Safety	6,642,237	6,748,651	(106,414)
Highways, Streets and Sewers	1,207,187	1,119,765	87,422
<b>Total Expenditures</b>	<b>13,039,121</b>	<b>13,216,054</b>	<b>(176,933)</b>
<b>Excess of Revenues over Expenditures</b>	<b>\$ 125,513</b>	<b>\$ 3,008</b>	<b>\$ (122,505)</b>

General fund tax revenue was \$286,372 lower than budgeted. This decrease is largely predicated on most of the taxes coming in lower than expected and below budget, especially the Telecommunications and the Utility taxes. Intergovernmental revenue was \$415,716 over budget. Sales and Income Taxes were \$348,183 higher than budgeted. Charges for Services were \$170 lower than budget, largely due to the impounded vehicle fee revenue coming in at only 93.35% of the budgeted amount.

**City of Wood Dale, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2019**

The State of Illinois enacted legislation regarding the paying of the Local Government Distributive Fund monies (Income Tax) and has been following through on that action. Fines and Forfeitures came in \$25,274 higher than budget due mostly to Trax-Guard, which was \$50,581 higher than budgeted.

**Capital Projects Fund**

The Capital Projects Fund is considered a major fund of the City. This fund is used to record the City's capital expenditures including land, streets, and storm sewers, as well as buildings and improvements.

Revenue for the Capital Projects Fund was \$427,138 higher than the prior year, and \$388,647 less than what was budgeted for. This is due to the current year intergovernmental revenue coming in at \$397,139 higher than the prior year, while tax revenue came in at \$27,896 higher. Expenditures for the current year Capital Projects Fund were \$188,536 less than the prior year, although came in \$2,089,033 under budget. This increase is due to the City starting and/or completing capital outlay projects in the current year and preparing for multiple major projects the following year. Additionally, the City has done a good job of bidding projects in a timely manner and taking advantage of aligning project geographically so as to save on mobilization and equipment transport costs.

**Other Funds – Business-type Activities**

The City maintains three enterprise funds that comprise its business-type activities. The Water/Sewer Operations Fund is considered a major fund, while the Commuter Parking Lot Fund and the Sanitation Fund are considered nonmajor funds.

**Capital Assets and Debt Administration**

At the end of fiscal year 2019, the City has a combined total of \$124,162,885 invested in capital assets. The table below lists the assets by category.

<b>Table 4</b>	
<b>Investment in Capital Assets</b>	
Land and Land Improvements	\$ 10,645,879
Lands - Right of Way	12,486,207
Construction in Progress	3,585,233
Buildings and Improvements	4,560,821
Vehicles and Equipment	12,264,646
Streets/Sidewalks/Bridges	110,114,244
Parking Lot Improvements	2,075,298
Water & Sewer Mains	56,315,713
	<u>212,048,041</u>
Less: Accumulated Depreciation	<u>(87,458,092)</u>
Capital Assets, Net of Depreciation	<u>\$ 124,589,949</u>

See Notes to the Financial Statements No. 3 on pages 27-28 for additional information.

**City of Wood Dale, Illinois  
Management's Discussion and Analysis  
April 30, 2019**

**Long-Term Debt**

The City had no outstanding general obligation debt as of April 30, 2019. However, the City did issue \$9,995,000 in Alternate Revenue Bonds for the North Wastewater Treatment Plant upgrade project. The City received a AA Stable rating from Standard & Poor's and issued the debt in February, 2012. In early 2014, the City was upgraded to AAA bond rating. That rating was reaffirmed in December 2017.

The City also recorded long-term debt of \$56,689,750, of which 46.89% or \$26,583,763 is related to the debt for the Treatment Plant upgrades (\$5,020,000 Alternate Revenue Bonds and \$18,563,763 IEPA Loan), 49.61% (\$28,122,502) is for Governmental Activities and 3.50% (\$1,983,485) is for Business-Type Activities net of the Treatment Plant upgrades. The debt associated with Governmental Activities is comprised of amounts payable for compensated employee absences, the City's net pension liabilities to the Police Pension Fund and IMRF, and Other Post-Employment Benefits (OPEB) obligation. The debt associated with Business-Type Activities (exclusive of the Alternate Revenue Bonds) is comprised of compensated employee absences and net pension liability to IMRF.

Long Term Debt as of April 30, 2019, is \$4,783,243 more than April 30, 2018. This increase is due to a change for Net Pension Liabilities – Police & IMRF obligation and Net OPEB obligations as they relate to the Governmental Activities and compensated absences within the Business-type Activities. That being said, a decrease of \$947,072 is related and due to the IEPA loan payments made during the year.

In accordance with GASB 75 (Other Post-Employment Benefits) the City has recognized an obligation of \$2,394,314 in the Governmental Activities and \$410,629 in the Business-type Activities. The decrease is based upon a new valuation based upon newer data, as well as, an updated cost for the one Police officer receiving a duty disability and receiving the Public Safety Employee Benefit Act (PSEBA) benefit to have their health insurance covered for life, wholly at the expense of the City. Except for the one employee receiving PSEBA benefits, the City has no explicit cost associated with this obligation as the entire amount is an implicit cost as the City contributes nothing to retiree health care costs. Based upon the entire amount being implicit and not actually due, the City does not intend to fund any of this obligation.

In accordance with GASB 67 & 68 (Financial Reporting for Pension Plans and Accounting and Financial Reporting for Pensions, respectively) the City recognized an obligation of \$25,152,588.

**Table 5  
Long Term Debt**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Net Pension Liability - IMRF	\$ 3,321,350	\$ 1,508,534	\$ 4,829,884
Net Pension Liability - Police Pension	20,322,704		20,322,704
Net OPEB Obligation	2,394,314	410,629	2,804,943
Loan Payable	1,631,200		1,631,200
Alternate Revenue Bonds		8,020,000	8,020,000
IEPA Loan		18,563,763	18,563,763
Compensated Absences	452,934	64,322	517,256
<b>TOTAL</b>	<b>\$ 28,122,502</b>	<b>\$ 28,567,248</b>	<b>\$ 56,689,750</b>

See Notes to the Financial Statements No. 6 on pages 30-33 for additional information.

**Economic Factors and Next Year's Budget and Rates**

Property taxes provide the City of Wood Dale with a stable revenue source, although this source is subject to the annual tax cap and will not grow appreciably during the next fiscal year. Shared revenues from the State of Illinois continue to make up a significant source of revenues. However, concern over the State of Illinois budget crisis and its potential impact on state per capita taxes (use, income and MFT) have subsided for the time being, the City may still need to seek alternate revenue sources at some point in the future. As a non-home rule community, the City must seek voter approval through referendum in order to raise property taxes above those allowed the tax cap legislation or sales tax rates.

The City placed the question of whether or not the voters wish the City to impose an additional 1% non-home rule sales tax on the November 6, 2006 ballot. This referendum was successful and a 1% non-home rule sales tax was implemented on July 1, 2007.

The budget for fiscal year 2019 - 2020 was approved by the City Council on March 16, 2019. Expenditures in this budget totaled \$39,567,754 for all funds, a \$639,927 or a 0.02% decrease compared to fiscal year 2018 - 2019. The majority of the decrease is due to incremental organic increases within the General and Water/Sewer Funds, with slight decreases in the remaining Governmental Funds and the Agency Funds. That being said, the portion not directly related to capital spending is distributed fairly evenly throughout contractual, commodities, with personnel costs being slightly ahead of the other categories due to pension contributions and contractually obligated pay increases.

**Requests for Information**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's commitment to public accountability. If you have any questions about this report or wish to request additional information, please contact the Finance Department of the City of Wood Dale, 404 N. Wood Dale Road, Wood Dale, Illinois 60191.

CITY OF WOOD DALE, ILLINOIS  
STATEMENT OF NET POSITION  
April 30, 2019

CITY OF WOOD DALE, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the Year Ended April 30, 2019

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Cash	\$ 10,719,668	\$ 496,555	\$ 11,216,223
Receivables, net of allowance for uncollectibles			
Taxes	3,162,720	-	3,162,720
Accounts	4,300,676	1,635,391	5,936,067
Interest	14,152	1,353	15,505
Other	6,812	-	6,812
Due from other governments	2,491,329	-	2,491,329
Prepaid items	157,570	93,080	250,650
Inventory	35,179	-	35,179
Internal balances	2,048,710	(2,048,710)	-
Capital assets			
Nondepreciable	26,122,919	468,300	26,591,219
Depreciable, net of accumulated depreciation	48,272,696	49,726,034	97,998,730
Total assets	97,322,431	50,372,003	147,694,434
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension items	4,668,520	947,538	5,616,058
OTHER items	54,282	-	54,282
Total deferred outflows of resources	4,722,802	947,538	5,670,340
Total assets and deferred outflows of resources	102,045,233	51,319,541	153,364,774
<b>LIABILITIES</b>			
Accounts payable	1,587,324	535,594	2,122,918
Accrued payroll	360,990	70,659	431,649
Accrued interest payable	4,078	217,574	221,652
Deposits payable	812,098	296,261	1,108,359
Unearned revenue	95,204	-	95,204
Noncurrent liabilities			
Due within one year	417,351	1,476,645	1,893,996
Due in more than one year	27,005,151	27,090,603	54,295,754
Total liabilities	30,982,196	29,687,336	60,669,532
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	3,162,720	-	3,162,720
Pension items	1,117,264	125,182	1,242,446
Total deferred inflows of resources	4,279,984	125,182	4,405,166
Total liabilities and deferred inflows of resources	35,262,180	29,812,518	65,074,698
<b>NET POSITION</b>			
Net investment in capital assets	72,764,415	25,610,571	98,374,986
Restricted for			
Public safety	487,197	-	487,197
Highways and streets	805,959	-	805,959
Tourism	464,020	-	464,020
Grant projects	120,309	-	120,309
Economic development	2,696,522	-	2,696,522
Unrestricted (deficit)	(10,555,369)	(2,103,548)	(12,658,917)
<b>TOTAL NET POSITION</b>	\$ 66,788,053	\$ 21,507,023	\$ 88,295,076

See accompanying notes to financial statements.

FUNCTIONS/PROGRAMS	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
<b>PRIMARY GOVERNMENT</b>			<b>Capital Grants and Contributions</b>
Governmental Activities			
General government	\$ 6,322,028	\$ 854,303	\$ -
Public safety	7,692,939	1,106,150	36,121
Highways and streets	4,289,173	-	349,546
Recreation	412,644	106,598	-
Economic development	106,554	-	-
Interest	5,001	-	-
Total governmental activities	18,828,339	2,067,051	385,667
Business-Type Activities			
Water/sewer operations	7,836,950	7,613,114	-
Commuter parking	206,346	131,216	-
Sanitation	1,139,341	1,075,666	-
Total business-type activities	9,182,637	8,819,996	-
<b>TOTAL PRIMARY GOVERNMENT</b>	\$ 28,010,976	\$ 10,887,047	\$ 499,705

CITY OF WOOD DALE, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2019

Net (Expense) Revenue and Change in Net Position			
	Primary Government		Total
	Governmental	Business-Type	
Activities	Activities	Activities	
	\$ (5,467,725)	\$ -	\$ (5,467,725)
	(6,550,668)	-	(6,550,668)
	(3,439,922)	-	(3,439,922)
	(306,046)	-	(306,046)
	(106,554)	-	(106,554)
	(5,001)	-	(5,001)
	(15,875,916)	-	(15,875,916)
	-	(223,836)	(223,836)
	-	(75,130)	(75,130)
	-	(63,675)	(63,675)
	-	(362,641)	(362,641)
	(15,875,916)	(362,641)	(16,238,557)
General Revenues			
Taxes			
Property and replacement	4,898,132	-	4,898,132
Telecommunications	922,019	-	922,019
Utility	1,076,765	-	1,076,765
Other taxes	515,293	-	515,293
Intergovernmental - unrestricted			
Sales and use tax	6,564,057	-	6,564,057
Shared income tax	1,336,915	-	1,336,915
Investment income	137,509	11,100	148,609
Miscellaneous	1,511,846	245,438	1,757,284
Transfers	280,000	(280,000)	-
Total	17,242,536	(23,462)	17,219,074
CHANGE IN NET POSITION	1,366,620	(386,103)	980,517
NET POSITION, MAY 1	65,416,433	21,893,126	87,309,559
NET POSITION, APRIL 30	\$ 66,783,053	\$ 21,507,023	\$ 88,290,076

See accompanying notes to financial statements.

	General	Capital Projects	Nonmajor Governmental	Total
<b>ASSETS</b>				
Cash and investments	\$ 4,087,724	\$ 2,202,710	\$ 4,429,234	\$ 10,719,668
Receivables, net of allowance for uncollectibles				
Taxes	3,162,720	-	-	3,162,720
Accounts	4,266,929	-	33,747	4,300,676
Interest	13,887	265	-	14,152
Other	-	-	6,812	6,812
Due from other funds	837,497	-	-	837,497
Due from other governments	1,396,572	1,038,443	56,314	2,491,329
Prepaid items	147,594	-	9,976	157,570
Inventory	25,179	-	-	25,179
Advances to other funds	107,587	-	1,103,626	1,211,213
	\$ 14,045,689	\$ 3,241,418	\$ 5,639,709	\$ 22,926,816
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
LIABILITIES				
Accounts payable	\$ 497,016	\$ 971,845	\$ 118,463	\$ 1,587,324
Accrued payroll	359,534	-	1,456	360,990
Deposits payable	704,382	101,317	6,399	812,098
Unearned revenue	76,604	-	18,600	95,204
Total liabilities	1,637,536	1,073,162	144,918	2,855,616
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable property taxes	3,162,720	-	-	3,162,720
Unavailable revenue - IRMA	1,833,335	-	-	1,833,335
Unavailable revenue	-	344,816	-	344,816
Total deferred inflows of resources	4,996,055	344,816	-	5,340,871
Total liabilities and deferred inflows of resources	6,633,591	1,417,978	144,918	8,196,487
<b>FUND BALANCES</b>				
Nonspendable - advance to other funds	107,587	-	-	107,587
Nonspendable - prepaid items	147,594	-	9,976	157,570
Nonspendable - inventory	25,179	-	-	25,179
Restricted for public safety	454,119	-	33,078	487,197
Restricted for highways and streets	-	-	805,959	805,959
Restricted for tourism	-	-	464,020	464,020
Restricted for grant projects	-	-	120,309	120,309
Restricted for economic development	-	-	2,696,522	2,696,522
Assigned for capital projects	-	-	1,504,927	1,504,927
General	6,677,619	-	-	6,677,619
Total fund balances	7,412,098	1,823,440	5,494,791	14,730,329
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	\$ 14,045,689	\$ 3,241,418	\$ 5,639,709	\$ 22,926,816

See accompanying notes to financial statements.

CITY OF WOOD DALE, ILLINOIS

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

April 30, 2019

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 14,730,329
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	74,395,615
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds	2,178,151
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(3,321,350)
Net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(20,322,704)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	1,772,553
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Police Pension Fund are as deferred outflows and inflows of resources on the statement of net position	1,778,703
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the OPEB liability are as deferred outflows and inflows of resources on the statement of net position	54,282
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Loans payable	(1,631,200)
OPEB liability	(2,394,314)
Accrued interest	(4,078)
Compensated absences	(452,934)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 66,783,053</u>

See accompanying notes to financial statements.

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	General	Capital Projects	Nonmajor Governmental	Total
<b>REVENUES</b>				
Taxes	\$ 4,298,204	\$ 3,184,359	\$ 2,306,430	\$ 9,788,993
Licenses and permits	722,087	-	-	722,087
Intergovernmental	5,530,336	404,090	479,081	6,413,507
Charges for services	586,360	-	-	586,360
Fines, fees, and forfeits	825,024	-	-	825,024
Investment income	101,435	2,904	33,170	137,509
Miscellaneous	1,155,616	-	112,054	1,267,670
Total revenues	<u>13,219,062</u>	<u>3,591,353</u>	<u>2,930,735</u>	<u>19,741,150</u>
<b>EXPENDITURES</b>				
Current				
General government	5,347,638	-	33,921	5,381,559
Public safety	6,748,651	-	1,819	6,750,470
Highways and streets	1,119,765	1,783	423,526	1,545,074
Recreation	-	-	412,644	412,644
Economic development	-	-	106,554	106,554
Debt service	-	-	5,069	5,069
Interest	-	4,048,957	1,347,898	5,396,855
Capital outlay	-	-	-	-
Total expenditures	<u>13,216,054</u>	<u>4,050,740</u>	<u>2,331,431</u>	<u>19,598,225</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,008	(459,387)	599,304	142,925
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	250,000	900,000	1,707,732	2,857,732
Transfers (out)	(1,162,947)	-	(1,414,785)	(2,577,732)
Loans issued, at par	802,000	802,000	-	802,000
Proceeds on sale of capital assets	-	-	11,062	11,062
Total other financing sources (uses)	<u>(912,947)</u>	<u>1,702,000</u>	<u>304,009</u>	<u>1,093,062</u>
NET CHANGE IN FUND BALANCES	(909,939)	1,242,613	903,313	1,235,987
FUND BALANCES, MAY 1	8,322,037	580,827	4,591,478	13,494,342
<b>FUND BALANCES, APRIL 30</b>	<u>\$ 7,412,098</u>	<u>\$ 1,823,440</u>	<u>\$ 5,494,791</u>	<u>\$ 14,730,329</u>

See accompanying notes to financial statements.



CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 1,235,987</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	4,403,593
Capitalized capital assets	(2,981,833)
Depreciation expense	
Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received	162,747
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(802,000)
Loans issued	
The change in compensated absences does not require a current financial resource	(37,093)
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(2,758,183)
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	2,849,423
The change in the Police Pension Fund net pension liability is not a source or use of financial resources	(1,107,137)
The change in deferred inflows and outflows of resources for the Police Pension Fund is reported only in the statement of activities	68,606
The change in accrued interest is reported as an expense on the statement of activities	68
The change in the OPEB liability is not a source or use of a financial resource	278,160
The change in deferred inflows and outflows of resources for the OPEB liability is reported only in the statement of activities	54,282
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 1,366,620</b>

See accompanying notes to financial statements.

CITY OF WOODDALE, ILLINOIS

STATEMENT OF NET POSITION PROPRIETARY FUNDS

April 30, 2019

	Water/Sewer Operations	Nonmajor Enterprise	Total
<b>CURRENT ASSETS</b>			
Cash and investments	\$ 118,031	\$ 378,524	\$ 496,555
Accounts receivable	1,319,572	315,819	1,635,391
Accrued interest receivable	1,353	-	1,353
Prepaid items	92,997	83	93,080
Total current assets	1,531,953	694,426	2,226,379
<b>NONCURRENT ASSETS</b>			
Capital assets			
Land	208,300	260,000	468,300
Depreciable, net of accumulated depreciation	48,143,352	1,582,682	49,726,034
Total capital assets	48,351,652	1,842,682	50,194,334
Total assets	49,883,605	2,537,108	52,420,713
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension items - IMRF	938,229	-	938,229
Pension items - OPEB	9,309	-	9,309
Total deferred outflows of resources	947,538	-	947,538
<b>CURRENT LIABILITIES</b>			
Accounts payable	400,015	135,579	535,594
Accrued payroll	70,659	-	70,659
Accrued interest payable	217,574	-	217,574
Deposits payable	295,831	430	296,261
Compensated absences	57,890	-	57,890
Due to other funds	837,497	-	837,497
Bonds payable	440,000	-	440,000
IEPA loan payable	965,488	-	965,488
OPEB liability	13,317	-	13,317
Total current liabilities	3,298,221	136,009	3,434,230
<b>NONCURRENT LIABILITIES</b>			
Advance from other funds	803,626	407,587	1,211,213
Bonds payable	7,580,000	-	7,580,000
IEPA loan payable	17,598,325	-	17,598,325
Net pension liability - IMRF	1,508,534	-	1,508,534
OPEB liability	397,312	-	397,312
Compensated absences	6,432	-	6,432
Total noncurrent liabilities	27,894,229	407,587	28,301,816
Total liabilities	31,192,450	543,596	31,736,046
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension items - IMRF	125,182	-	125,182
Total deferred inflows of resources	125,182	-	125,182
<b>NET POSITION</b>			
Net investment in capital assets	21,767,889	1,842,682	23,610,571
Unrestricted (deficit)	(2,254,378)	150,830	(2,103,548)
<b>TOTAL NET POSITION</b>	<b>\$ 19,513,511</b>	<b>\$ 1,993,512</b>	<b>\$ 21,507,023</b>

See accompanying notes to financial statements.

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Water/Sewer Operations	Nonmajor Enterprise	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 7,562,757	\$ 1,206,762	\$ 8,769,519
Miscellaneous	50,357	120	50,477
Total operating revenues	7,613,114	1,206,882	8,819,996
<b>OPERATING EXPENSES</b>			
Operations	6,125,637	1,279,139	7,404,776
Depreciation	1,136,448	66,548	1,202,996
Total operating expenses	7,262,085	1,345,687	8,607,772
<b>OPERATING INCOME (LOSS)</b>	351,029	(138,805)	212,224
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	10,932	168	11,100
Rental income	245,438	-	245,438
Interest expense	(574,865)	-	(574,865)
Total non-operating revenues (expenses)	(318,495)	168	(318,327)
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	32,534	(138,637)	(106,103)
<b>TRANSFERS</b>			
Transfers (out)	(280,000)	-	(280,000)
<b>CHANGE IN NET POSITION</b>	(247,466)	(138,637)	(386,103)
<b>NET POSITION, MAY 1</b>	19,760,977	2,132,149	21,893,126
<b>NET POSITION, APRIL 30</b>	\$ 19,513,511	\$ 1,993,512	\$ 21,507,023

See accompanying notes to financial statements.

CITY OF WOOD DALE, ILLINOIS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2019

	Water/Sewer Operations	Nonmajor Enterprise	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 7,748,994	\$ 1,204,262	\$ 8,953,256
Receipts from miscellaneous revenues	50,357	120	50,477
Payments to suppliers	(3,552,297)	(907,915)	(4,460,212)
Payments to employees	(1,962,839)	-	(1,962,839)
General fund administrative charges	(200,000)	(428,000)	(628,000)
Net cash from operating activities	2,084,215	(131,533)	1,952,682
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Payments on interfund loans/advances	87,496	(30,000)	57,496
Transfers to other funds	(280,000)	-	(280,000)
Net cash from noncapital financing activities	(192,504)	(30,000)	(222,504)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	(3,245)	-	(3,245)
Interest received	10,172	168	10,340
Net cash from investing activities	6,927	168	7,095
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(208,300)	-	(208,300)
Principal paid	(1,367,072)	-	(1,367,072)
Interest and fees paid	(585,281)	-	(585,281)
Net cash from capital and related financing activities	(2,160,653)	-	(2,160,653)
<b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(262,015)	(161,365)	(423,380)
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	2,62,015	539,889	801,904
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	\$ -	\$ 378,524	\$ 378,524

(This statement is continued on the following page.)

CITY OF WOOD DALE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)  
PROPRIETARY FUNDS

For the Year Ended April 30, 2019

	Water/Sewer Operations	Nonmajor Enterprise	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 351,029	\$ (138,805)	\$ 212,224
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation	1,136,448	66,548	1,202,996
Rental income	245,438	-	245,438
Changes in net position			
Accounts receivable	(88,896)	(2,580)	(91,476)
Prepaid expenses	(14,914)	3,337	(11,577)
Deferred outflows	(835,441)	-	(835,441)
Accounts payable	71,945	(60,113)	11,832
Accrued payroll	(32,666)	-	(32,666)
Deferred inflows	(502,485)	-	(502,485)
Net pension liability	1,286,073	-	1,286,073
OPEB liability	410,629	-	410,629
Compensated absences	27,360	-	27,360
Deposits payable	29,695	80	29,775
	\$ 2,084,215	\$ (131,533)	\$ 1,952,682
<b>NET CASH FROM OPERATING ACTIVITIES</b>			
<b>CASH AND INVESTMENTS</b>			
Cash and cash equivalents	\$ -	\$ 378,524	\$ 378,524
Investments	118,031	-	118,031
<b>TOTAL CASH AND INVESTMENTS</b>	\$ 118,031	\$ 378,524	\$ 496,555

See accompanying notes to financial statements.

CITY OF WOOD DALE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS

April 30, 2019

	Pension Trust Police Pension	Agency Special Service Areas
<b>ASSETS</b>		
Cash	\$ 894,562	\$ 66,728
Investments		
U.S. Treasury obligations	3,538,137	-
U.S. agency securities	2,101,273	-
Mutual funds	16,072,872	-
Corporate bonds	3,142,278	-
Money market mutual funds	659,828	-
Accrued interest receivable	59,303	-
Prepaid items	11,792	-
Total assets	26,480,045	\$ 66,728
<b>LIABILITIES</b>		
Due to bondholders	-	\$ 66,728
Total liabilities	-	\$ 66,728
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	\$ 26,480,045	

See accompanying notes to financial statements.

**CITY OF WOOD DALE, ILLINOIS**

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

For the Year Ended April 30, 2019

<b>ADDITIONS</b>	
Contributions	
Employer contributions	\$ 1,300,128
Employee contributions	<u>328,458</u>
Total contributions	<u>1,628,586</u>
Investment income	
Net appreciation in fair value of investments	322,100
Interest and dividends	<u>913,430</u>
Total investment income	1,235,530
Less investment expense	<u>(76,299)</u>
Net investment income	<u>1,159,231</u>
Total additions	<u>2,787,817</u>
<b>DEDUCTIONS</b>	
Pension benefits	1,825,822
Administrative expenses	<u>52,064</u>
Total deductions	<u>1,877,886</u>
CHANGE IN NET POSITION	909,931
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
May 1	<u>25,570,114</u>
April 30	<u>\$ 26,480,045</u>

**CITY OF WOOD DALE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS**

April 30, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Wood Dale, Illinois (the City) have been prepared in accordance 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 City's accounting policies are described below.

a. Reporting Entity

The City is a municipal corporation governed by a nine-member council consisting of eight aldermen and the mayor. As required by generally accepted accounting principles, these financial statements present the City (the primary government). In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government.

Based on these criteria, the City is not considered a component unit of any other governmental unit, nor does it have any component units.

b. Fund Accounting

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds committed, restricted, or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in some other fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City. When these assets are held under the terms of a formal trust agreement a pension trust fund is used.

c. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The City reports the following major governmental funds:

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

The Capital Projects Fund accounts for the acquisition and construction of major capital facilities other than those accounted for as special service areas, or financed by proprietary funds. Financing is provided by transfers from other funds, non-home rule sales tax, grants, and utility taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major proprietary funds:

The Water/Sewer Operations Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, financing and related debt service, and billing and collections.

Additionally, the City reports the following fiduciary funds:

The Police Pension Fund is used to account for the police pension activities.

The Agency Fund (Special Service Areas) accounts for the activity in the City's special service areas and does not involve the measurement of operating results.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, unless due the first day of the following fiscal year.

Property taxes, sales taxes (owed to the state at year end), simplified telecommunication taxes, utility taxes, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- d. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)
- In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.
- The City reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the unavailable/unearned/deferred revenue is removed from the financial statements and revenue is recognized.
- e. Cash and Cash Equivalents
- Cash and cash equivalents include amounts in demand deposits and investments with a maturity date of three months or less from the date acquired by the City.
- f. Investments
- Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- g. Property Taxes
- Property taxes for 2018 attach an enforceable lien on January 1, 2018 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- g. Property Taxes (Continued)
- Tax bills are prepared by the County and issued on or about May 1, 2019, and are payable in two installments, on or about June 1, 2019 and September 1, 2019. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 2% of the tax levy, to reflect actual collection experience. As the 2018 tax levy is intended to fund expenditures for the 2019-2020 fiscal year, these taxes are reported as unavailable/deferred as of April 30, 2019.
- The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of April 30, 2019, as the tax has not yet been levied by the City and will not be levied until December 2019; therefore, the levy is not measurable at April 30, 2019.
- h. Interfund Transactions
- During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." Short-term interfund loans, if any, are classified as "interfund receivables/payables." Long-term interfund loans are classified as "advances to/from other funds."
- Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.
- i. Prepaid Items
- Payments made to vendors for services that will benefit periods beyond the date of this report, if any, are recorded as prepaid items. Prepaid expenditures are recognized on the consumption method in governmental funds.
- j. Inventory
- Inventory of supplies is valued at the cost on a first-in/first-out (FIFO) basis. The costs of governmental fund inventories are recorded as expenditures when consumed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and storm sewers), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 for machinery, equipment, and vehicles; \$50,000 for land and building improvements; \$100,000 for buildings; and \$250,000 for infrastructure and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land and parking lot improvements	20
Building and improvements	50
Vehicles and equipment	5-20
Infrastructure	20-65
Waterworks and sewerage systems	50-65

l. Long-Term Obligations

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Long-Term Obligations (Continued)

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

m. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vested and accumulated vacation leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

n. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Manager and Finance Director as directed by the City's fund balance policy. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned. The General Fund has a target unassigned fund balance of 50% of fiscal year budgeted expenditures. The City was in compliance with this policy as of April 30, 2019.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

- n. Fund Balances/Net Position (Continued)  
In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.  
None of the restricted net positions or restricted fund balance results from enabling legislation adopted by the City.
- o. Deferred Outflows/Inflows of Resources  
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.
- p. Use of Estimates  
The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount 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.

**2. DEPOSITS AND INVESTMENTS**

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

State statutes and the City's investment policy authorize the City to make deposits in commercial banks and savings and loan institutions, and to make investments in obligations of the U.S. Treasury, GNMA's, Federal Home Loan Bank, bank managed money market funds, The Illinois Funds, and the Illinois Metropolitan Investment Fund (IMET).

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

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

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

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

- a. City Deposits with Financial Institutions  
Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral with a fair value of 105% of all bank balances in excess of federal depository insurance, evidenced by a written collateral agreement with the collateral held by an agent of the City in the City's name.

- b. City Investments

The following table presents the investments and maturities of the City's debt securities as of April 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency securities	\$ 757,654	\$ 29,797	\$ 727,857	\$ -	\$ -
Negotiable certificates of deposit	503,060	-	503,060	-	-
<b>TOTAL</b>	<b>\$ 1,260,714</b>	<b>\$ 29,797</b>	<b>\$ 1,230,917</b>	<b>\$ -</b>	<b>\$ -</b>



**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

- b. City Investments (Continued)

The City has the following recurring fair value measurements as of April 30, 2019:  
The U.S. agency securities and the negotiable certificates of deposit are valued using quoted matrix pricing models based on various market and industry inputs (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a two-year period. The investment policy limits the maximum maturity length of investments in the operating funds to five years from date of purchase. Investments in other funds may be purchased with maturities to match future projects or liability requirements with written approval.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government (Federal Home Loan Bank). The U.S. agency securities, Illinois Funds and IMET are rated AAA by Moody's.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party.

To limit its exposure, the City's investment policy requires that security transactions exposed to custodial credit risk be executed by delivery versus payment (DVP) with the underlying investments being held by a third party agent in the City's name, separate from where the security was purchased. The Illinois Funds and IMET are not subject to custodial credit risk.

The City's investment policy limits investments as follows: U.S. Treasury securities shall not exceed 90% of the investment portfolio; U.S. agency securities shall not exceed 50% of the investment portfolio with no more than 20% of the portfolio invested in the obligations of a single agency; financial institution certificates of deposit shall not exceed 75% of the portfolio; investments in IMET shall not exceed 50% of the portfolio; and investments in government money market funds shall not exceed 7% of the portfolio. The City's investment policy does not limit deposits with The Illinois Funds.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**3. CAPITAL ASSETS**

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

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated	\$ 9,471,417	\$ 788,362	\$ -	\$ 10,259,779
Land	12,486,207	-	-	12,486,207
Land right of way	2,778,798	2,675,875	2,077,740	3,376,933
Construction in progress	24,736,422	3,464,237	2,077,740	26,122,919
Total capital assets not being depreciated				
Capital assets being depreciated	4,560,821	-	-	4,560,821
Buildings and improvements	5,270,054	505,120	14,340	5,760,834
Vehicles and equipment	107,602,268	2,511,976	-	110,114,244
Infrastructure	117,433,143	3,017,096	14,340	120,435,899
Total capital assets being depreciated				
Less accumulated depreciation for				
Buildings and improvements	2,480,098	104,822	-	2,584,920
Vehicles and equipment	3,613,380	395,893	14,340	3,994,933
Infrastructure	63,102,232	2,481,118	-	65,583,350
Total accumulated depreciation	69,195,710	2,981,833	14,340	72,163,203
Total capital assets being depreciated, net	48,237,433	35,263	-	48,272,696
<b>GOVERNMENTAL ACTIVITIES</b>	<b>\$ 72,973,855</b>	<b>\$ 3,499,500</b>	<b>\$ 2,077,740</b>	<b>\$ 74,395,615</b>
<b>CAPITAL ASSETS, NET</b>				
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated	\$ 260,000	\$ -	\$ -	\$ 260,000
Land	-	208,300	-	208,300
Construction in progress	260,000	208,300	-	468,300
Total capital assets not being depreciated				
Capital assets being depreciated	126,100	-	-	126,100
Land improvements	6,503,812	-	-	6,503,812
Vehicles and equipment	2,075,298	-	-	2,075,298
Parking lot improvements	11,113,137	-	-	11,113,137
Waterworks system	45,202,576	-	-	45,202,576
Sewerage system	65,020,923	-	-	65,020,923
Total capital assets being depreciated				

**CITY OF WOOD DALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. CAPITAL ASSETS (Continued)**

	Beginning Balances	Increases	Decreases	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES (Continued)</b>				
Less accumulated depreciation for:				
Land improvements	\$ 102,178	\$ 6,305	\$ -	\$ 108,483
Vehicles and equipment	5,053,394	222,751	-	5,276,145
Parking lot improvements	426,067	66,548	-	492,615
Waterworks system	2,894,288	174,123	-	3,068,411
Sewerage system	5,615,966	733,269	-	6,349,235
Total accumulated depreciation	<u>14,091,893</u>	<u>1,202,996</u>	<u>-</u>	<u>15,294,889</u>
Total capital assets being depreciated, net	50,929,030	(1,202,996)	-	49,726,034
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 51,189,030</u>	<u>\$ (994,696)</u>	<u>\$ -</u>	<u>\$ 50,194,334</u>

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

<b>GOVERNMENTAL ACTIVITIES</b>	
General government	\$ 149,085
Public safety	109,555
Highways and streets	<u>2,723,193</u>

<b>TOTAL DEPRECIATION EXPENSE -</b>	
<b>GOVERNMENTAL ACTIVITIES</b>	<u>\$ 2,981,833</u>

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

<b>BUSINESS-TYPE ACTIVITIES</b>	
Water/sewer operations	\$ 1,136,448
Commuter parking	<u>66,548</u>

<b>TOTAL DEPRECIATION EXPENSE -</b>	
<b>BUSINESS-TYPE ACTIVITIES</b>	<u>\$ 1,202,996</u>

**CITY OF WOOD DALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. DUE FROM OTHER GOVERNMENTS**

The amount presented as due from other governments on the government-wide financial statements was comprised of the following:

<b>GOVERNMENTAL ACTIVITIES</b>	
Sales tax	\$ 1,023,450
Telecommunications tax	238,196
Use tax	106,846
Court fines	9,470
Motor fuel tax allotments	30,479
Gaming tax	25,835
Non-home rule sales tax	548,431
Utility tax	74,439
IDOT reimbursements	89,367
Illinois Tollway reimbursements	<u>344,816</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>\$ 2,491,329</u>

**5. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. These risks are provided for through insurance purchased from private insurance companies.

There have been no reductions in the City's insurance coverage for any of its programs since the prior fiscal year. Settlements have not exceeded insurance coverage during the current year or prior three fiscal years.

Intergovernmental Personnel Benefit Cooperative

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

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

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. RISK MANAGEMENT (Continued)**

Intergovernmental Personnel Benefit Cooperative (Continued)

Complete financial statement, the latest available dated June 30, 2017, may be obtained directly from IPBC's administrative offices at 800 Roosevelt Road, Building C, Suite 312, Glen Ellyn, Illinois 60137.

**6. LONG-TERM DEBT**

a. At April 30, 2019, long-term debt is as follows:

Issue	Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
2012 General Obligation Alternate Revenue Source Bonds, \$9,995,000 original issue, due in annual installments of \$25,000 to \$730,000 through 2032; interest at 2.00% to 3.10%. Issued to finance the North Wastewater Treatment Plant Upgrades, Phase 1A.	Fund Debt					
		\$ 8,440,000	\$ -	\$ 420,000	\$ 8,020,000	\$ 440,000
2013 Illinois EPA Water Pollution Control Revolving Fund Loan approved for an amount not to exceed \$21,836,865 of which \$21,334,311 was drawn; due in semiannual installments commencing August 2015 through February 2035; interest at a fixed rate of 1.93%. Issued to finance the North Wastewater Treatment Plant Upgrades, Phase 2A.	Water/Sewer Operations Fund					
		19,510,835	-	947,072	18,563,763	965,438
<b>TOTAL</b>		<b>\$ 27,950,835</b>	<b>\$ -</b>	<b>\$ 1,367,072</b>	<b>\$ 26,583,763</b>	<b>\$ 1,405,438</b>

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	General Obligation Bonds	
	Principal	Interest
2020	\$ 440,000	\$ 204,870
2021	455,000	196,070
2022	475,000	186,970
2023	495,000	177,470
2024	510,000	167,076
2025-2029	2,890,000	645,745
2030-2033	2,755,000	213,520
<b>TOTAL</b>	<b>\$ 8,020,000</b>	<b>\$ 1,791,721</b>

Fiscal Year Ending April 30,	IEPA Loan	
	Principal	Interest
2020	\$ 965,438	\$ 353,645
2021	984,161	334,922
2022	1,003,247	315,836
2023	1,022,703	296,380
2024	1,042,537	276,546
2025-2029	5,523,911	1,071,505
2030-2034	6,080,723	514,693
2035-2036	1,941,043	37,582
<b>TOTAL</b>	<b>\$ 18,563,763</b>	<b>\$ 3,201,009</b>

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

c. Changes in Long-Term Liabilities

The following is a summary of changes in debt and other long-term liabilities during fiscal year 2019:

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
<b>GOVERNMENTAL</b>					
<b>ACTIVITIES</b>					
Loan payable*	\$ 829,200	\$ 802,000	\$ -	\$ 1,631,200	\$ -
Net pension liability - IMRF**	563,167	2,758,183	-	3,321,350	-
Net pension liability - police pension**	19,215,567	1,107,137	-	20,322,704	-
Total OPEB liability payable**	2,672,474	-	278,160	2,394,314	77,650
Compensated absences payable**	415,841	348,974	311,881	452,934	339,701
<b>TOTAL GOVERNMENTAL</b>	<b>\$ 23,696,249</b>	<b>\$ 5,016,294</b>	<b>\$ 590,041</b>	<b>\$ 28,122,502</b>	<b>\$ 417,351</b>

\*The loan payable matures on December 22, 2022 and the City may draw up to \$2,000,000 on the loan. A debt service to maturity schedule is not available.

\*\*These liabilities have historically been retired by the General Fund.

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
<b>BUSINESS-TYPE</b>					
<b>ACTIVITIES</b>					
2012 GO ARS bond	\$ 8,440,000	\$ -	\$ 420,000	\$ 8,020,000	\$ 440,000
IEPA loan	19,510,835	-	947,072	18,563,763	965,438
Net pension liability - IMRF	222,461	1,286,073	-	1,508,534	-
Total OPEB liability payable	-	410,629	-	410,629	13,317
Compensated absences payable	36,962	60,626	33,266	64,322	57,890
<b>TOTAL BUSINESS-TYPE</b>	<b>\$ 28,210,258</b>	<b>\$ 1,757,328</b>	<b>\$ 1,400,338</b>	<b>\$ 28,567,248</b>	<b>\$ 1,476,645</b>

These liabilities have historically been retired by the Water/Sewer Operations Fund.

d. Other Non-Obligation Type Bonded Debt

Special Service Area Debt

Special Service Area Bonds outstanding as of the date of this report totaled \$4,110,600. These bonds are not an obligation of the City and are secured by the levy of an annual tax on the real property within the special service area. The City is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax and forwarding the collections to bondholders.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

c. Pledged Revenues

The City has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The Series 2012 General Obligation Alternate Revenue Source Bonds, issued for the North Wastewater Treatment Plant Upgrades, Phase 1A, are payable from (i) Water and Sewer Revenues, Non-Home Rule Sales Taxes, and such other funds of the City lawfully available and annually appropriated for such purpose; and (ii) ad valorem taxes levied against all taxable property within the City without limitation as to rate or amount. The 2012 bonds have a remaining total pledge of \$9,811,721, with the bonds maturing December 30, 2032. During the current fiscal year, the pledge of water revenues for the 2012 bonds of \$633,270 was approximately 6.22% of total water and sewer revenues and non-home rule sales tax revenues.

**7. DEFINED BENEFIT PENSION PLANS**

The City contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan (collectively called the pension plans) which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 and www.imrf.org. For the year ended April 30, 2019, the City reported total net pension liabilities of \$25,152,588 and total pension expense of \$2,650,235.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2018, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	90
Inactive employees entitled to but not yet receiving benefits	77
Active employees	66
TOTAL	<u>233</u>

*Benefits Provided*

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

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

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

*Contributions*

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rates for the calendar years ended December 31, 2018 and December 31, 2019 were 11.71% and 9.63% of covered payroll, respectively.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

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

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

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

CITY OF WOOD DALE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The discount rate used to measure the total pension liability at December 31, 2017 was 7.50%.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 28,819,310	\$ 28,033,682	\$ 785,628
Changes for the period			
Service cost	435,385	-	435,385
Interest	2,128,994	-	2,128,994
Difference between expected and actual experience	420,945	-	420,945
Changes in assumptions	905,629	-	905,629
Employer contributions	-	558,717	(558,717)
Employee contributions	-	215,876	(215,876)
Net investment income	-	(1,464,780)	1,464,780
Benefit payments and refunds	(1,300,827)	(1,300,827)	-
Other (net transfer)	-	536,884	(536,884)
Net changes	2,590,126	(1,454,130)	4,044,256
BALANCES AT DECEMBER 31, 2018	\$ 31,409,436	\$ 26,579,552	\$ 4,829,884

Changes in assumptions relate to the change in discount rate during 2018

CITY OF WOOD DALE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2019, the City recognized pension expense of \$311,576. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 424,127	\$ 4,620
Changes in assumption	643,310	398,335
Net difference between projected and actual earnings on pension plan investments	1,772,379	-
Employer contributions after the measurement date	148,739	-
TOTAL	\$ 2,988,555	\$ 402,955

\$148,739 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending April 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense for the City as follows:

Year Ending April 30,	
2020	\$ 775,414
2021	548,795
2022	399,110
2023	713,542
TOTAL	\$ 2,436,861

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

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

	Current		1% Increase (8.25%)
	1% Decrease (6.25%)	Discount Rate (7.25%)	
Net pension liability	\$ 8,966,314	\$ 4,829,884	\$ 1,460,348

Police Pension Plan

*Plan Administration*

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

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

Administrative costs are financed through contributions and investment income.

*Plan Membership*

At April 30, 2019, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	26
Inactive plan members entitled to but not receiving benefits	-
Active plan members	35
TOTAL	61

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided*

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits, which are recognized when due and payable in accordance with ILCS. Benefits and refunds of the Police Pension Plan are recognized when due and payable in accordance with the terms of the plan.

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary, including administrative costs. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the City has chosen a policy to fund 100% of the past service cost by 2040. For the year ended April 30, 2019, the City's contribution was 39.54% of covered payroll.

*Investment Policy*

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and requires the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, corporate bonds, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

There were no changes to the investment policy during the year.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)  
*Investment Policy* (Continued)

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes (net of inflation estimate of 2.30%):

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	27.00%	7.62%
U.S. Mid Cap Equity	3.00%	6.00%
U.S. Small Cap Equity	3.00%	5.06%
Real Estate	3.00%	4.57%
Non US Developed Equity	16.00%	4.82%
Emerging Markets	8.00%	6.45%
Fixed Income	38.00%	1.40%
Cash	2.00%	0.61%

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study by the Global Investment Committee of Morgan Stanley and was published in March 2019. The best estimate ranges of expected nominal rates of return (net of inflation of 2.30%) were developed for each major assets class as of December 31, 2018. These ranges were combined to produce the long-term expected rate of return by weighting the expected future nominal rates of return by the target asset allocation percentage. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2019 are listed in the table above.

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



7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Investment Rate of Return*

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.72%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

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

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 3,538,137	\$ 70,019	\$ 1,360,846	\$ 2,107,272	\$ -
U.S. agency securities	2,101,273	539,701	478,730	285,801	797,041
Corporate bonds	3,142,278	44,952	1,921,520	997,028	178,778
TOTAL	\$ 8,781,688	\$ 654,672	\$ 3,761,096	\$ 3,390,101	\$ 975,819

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

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Interest Rate Risk (Continued)*

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to have an average maturity/modified duration of approximately five years. This average is adjusted upward when interest rates are rising and downward when they are falling in order to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

*Credit Risk*

In accordance with its investment policy, the Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing primarily in U.S. Treasury obligations, U.S. agency obligations, and requiring that municipal and corporate bonds must be rated as investment grade by one of the two largest rating services at the time of purchase. The U.S. Treasury obligations and U.S. agency securities are rated AAA. Corporate bonds are rated ranging from AAA to BAA3.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund is exposed to custodial credit risk as the broker also serves as the custodian. However, the custodian has issued an excess SIPC policy to the Fund to mitigate the exposure to custodial credit risk.

*Concentration of Credit Risk*

Concentration of credit risk is the risk that the Fund has a high percentage of its investments invested in one type of investment. The Fund's investment policy limits the amount of the portfolio that can be invested in any one investment category.

Diversification by Instrument	Percent of Portfolio	
	Minimum	Maximum
Equities and mutual funds	20%	65%
Fixed income	33%	78%
Cash	2%	20%

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Actuarial Assumptions*

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

Actuarial valuation date	April 30, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 8.97%
Interest rate	6.75%
Asset valuation method	Market

Active, Disabled, and Spouse mortality rates used in the April 30, 2019 valuation were based on the RP-2014 Study, with Blue Collar Adjustment and improved generationally using the MP-2016 Improvement Rates. Retiree mortality was based on an actuarial experience study conducted by the actuary in 2016 and experience-weighted with the Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment and improved generationally using MP-2016 Improvement Rates. Other demographic assumptions are based on a review of assumptions in the actuary's 2016 experience study for Illinois Police Officers.

*Discount Rate*

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2018	\$ 44,785,681	\$ 25,570,114	\$ 19,215,567
Changes for the period			
Service cost	775,260	-	775,260
Interest	2,961,412	-	2,961,412
Difference between expected and actual experience	106,218	-	106,218
Changes in assumptions	-	-	-
Employer contributions	-	1,300,128	(1,300,128)
Employee contributions	-	328,458	(328,458)
Net investment income	-	1,159,230	(1,159,230)
Benefit payments and refunds	(1,825,822)	(1,825,822)	-
Administrative expense	-	(52,063)	52,063
Net changes	2,017,068	909,931	1,107,137
BALANCES AT APRIL 30, 2019	\$ 46,802,749	\$ 26,480,045	\$ 20,322,704

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. DEFINED BENEFIT PENSION PLANS (Continued)**

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 27,478,198	\$ 20,322,704	\$ 14,540,333

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

For the year ended April 30, 2019, the City recognized pension expense of \$2,338,659. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,071,953	\$ 171,994
Changes in assumptions	1,155,521	667,497
Net difference between projected and actual earnings on pension plan investments	390,720	-
<b>TOTAL</b>	<b>\$ 2,618,194</b>	<b>\$ 839,491</b>

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. DEFINED BENEFIT PENSION PLANS (Continued)**

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

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

Fiscal Year Ending April 30,	
2020	\$ 595,949
2021	228,323
2022	355,567
2023	362,880
2024	76,478
Thereafter	159,506
<b>TOTAL</b>	<b>\$ 1,778,703</b>

**8. OTHER POSTEMPLOYMENT BENEFITS**

- a. Plan Description

In addition to the pension benefits described in Note 7, the City provides postemployment health care benefits (OPEB) to certain retirees under its Healthcare Benefits Program, a single-employer plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the City and can be amended by the City under its personnel manual and union contracts. To be eligible, employees must be enrolled in the City's healthcare plan at time of retirement, and receive a pension from either IMRF or the Fund. The City provides an explicit premium subsidy to certain retirees who meet eligibility conditions, and healthcare access to other retired members provided the member pays 100% of the blended premium. Police officers who become disabled in the line of duty during an emergency receive continuation of healthcare benefits at no cost to the member. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the City's insurance provider.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- b. Benefits Provided
- All healthcare benefits are provided through the City's health plan. The benefit levels are similar to those afforded to active employees. Benefits include general in-patient and out-patient medical services, vision care, dental care, and prescriptions. Upon a retired participant reaching the age of 65, Medicare becomes the primary insurer and the City's plan becomes secondary. A separate, audited GAAP basis report is not issued for the plan.
- c. Membership
- At April 30, 2018 (most recent data available), membership consisted of:
- |                                                                          |                   |
|--------------------------------------------------------------------------|-------------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 13                |
| Inactive employees entitled to but not yet receiving benefit payments    | -                 |
| Active employees                                                         | <u>109</u>        |
| <b>TOTAL</b>                                                             | <u><u>122</u></u> |

d. Total OPEB Liability

The City's total OPEB liability of \$2,804,943 was measured as of April 30, 2019 and was determined by an actuarial valuation as of May 1, 2017.

- e. Actuarial Assumptions and Other Inputs
- The total OPEB liability at April 30, 2019, as determined by an actuarial valuation as of May 1, 2017 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to April 30, 2019, including updating the discount rate at April 30, 2019, as noted below.

Actuarial cost method	Entry-age normal
Actuarial value of assets	N/A
Salary Increases	2.75%
Discount rate	3.79%
Healthcare cost trend rates	5.50% to 6.50% Initial 5.00% Ultimate

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- e. Actuarial Assumptions and Other Inputs (Continued)
- The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's A.A.
- Active IMRF Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study. These rates are improved generationally using MP-2017 improvement rates and weighted based on the IMRF December 31, 2017 valuation. Retiree and spousal IMRF mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study, with blue collar adjustments. These rates are improved generationally using MP-2017 improvement rates. Active Police Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates. Retiree Police Mortality follows the Lauterbach and Amen Assumption Study for Police 2016. These rates are experience weighted with the raw rates as developed in the RP-204 study, with blue collar adjustment and improved generationally using MP-206 improvement rates. Disabled mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study for disabled participants. These rates are improved generationally using MP-2016 improvement rates. Spouse mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study. These rates are improved generationally using MP-2016 improvement rates.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2018	<u>\$ 2,672,474</u>
Changes for the period	
Service cost	48,286
Interest	104,291
Changes in assumptions	70,859
Benefit payments	<u>(90,967)</u>
Net changes	<u>132,469</u>
BALANCES AT APRIL 30, 2019	<u>\$ 2,804,943</u>

Changes in assumptions during 2019 related to the change in discount rate from 3.97% to 3.79%.

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

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

	1% Decrease (2.79%)	Current Discount Rate (3.79%)	1% Increase (4.79%)
Total OPEB liability	\$ 3,323,863	\$ 2,804,943	\$ 2,397,225

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 5.50% to 6.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.50% to 5.50%) or 1 percentage point higher (6.50% to 7.50%) than the current rate:

	1% Decrease (4.50% to 5.50%)	Current Healthcare Rate (5.50% to 6.50%)	1% Increase (6.50% to 7.50%)
Total OPEB liability	\$ 2,373,569	\$ 2,804,943	\$ 3,356,489

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

For the year ended April 30, 2019, the City recognized OPEB expense of \$68,878. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	63,591	-
TOTAL	\$ 63,591	\$ -

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

Year Ending April 30,	
2020	\$ 7,268
2021	7,268
2022	7,268
2023	7,268
2024	7,268
Thereafter	27,251
TOTAL	\$ 63,591

9. COMMITMENTS AND CONTINGENCIES

DuPage Water Commission

The City has a contract for the purchase of Lake Michigan water from the DuPage Water Commission (the Commission). The Commission's obligation to deliver lake water is limited to certain specified maximum amounts as defined by the terms of the agreement. The City is obligated to pay a share of operation and maintenance costs on a monthly basis computed based on current price and consumption.

Litigation

The City is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable in the opinion of the City's attorneys.

Grants

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

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. INDIVIDUAL FUND DISCLOSURES**

Transfers between major funds and nonmajor funds are as follows:

Fund	Transfers In	Transfers Out
General	\$ 250,000	\$ 1,162,947
Capital Projects	900,000	-
Water/Sewer Operations	-	280,000
Nonmajor Governmental	-	-
Tourism	-	250,000
Land Acquisition	837,947	-
Road and Bridge	-	264,785
Motor Fuel Tax	264,785	900,000
Capital Equipment Replacement	605,000	-
<b>TOTAL ALL FUNDS</b>	<b>\$ 2,857,732</b>	<b>\$ 2,857,732</b>

The purposes of significant interfund transfers are as follows:

- Transfer from Tourism Fund to General Fund of \$250,000 to cover the costs to administer the tourism programs incurred by the General Fund.
- Transfer from Motor Fuel Tax Fund to Capital Projects Fund to cover the cost of eligible capital projects.
- Transfer from Water/Sewer Operations Fund to Capital Equipment Replacement Fund of \$280,000 to cover the cost of vehicle and equipment purchases.
- Transfer from General Fund to Land Acquisition Fund of \$837,947 to cover the fund's negative cash position.
- Transfer from General Fund to Capital Equipment Replacement Fund of \$325,000 to cover the cost of vehicle and equipment purchases for governmental funds.
- Transfer from Road and Bridge Fund to Motor Fuel Tax Fund of \$264,785 to provide funding for road and bridge project.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. INDIVIDUAL FUND DISCLOSURES (Continued)**

Due to/from other funds are as follows:

Due To	Due From	Amount
General	Water/Sewer Operations	\$ 837,497

The purposes of the due to/from other funds are as follows:

- \$697,550 due to the General Fund from the Water/Sewer Operations Fund to cover certain operating costs.
- \$139,947 due to the General Fund from the Water/Sewer Operations Fund to cover the fund's negative cash position.

Individual fund advances are as follows:

Advance From	Advance To	Amount
General	Commuter Parking	\$ 107,587
Capital Equipment Replacement	Commuter Parking	300,000
Capital Equipment Replacement	Water/Sewer Operations	803,626
<b>TOTAL</b>		<b>\$ 1,211,213</b>

The purposes of the advances from/to other funds are as follows:

- \$407,587 advance to the Commuter Parking Fund from the General Fund and Capital Equipment Replacement Fund to cover costs associated with reconstruction of the parking lot. Repayments are scheduled in annual amounts of \$30,000.
- \$803,626 due to the Capital Equipment Replacement Fund from the Water/Sewer Operations Fund to cover certain operating costs.

**11. ECONOMIC INCENTIVES**

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

In November 2009, the City entered into a sales tax reimbursement agreement with a developer to construct a retail gasoline/convenience store within the City. Under the agreement, the City has agreed to remit to the developer 50% of sales tax collected from the retail store during each calendar year in excess of \$15,000.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. ECONOMIC INCENTIVES (Continued)**

The first \$15,000 is to be retained exclusively by the City. The agreement is in effect for a period of 20 years or until the cumulative amount of \$1,250,000 has been rebated to the developer, whichever occurs first.

The total rebates incurred and paid during the year ended April 30, 2019 was \$49,756 and is recorded as an expenditure in the General Fund.

In January 2017, the City entered into a sales tax reimbursement agreement with a retailer to expand their business within the City. Under the agreement, the City has agreed to remit to the retailer 0.25% of all taxable revenue generated at the property if the growth of the local sales tax receipts is 5% or greater than the prior sales tax year. If the growth of the local sales tax receipts is less than 5% from the prior sales tax year, the City will remit to the retailer 0.125% of all taxable revenue generated at the property. The agreement is in effect for a period of five years from the commencement date. The total rebates incurred and paid during the year ended April 30, 2019 was \$50,288 and is recorded as an expenditure in the General Fund.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF WOOD DALE, ILLINOIS**

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

For the Year Ended April 30, 2019

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Taxes	\$ 4,584,576	\$ 4,584,576	\$ 4,298,204
Licenses and permits	1,168,000	1,168,000	722,087
Intergovernmental	5,114,620	5,114,620	5,530,336
Charges for services	586,530	586,530	586,360
Fines and forfeits	799,750	799,750	825,024
Investment income	92,500	92,500	101,435
Miscellaneous	818,658	818,658	1,155,616
<b>Total revenues</b>	<b>13,164,634</b>	<b>13,164,634</b>	<b>13,219,062</b>
<b>EXPENDITURES</b>			
General government	5,189,697	5,189,697	5,347,638
Public safety	6,642,237	6,642,237	6,748,651
Highways and streets	1,207,187	1,207,187	1,119,765
<b>Total expenditures</b>	<b>13,039,121</b>	<b>13,039,121</b>	<b>13,216,054</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>125,513</b>	<b>125,513</b>	<b>3,008</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	250,000	250,000	250,000
Transfers (out)	(335,000)	(335,000)	(1,162,947)
<b>Total other financing sources (uses)</b>	<b>(85,000)</b>	<b>(85,000)</b>	<b>(912,947)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 40,513</b>	<b>\$ 40,513</b>	<b>(909,939)</b>
<b>FUND BALANCE, MAY 1</b>			<b>8,322,037</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 7,412,098</b>

(See independent auditor's report.)

**CITY OF WOOD DALE, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

	<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Actuarially determined contribution	\$	552,503	\$ 521,086	\$ 524,474	\$ 501,726
Contributions in relation to the actuarially determined contribution		552,503	521,086	524,474	501,726
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>
Covered payroll	\$	4,532,650	\$ 4,376,856	\$ 4,530,428	\$ 4,479,472
Contributions as a percentage of covered payroll		12.19%	11.91%	11.58%	11.20%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)



CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,019,884	\$ 1,023,940	\$ 1,081,298	\$ 1,181,154	\$ 1,300,127
Contributions in relation to the actuarially determined contribution	883,238	1,023,960	1,081,300	1,181,162	1,300,128
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ 136,646</b>	<b>\$ (20)</b>	<b>\$ (2)</b>	<b>\$ (8)</b>	<b>\$ (1)</b>
Covered payroll	\$ 3,101,656	\$ 3,246,190	\$ 3,390,761	\$ 3,509,438	\$ 3,288,479
Contributions as a percentage of covered payroll	28.48%	31.54%	31.89%	33.66%	39.54%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 22 years; the asset valuation method was five-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, projected salary increases assumption of 4.00% to 8.97% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF CHANGES IN THE EMPLOYERS'  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 481,907	\$ 452,339	\$ 455,926	\$ 435,385
Interest	1,915,795	1,978,938	2,077,093	2,128,994
Changes of benefit terms				
Differences between expected and actual experience	(516,170)	(33,477)	292,280	420,945
Changes of assumptions	33,818	(70,106)	(907,985)	905,629
Benefit payments, including refunds of member contributions	(991,083)	(1,053,344)	(1,129,241)	(1,300,827)
Net change in total pension liability	924,267	1,274,350	788,073	2,590,126
Total pension liability - beginning	25,832,620	26,756,887	28,031,237	28,819,310
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 26,756,887</b>	<b>\$ 28,031,237</b>	<b>\$ 28,819,310</b>	<b>\$ 31,409,436</b>

**TOTAL PENSION LIABILITY - ENDING**

<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 558,047	\$ 525,356	\$ 526,216	\$ 558,717
Contributions - member	201,200	193,219	205,732	215,876
Net investment income	118,862	1,602,686	4,254,445	(1,464,780)
Benefit payments, including refunds of member contributions	(991,083)	(1,053,344)	(1,129,241)	(1,300,827)
Other (net transfer)	(439,575)	(32,789)	(394,345)	536,884
Net change in plan fiduciary net position	(552,549)	1,235,128	3,462,807	(1,454,130)
Plan fiduciary net position - beginning	23,888,296	23,335,747	24,570,875	28,033,682
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 23,335,747</b>	<b>\$ 24,570,875</b>	<b>\$ 28,033,682</b>	<b>\$ 26,579,552</b>

**EMPLOYER'S NET PENSION LIABILITY**

Plan fiduciary net position				
as a percentage of the total pension liability	87.21%	87.66%	97.27%	84.62%
Covered payroll	\$ 4,464,061	\$ 4,285,625	\$ 4,571,815	\$ 4,450,647
Employer's net pension liability as a percentage of covered payroll	76.64%	80.74%	17.18%	108.52%

The discount rate assumption was changed from 7.50% to 7.25% in 2018.

The price inflation assumption was changed from 2.75% to 2.50%, and the salary increase assumption was changed from 3.75% - 14.50% to 3.39% - 14.25% in 2017.

The discount rate assumption was changed from 7.48% to 7.50% in 2016.

The retirement age and mortality assumptions were changed in 2015.

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

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

Last Five Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019
<b>TOTAL PENSION LIABILITY</b>					
Service cost	\$ 699,643	\$ 646,508	\$ 760,237	\$ 726,239	\$ 775,260
Interest	2,297,128	2,434,056	2,686,344	2,769,286	2,961,412
Changes of benefit terms	-	(352,566)	297,731	1,063,649	106,218
Differences between expected and actual experience	-	2,368,669	(1,096,299)	-	-
Changes in assumptions	(1,069,412)	(1,163,299)	(1,238,569)	(1,599,900)	(1,825,822)
Benefit payments, including refunds of member contributions	1,927,359	3,923,368	1,409,444	2,959,274	2,017,068
Net change in total pension liability	34,586,236	36,493,595	40,416,963	41,826,407	44,785,681
Total pension liability - beginning	\$ 36,493,595	\$ 40,416,963	\$ 41,826,407	\$ 44,785,681	\$ 46,802,749
<b>TOTAL PENSION LIABILITY - ENDING</b>					
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	\$ 883,238	\$ 1,023,960	\$ 1,081,300	\$ 1,181,162	\$ 1,300,128
Contributions - member	298,262	332,138	320,719	303,265	328,458
Net investment income	1,197,294	(358,480)	2,100,822	1,886,339	1,159,231
Benefit payments, including refunds of member contributions	(1,069,412)	(1,163,299)	(1,238,569)	(1,599,900)	(1,825,822)
Administrative expense	(39,466)	(38,886)	(46,234)	(58,137)	(52,064)
Net change in plan fiduciary net position	1,269,916	(204,567)	2,218,038	1,712,729	909,931
Plan fiduciary net position - beginning	20,573,998	21,843,914	21,639,347	23,857,385	25,570,114
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 21,843,914</b>	<b>\$ 21,639,347</b>	<b>\$ 23,857,385</b>	<b>\$ 25,570,114</b>	<b>\$ 26,480,045</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 14,649,681</b>	<b>\$ 18,777,616</b>	<b>\$ 17,969,022</b>	<b>\$ 19,215,567</b>	<b>\$ 20,322,704</b>
Plan fiduciary net position as a percentage of the total pension liability	59.86%	53.54%	57.04%	57.09%	56.58%
Covered payroll	\$ 3,101,656	\$ 3,246,190	\$ 3,390,761	\$ 3,509,438	\$ 3,288,479
Employer's net pension liability as a percentage of covered payroll	472.32%	578.45%	529.94%	547.54%	618.00%

Notes to Required Supplementary Information  
2016 - Actuarial assumptions were updated to reflect revised expectations with respect to mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.  
2017 - Actuarial assumptions were updated to reflect revised expectations with respect to mortality rates.  
Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

Last Two Fiscal Years

MEASUREMENT DATE APRIL 30,	2018	2019
<b>TOTAL OPEB LIABILITY</b>		
Service cost	\$ 46,442	\$ 48,286
Interest	101,880	104,291
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes in assumptions	-	70,859
Benefit payments, including refunds of member contributions	(84,163)	(90,967)
Net change in total OPEB liability	64,159	132,469
Total OPEB liability - beginning	2,608,315	2,672,474
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 2,672,474</b>	<b>\$ 2,804,943</b>
Covered payroll	\$ 8,308,877	\$ 8,356,127
Employer's total OPEB liability as a percentage of covered payroll	32.16%	33.57%

Notes to Required Supplementary Information

2019 - Actuarial assumptions were updated to reflect changes in the discount rate from 3.97% to 3.79%.

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

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

(See independent auditor's report.)

**CITY OF WOOD DALE, ILLINOIS**  
**SCHEDULE OF INVESTMENT RETURNS**  
**POLICE PENSION FUND**

Last Five Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	5.98%	(1.54%)	9.99%	7.98%	4.72%

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

**CITY OF WOOD DALE, ILLINOIS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

April 30, 2019

**1. BUDGETS**

The City operates under the Illinois Municipal Budget Law.

All departments of the City submit budget requests to the City Manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the City Council for review. The City Council holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is employed during the year. Encumbrances are not reported in the financial statements.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Budgetary authority lapses at the fiscal year end.

Annual appropriations are adopted for the General Fund, Special Revenue Funds (except for the Grant Fund), Debt Service Funds, Capital Projects Funds, Enterprise Funds, and the Pension Trust Fund. Budgets for these funds are adopted on a basis consistent with GAAP, except that in the Enterprise Funds, capital outlays and principal payments are budgeted as expenses, while GASB 68 adjustments are not budgeted.

Expenditures may not legally exceed appropriations at the fund level.

**2. INDIVIDUAL FUND DISCLOSURES**

The following funds had expenditures in excess of budget:

Fund	Excess
General	\$ 176,933
Commuter Parking	888
Sanitation	3,341
Police Pension	159,184

(See independent auditor's report.)

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

**MAJOR GOVERNMENTAL FUNDS**

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
<b>Taxes</b>			
Property taxes, current	\$ 3,031,576	\$ 3,031,576	\$ 3,081,866
Replacement tax	28,000	28,000	25,128
Telecommunication tax	1,200,000	1,200,000	922,019
Utility tax	325,000	325,000	269,191
Total taxes	4,584,576	4,584,576	4,298,204
<b>Licenses and permits</b>			
Building permits	675,000	675,000	256,393
Occupancy permits	5,000	5,000	1,330
Rental housing inspection fees	85,000	85,000	89,330
Miscellaneous building fees	1,500	1,500	-
Contractors registration	50,000	50,000	44,740
Business licenses	130,000	130,000	105,423
Liquor licenses	61,000	61,000	64,305
Vehicle licenses	152,500	152,500	151,486
Georgetown permits	8,000	8,000	9,080
Total licenses and permits	1,168,000	1,168,000	722,087
<b>Intergovernmental</b>			
Income tax	1,350,000	1,350,000	1,336,915
Sales tax	3,400,000	3,400,000	3,761,268
Use tax	360,000	360,000	426,004
Tobacco enforcement grant	2,420	2,420	2,200
Bullet proof vest grant	2,200	2,200	3,949
Total intergovernmental	5,114,620	5,114,620	5,530,336
<b>Charges for services</b>			
Cable TV franchise fees	230,000	230,000	214,710
Right of way usage fee	53,580	53,580	20,000
Plan review fees	40,000	40,000	25,604
Re-inspection fees	8,500	8,500	55,987
Reimbursement - police service	86,000	86,000	93,555
E-ticketing fee	2,250	2,250	1,765
Administration fee - impounded vehicles	110,000	110,000	102,680

(This schedule is continued on the following page.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES (Continued)</b>			
<b>Charges for services (Continued)</b>			
Administration fee - FTA booking	\$ 2,000	\$ 2,000	\$ 2,030
Other police revenue	12,000	12,000	34,304
Over weight permit fees	20,000	20,000	10,850
Alarm fees	15,000	15,000	5,100
Commercial rent	7,200	7,200	19,775
Total charges for services	586,530	586,530	586,360
<b>Fines and forfeits</b>			
Court fines	285,000	285,000	251,380
Police fines	25,000	25,000	49,460
Stray animal fines	750	750	875
Liquor license fines	1,500	1,500	-
Court supervision	15,000	15,000	9,854
DUI tech fund fees	22,500	22,500	12,874
Red light enforcement	450,000	450,000	500,581
Total fines and forfeits	799,750	799,750	825,024
<b>Investment income</b>			
Miscellaneous	92,500	92,500	101,435
IPBC	150,000	150,000	45,796
Pull tabs and jar game	2,000	2,000	1,033
Bond forfeitures	7,500	7,500	8,533
Employee health care contribution	375,000	375,000	406,429
Park district bank runs	6,250	6,250	4,585
Dumeg receipts	24,908	24,908	29,211
Auction proceeds	3,000	3,000	7,418
Miscellaneous	250,000	250,000	652,611
Total miscellaneous	818,658	818,658	1,155,616
<b>TOTAL REVENUES</b>	\$ 13,164,634	\$ 13,164,634	\$ 13,219,062

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT</b>			
Legislative - administration			
Personal services	\$ 553,545	\$ 553,545	\$ 513,631
Salaries	500	500	-
Overtime pay	6,240	6,240	6,242
Leave time buy-back	75,003	75,003	72,118
Elected officials	5,000	5,000	5,000
Deferred compensation	48,982	48,982	40,454
FICA expenditures	74,978	74,978	63,197
IMRF expenditures			
Total personal services	764,248	764,248	700,642
Contractual services			
Telephone/alarm line	2,160	2,160	2,100
Printing	1,900	1,900	1,528
Professional services	36,000	36,000	36,000
Engineering services	-	-	2,996
Publish legal notice	1,600	1,600	1,529
Recording fees	1,500	1,500	1,819
Education and training	1,500	1,500	689
Dues and subscriptions	2,870	2,870	3,508
Dues and subscriptions - legislative	15,000	15,000	15,431
Total contractual services	62,530	62,530	65,600
Commodities			
Gasoline	100	100	58
Books and publications	200	200	-
Office supplies	2,750	2,750	5,300
Total commodities	3,050	3,050	5,358
Other charges			
Business expenses	4,827	4,827	3,451
Conference/meetings	3,500	3,500	1,626
Conference/meetings - legislative	15,000	15,000	9,468
Miscellaneous	2,700	2,700	3,213
Total other charges	26,027	26,027	17,758
Total legislative - administration	855,855	855,855	789,358
Building department			
Personal services			
Salaries	529,340	529,340	548,999
Overtime pay	500	500	1,092
Stand-by pay	1,000	1,000	-
Stipends	400	400	400
FICA expenditures	40,640	40,640	40,765
IMRF expenditures	62,208	62,208	59,128
Total personal services	634,088	634,088	650,384

(This schedule is continued on the following pages.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Building department (Continued)			
Contractual services			
Printing	\$ 2,500	\$ 2,500	\$ 1,513
Maintenance - vehicles	1,250	1,250	1,616
Professional services	150,000	150,000	159,562
Publish legal notice	1,500	1,500	1,69
Education and training	6,500	6,500	2,015
Dues and subscriptions	3,000	3,000	3,000
Property maintenance	18,000	18,000	3,076
Total contractual services	182,750	182,750	167,951
Commodities			
Gasoline	3,750	3,750	1,687
Books and publications	1,000	1,000	1,015
Maintenance - vehicles	3,000	3,000	2,355
Uniforms	2,000	2,000	400
Safety equipment	500	500	217
Office supplies	1,750	1,750	1,326
Total commodities	12,000	12,000	7,000
Capital outlay			
Office equipment	2,000	2,000	-
Total capital outlay	2,000	2,000	-
Other charges			
Conference meetings	4,500	4,500	4,358
Economic development	-	-	89
Total other charges	4,500	4,500	4,447
Total building department	835,338	835,338	829,782
Finance department			
Personal services			
Salaries	345,765	345,765	328,706
Overtime pay	4,500	4,500	2,973
Leave time buy-back	3,018	3,018	3,018
Longevity pay	950	950	-
Stipends	200	200	-
FICA expenditures	27,114	27,114	24,604
IMRF expenditures	41,504	41,504	35,135
Total personal services	423,051	423,051	394,436
Contractual services			
Printing	16,000	16,000	16,494
Professional services	1,100	1,100	1,484
Education and training	2,000	2,000	612
Dues and subscriptions	675	675	616
Total contractual services	19,775	19,775	19,206

(This schedule is continued on the following pages.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Finance department (Continued)			
Commodities			
Postage	\$ 75	\$ 75	\$ -
Books and publications	150	150	-
Uniforms	800	800	543
Office supplies	1,750	1,750	1,287
Total commodities	2,775	2,775	1,830
Other charges	2,300	2,300	3,076
Conference/meetings	150	150	-
Miscellaneous			
Total other charges	2,450	2,450	3,076
Total finance department	448,051	448,051	418,548
Legal			
Contractual services			
Legal - general fund	261,000	261,000	397,110
Legal - prosecution	55,750	55,750	56,926
Legal - labor	17,500	17,500	61,571
Total legal	334,250	334,250	515,607
City clerk's office			
Personal services			
Salaries	69,851	69,851	71,399
Overtime pay	750	750	354
FICA expenditures	5,401	5,401	5,209
IMRF expenditures	8,267	8,267	7,813
Total personal services	84,269	84,269	84,775
Contractual services			
Professional services	11,500	11,500	19,696
Education and training	200	200	60
Dues and subscriptions	85	85	35
Total contractual services	11,785	11,785	19,791
Other charges	1,000	1,000	923
Miscellaneous	1,000	1,000	923
Total other charges	97,054	97,054	105,489
Total city clerk's office			

(This schedule is continued on the following pages.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
City services administration			
Personal services			
Salaries	\$ 284,553	\$ 284,553	\$ 284,833
Overtime pay	250	250	325
Longevity pay	1,100	1,100	1,100
Stipends	12,500	12,500	9,000
FICA expenditures	21,872	21,872	21,192
IMRF expenditures	33,479	33,479	31,535
Total personal services	353,754	353,754	347,985
Contractual services			
Printing	150	150	-
Maintenance - building/grounds	15,000	15,000	12,829
Maintenance - office equipment	300	300	-
Maintenance - other equipment	200	200	-
Maintenance - vehicles	200	200	575
Maintenance agreements	4,500	4,500	6,336
Professional services	1,200	1,200	682
Engineering services	50,000	50,000	43,073
Education and training	6,500	6,500	685
Dues and subscriptions	1,200	1,200	4,093
Total contractual services	79,250	79,250	68,273
Commodities			
Gasoline	1,600	1,600	1,528
Postage	100	100	49
Books and publications	100	100	-
Maintenance - building/grounds	5,000	5,000	807
Maintenance - vehicles	500	500	154
Uniforms	16,000	16,000	18,065
Safety equipment	6,000	6,000	2,195
Office supplies	3,500	3,500	2,701
Other parts and materials	4,500	4,500	406
Total commodities	37,300	37,300	25,905
Other charges	5,000	5,000	1,654
Conference/meetings	4,500	4,500	3,544
Safety program	500	500	132
Miscellaneous			
Total other charges	10,000	10,000	5,330
Total city services administration	480,304	480,304	447,493
Central services			
Contractual services			
Telephone/alarm line	112,500	112,500	120,559
Printing	10,500	10,500	22,549
Maintenance - building/grounds	125,000	125,000	94,164
Maintenance agreements	15,000	15,000	-

(This schedule is continued on the following pages.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Central services (Continued)			
Contractual services (Continued)			
Equipment rental	\$ 10,000	\$ 10,000	\$ 17,250
IT professional services	30,000	30,000	19,301
Auditing services	39,500	39,500	40,790
Professional services	26,500	26,500	25,557
Insurance premiums	350,000	350,000	349,874
Health insurance	1,530,000	1,530,000	1,661,248
Employee development			3,800
Employee recruitment	500	500	2,427
Candidate medical exams	500	500	
Unemployment compensation	-	-	2,875
IT - software licenses and M/As	165,000	165,000	98,976
Total contractual services	2,415,000	2,415,000	2,459,370
Commodities			
Postage	22,000	22,000	18,758
Maintenance - building/grounds	10,000	10,000	7,928
Electric utilities	500	500	361
Flowers	350	350	400
Total commodities	32,850	32,850	27,447
Other charges			
Employee recognition	3,500	3,500	4,672
Safety program	250	250	162
Wellness program	10,000	10,000	11,485
Community donations	-	-	1,000
Generator grant program	2,500	2,500	3,140
OHFac noise	3,000	3,000	-
Miscellaneous	-	-	1
Credit card fees	-	-	785
Stormwater committees	225,000	225,000	31,333
Sales tax rebate program			100,043
Total other charges	244,250	244,250	152,621
Capital outlay			
IT equipment	36,000	36,000	27,715
Total capital outlay	36,000	36,000	27,715
Total central services	2,728,100	2,728,100	2,667,153
Vehicle maintenance	154,602	154,602	155,192
Personal services	500	500	428
Salaries	1,500	1,500	1,500
Overtime pay	11,980	11,980	11,815
FICA expenditures	18,338	18,338	17,322
IMRF expenditures			
Total personal services	186,920	186,920	186,257

(This schedule is continued on the following pages.)

CITY OF WOOD DALE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Vehicle maintenance (Continued)			
Contractual services	\$ 1,750	\$ 1,750	\$ 1,843
Maintenance - other equipment	200	200	612
Maintenance - vehicles	1,000	1,000	-
Education and training	10,600	10,600	7,733
Dues and subscriptions			
Total contractual services	13,550	13,550	10,188
Commodities			
Gasoline	1,000	1,000	781
Maintenance - other equipment	2,250	2,250	1,813
Maintenance - vehicles	325	325	1,175
Safety equipment	250	250	-
Other parts and materials	3,000	3,000	1,586
Total commodities	6,825	6,825	5,355
Capital outlay			
Other equipment	1,250	1,250	-
Total capital outlay	1,250	1,250	-
Other charges			
Conferences/meetings	100	100	-
Miscellaneous	100	100	408
Total other charges	200	200	408
Total vehicle maintenance	208,745	208,745	202,208
Subtotal general government	5,987,697	5,987,697	5,975,638
Reimbursement from other funds	(798,000)	(798,000)	(628,000)
Total general government	5,189,697	5,189,697	5,347,638
<b>PUBLIC SAFETY</b>			
Police department			
Personal services			
Salaries	3,723,888	3,723,888	3,825,000
Overtime pay	322,500	322,500	301,379
Part-time employment	23,860	23,860	22,280
Seasonal employment	13,500	13,500	9,275
Leave time buy-back	9,900	9,900	50,029
Longevity pay	13,800	13,800	13,800
FICA expenditures	314,220	314,220	316,461
IMRF expenditures	69,382	69,382	60,762
Total personal services	4,491,050	4,491,050	4,598,986

(This schedule is continued on the following pages.)



CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Police department (Continued)			
Contractual services			
Telephone/alarm line	\$ 12,500	\$ 12,500	\$ 13,775
Communications	9,900	9,900	11,294
Printing	2,600	2,600	3,637
Maintenance - building/grounds	18,000	18,000	12,155
Maintenance - office equipment	1,000	1,000	-
Maintenance - other equipment	2,000	2,000	337
Maintenance - vehicles	19,000	19,000	15,692
Maintenance agreements	17,000	17,000	19,873
Emergency services	1,600	1,600	1,812
Professional services	27,000	27,000	21,202
Community services	2,500	2,500	2,891
Township social services	14,650	14,650	14,220
Animal control	2,500	2,500	14,089
Education and training	29,500	29,500	30,870
Dues and subscriptions	2,100	2,100	1,854
Cops administration	132,000	132,000	167,880
Dispatching services	319,310	319,310	328,091
Total contractual services	613,160	613,160	659,672
Commodities			
Gasoline	57,000	57,000	53,806
Postage	400	400	13
Books and publications	200	200	100
Maintenance - building/grounds	2,500	2,500	729
Maintenance - other equipment	2,800	2,800	3,271
Maintenance - vehicles	27,500	27,500	24,104
Uniforms	36,000	36,000	28,451
Emergency services	3,000	3,000	3,310
Copy supplies	1,500	1,500	1,057
Office supplies	3,000	3,000	3,223
Photo supplies	500	500	507
Community services	7,500	7,500	7,784
Detective's expense	3,000	3,000	3,578
Investigative supplies	1,500	1,500	1,583
Ammunition/gun range	6,200	6,200	5,869
Prisoner food	200	200	59
Total commodities	152,800	152,800	137,444
Capital outlay			
Office equipment	2,500	2,500	1,690
Police operating equipment	30,000	30,000	24,880
Total capital outlay	32,500	32,500	26,570

(This schedule is continued on the following pages.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Police department (Continued)			
Other charges	\$ 1,300,127	\$ 1,300,127	\$ 1,300,128
Police pension contribution	3,900	3,900	2,780
Court mileage reimbursement	3,000	3,000	2,933
Conferences/meetings	18,000	18,000	-
District #7 after school program	3,500	3,500	3,500
DuPage children center	2,200	2,200	245
Safety program	4,500	4,500	3,495
Fitness program	4,900	4,900	4,875
Accreditation	2,000	2,000	1,423
Miscellaneous	2,000	2,000	1,423
Total other charges	1,342,127	1,342,127	1,319,379
Total police department	6,631,637	6,631,637	6,742,051
Police and fire commission			
Part-time employment	3,800	3,800	2,000
FICA expenditures	300	300	153
Total personal services	4,100	4,100	2,153
Contractual services			
Printing	100	100	-
Dues and subscriptions	400	400	1,175
Total contractual services	500	500	1,175
Other charges			
Conferences/meetings	600	600	-
Testing program	5,000	5,000	3,229
Miscellaneous	400	400	43
Total other charges	6,000	6,000	3,272
Total police and fire commission	10,600	10,600	6,600
Total public safety	6,642,237	6,642,237	6,748,651
<b>HIGHWAYS AND STREETS</b>			
Personal services			
Salaries	549,459	549,459	536,033
Overtime pay	44,000	44,000	54,547
Stand-by pay	12,750	12,750	15,211
Seasonal employment	38,000	38,000	19,667
Leave time buy-back	-	-	67
Longevity pay	1,850	1,850	1,850
FICA expenditures	49,424	49,424	46,736
IMRF expenditures	75,654	75,654	67,206
Total personal services	771,137	771,137	741,317

(This schedule is continued on the following page.)

CITY OF WOOD DALE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
 GENERAL FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>HIGHWAYS AND STREETS (Continued)</b>			
Contractual services	\$ 4,500	\$ 4,500	\$ 1,324
Maintenance - other equipment	12,000	12,000	9,683
Maintenance - vehicles	2,250	2,250	16,489
Equipment rental	45,000	45,000	49,715
Forestry program	50,000	50,000	54,350
Mosquito abatement	21,000	21,000	26,674
Gypsy moth spraying	14,000	14,000	14,496
Dump fees	10,000	10,000	-
Streambank/streetscape	80,000	80,000	53,007
Sidewalk maintenance	3,250	3,250	628
Education and training	750	750	837
Dues and subscriptions	45,000	45,000	28,474
Parkway tree replacement	8,800	8,800	14,407
Landscaping - City property			
Total contractual services	296,550	296,550	270,084
Commodities			
Gasoline	20,000	20,000	27,976
Maintenance - other equipment	22,000	22,000	19,995
Maintenance - vehicles	25,000	25,000	35,178
Safety equipment	1,750	1,750	1,313
Snow and ice control	42,000	42,000	14,201
Other parts and materials	17,500	17,500	5,245
Total commodities	128,250	128,250	103,908
Capital outlay			
Office equipment	10,000	10,000	4,103
Total capital outlay	10,000	10,000	4,103
Other charges			
Conferences/meetings	750	750	23
Miscellaneous	500	500	330
Total other charges	1,250	1,250	353
Total highways and streets	1,207,187	1,207,187	1,119,765
<b>TOTAL EXPENDITURES</b>	\$ 13,039,121	\$ 13,039,121	\$ 13,216,054

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 CAPITAL PROJECTS FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Utility	\$ 850,000	\$ 850,000	\$ 807,573
Non-home rule sales taxes	2,625,000	2,625,000	2,376,786
Intergovernmental	490,000	490,000	404,090
Grants	15,000	15,000	2,904
Investment income			
Total revenues	3,980,000	3,980,000	3,591,353
<b>EXPENDITURES</b>			
Highways and streets			
Contractual services	-	-	1,783
Capital outlay	6,139,773	6,139,773	4,048,957
Total expenditures	6,139,773	6,139,773	4,050,740
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(2,159,773)	(2,159,773)	(459,387)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,500,000	1,500,000	900,000
Notes issued, at par	-	-	802,000
Total other financing sources (uses)	1,500,000	1,500,000	1,702,000
<b>NET CHANGE IN FUND BALANCE</b>	\$ (659,773)	\$ (659,773)	\$ 1,242,613
<b>FUND BALANCE, MAY 1</b>			580,827
<b>FUND BALANCE, APRIL 30</b>			\$ 1,823,440

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2019

**NONMAJOR GOVERNMENTAL FUNDS**

	Special Revenue			
	Road and Bridge	Motor Fuel Tax	Tourism	Narcotics Forfeiture
<b>ASSETS</b>				
Cash and investments	\$ 204,085	\$ 609,164	\$ 474,794	\$ 36,017
Receivables, net of allowance for uncollectibles	-	-	33,747	-
Accounts Other	-	30,479	25,835	-
Due from other governments	-	1,071	8,905	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 204,085</b>	<b>\$ 640,714</b>	<b>\$ 543,281</b>	<b>\$ 36,017</b>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>				
Accounts payable	\$ 18,358	\$ 19,411	\$ 44,050	\$ 2,790
Accrued payroll	-	-	1,456	-
Deposits payable	-	-	6,250	149
Unearned revenue	-	-	18,600	-
Total liabilities	18,358	19,411	70,356	2,939

**FUND BALANCES**

Nonspendable - prepaid items	-	1,071	8,905	-
Restricted for public safety	-	-	-	33,078
Restricted for highways and streets	185,727	620,232	-	-
Restricted for tourism	-	-	464,020	-
Restricted for grant projects	-	-	-	-
Restricted for economic development	-	-	-	-
Assigned for capital projects	-	-	-	-
Total fund balances	185,727	621,303	472,925	33,078

**TOTAL LIABILITIES AND  
FUND BALANCES**

	\$ 204,085	\$ 640,714	\$ 543,281	\$ 36,017
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**CITY OF WOOD DALE, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2019

Grant	Special Revenue			Capital Projects			Total
	Thorndale Corridor TIF District	Land Acquisition	Capital Equipment Replacement				
\$ 120,309	\$ 2,696,522	\$ -	\$ 288,343	\$ 4,429,234			
-	-	-	-	33,747			
6,812	-	-	-	6,812			
-	-	-	-	56,314			
-	-	-	-	9,976			
-	-	-	1,103,626	1,103,626			
<b>\$ 127,121</b>	<b>\$ 2,696,522</b>	<b>\$ -</b>	<b>\$ 1,391,969</b>	<b>\$ 5,639,709</b>			
\$ 6,812	\$ -	\$ -	\$ 27,042	\$ 118,463			
-	-	-	-	1,456			
-	-	-	-	6,399			
-	-	-	-	18,600			
6,812	-	-	27,042	144,918			
-	-	-	-	9,976			
-	-	-	-	33,078			
-	-	-	-	805,959			
-	-	-	-	464,020			
120,309	-	-	-	120,309			
-	2,696,522	-	-	2,696,522			
-	-	-	1,364,927	1,364,927			
120,309	2,696,522	-	1,364,927	5,494,791			
<b>\$ 127,121</b>	<b>\$ 2,696,522</b>	<b>\$ -</b>	<b>\$ 1,391,969</b>	<b>\$ 5,639,709</b>			

	Special Revenue			
	Road and Bridge	Motor Fuel Tax	Tourism	Narcotics Forfeiture
<b>REVENUES</b>				
Taxes	\$ 242,368	\$ -	\$ 515,293	\$ -
Intergovernmental	-	349,546	-	-
Investment income	1,112	4,153	1,395	91
Miscellaneous	-	-	106,773	281
Total revenues	243,480	353,699	623,461	372
<b>EXPENDITURES</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	1,819
Highways and streets	248,716	174,810	-	-
Recreation	-	-	412,644	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	281
Total expenditures	248,716	174,810	412,644	2,100
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(5,236)</b>	<b>178,889</b>	<b>210,817</b>	<b>(1,728)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	264,785	-	-
Transfers (out)	(264,785)	(900,000)	(250,000)	-
Proceeds on sale of capital assets	-	-	-	-
Total other financing sources (uses)	(264,785)	(635,215)	(250,000)	-
<b>NET CHANGE IN FUND BALANCES</b>	<b>(270,021)</b>	<b>(456,326)</b>	<b>(39,183)</b>	<b>(1,728)</b>
<b>FUND BALANCES (DEFICIT), MAY 1</b>	<b>455,748</b>	<b>1,077,629</b>	<b>512,108</b>	<b>34,806</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 185,727</b>	<b>\$ 621,303</b>	<b>\$ 472,925</b>	<b>\$ 33,078</b>

(See independent auditor's report.)

**CITY OF WOOD DALE, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**

For the Year Ended April 30, 2019

Special Revenue	Capital Projects			Total
	Thorndale Corridor TIF District	Land Acquisition	Capital Equipment Replacement	
\$ -	\$ 1,548,769	\$ -	\$ -	\$ 2,306,430
33,921	-	-	95,614	479,081
-	24,124	-	2,295	33,170
-	-	5,000	-	112,054
33,921	1,572,893	5,000	97,909	2,930,735
33,921	-	-	-	33,921
-	-	-	-	1,819
-	-	-	-	423,526
-	106,554	-	-	412,644
-	-	-	-	106,554
-	5,069	-	-	5,069
-	-	842,497	505,120	1,347,898
33,921	111,623	842,497	505,120	2,331,431
-	1,461,270	(837,497)	(407,211)	596,304
-	-	837,947	605,000	1,707,732
-	-	-	-	(1,414,785)
-	-	-	11,062	11,062
-	-	837,947	616,062	304,009
-	1,461,270	450	208,851	903,313
120,309	1,235,252	(450)	1,156,076	4,591,478
\$ 120,309	\$ 2,696,522	\$ -	\$ 1,364,927	\$ 5,494,791

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 230,000	\$ 230,000	\$ 239,886
Personal property replacement tax	27,000	27,000	2,482
Investment income	1,000	1,000	1,112
Total revenues	258,000	258,000	243,480
<b>EXPENDITURES</b>			
Highways and streets	260,000	260,000	245,279
Contractual services	4,000	4,000	3,437
Total expenditures	264,000	264,000	248,716
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,000)	(6,000)	(5,236)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(264,785)	(264,785)	(264,785)
Total other financing sources (uses)	(264,785)	(264,785)	(264,785)
NET CHANGE IN FUND BALANCE	\$ (270,785)	\$ (270,785)	(270,021)
FUND BALANCE, MAY 1			455,748
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 185,727</b>

(See independent auditor's report.)

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Intergovernmental	\$ 357,500	\$ 357,500	\$ 349,546
Investment income	2,100	2,100	4,153
Total revenues	359,600	359,600	353,699
<b>EXPENDITURES</b>			
Highways and streets			
Contractual services	70,000	70,000	27,610
Commodities	128,500	128,500	147,200
Total expenditures	198,500	198,500	174,810
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	161,100	161,100	178,889
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	264,785	264,785	264,785
Transfers (out)	(1,400,000)	(1,400,000)	(900,000)
Total other financing sources (uses)	(1,135,215)	(1,135,215)	(635,215)
NET CHANGE IN FUND BALANCE	\$ (974,115)	\$ (974,115)	(456,326)
FUND BALANCE, MAY 1			1,077,629
<b>FUND BALANCE, APRIL 30</b>			\$ 621,303

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Other	\$ 515,000	\$ 515,000	\$ 515,293
Investment income	1,500	1,500	1,395
Miscellaneous	118,600	118,600	106,773
Total revenues	635,100	635,100	623,461
<b>EXPENDITURES</b>			
Recreation			
Personal services	46,290	46,290	40,228
Contractual services	1,200	1,200	6,987
Commodities	-	-	1,803
Other charges	551,300	551,300	363,626
Total expenditures	598,790	598,790	412,644
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	36,310	36,310	210,817
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(350,000)	(350,000)	(250,000)
Total other financing sources (uses)	(350,000)	(350,000)	(250,000)
NET CHANGE IN FUND BALANCE	\$ (313,690)	\$ (313,690)	(39,183)
FUND BALANCE, MAY 1			512,108
<b>FUND BALANCE, APRIL 30</b>			\$ 472,925

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Investment income	\$ 15	\$ 15	\$ 91
Miscellaneous	3,000	3,000	281
Total revenues	3,015	3,015	372
<b>EXPENDITURES</b>			
Public safety	4,000	4,000	1,819
Contractual services	600	600	281
Capital outlay			
Total expenditures	4,600	4,600	2,100
NET CHANGE IN FUND BALANCE	\$ (1,585)	\$ (1,585)	(1,728)
FUND BALANCE, MAY 1			34,806
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 33,078</u>

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Investment income	\$ 15	\$ 15	\$ -
Miscellaneous	5,000	5,000	5,000
Total revenues	5,015	5,015	5,000
<b>EXPENDITURES</b>			
Capital outlay	1,134,200	1,134,200	842,497
Total expenditures	1,134,200	1,134,200	842,497
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,129,185)	(1,129,185)	(837,497)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	10,000	10,000	837,947
Total other financing sources (uses)	10,000	10,000	837,947
NET CHANGE IN FUND BALANCE	\$ (1,119,185)	\$ (1,119,185)	450
FUND BALANCE (DEFICIT), MAY 1			(450)
<b>FUND BALANCE, APRIL 30</b>			<u>\$ -</u>

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

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

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ 95,614
Investment income	250	250	2,295
Total revenues	250	250	97,909
<b>EXPENDITURES</b>			
Capital outlay	726,500	726,500	505,120
Total expenditures	726,500	726,500	505,120
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(726,250)	(726,250)	(407,211)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	589,150	589,150	605,000
Proceeds on sale of capital assets	30,000	30,000	11,062
Total other financing sources (uses)	619,150	619,150	616,062
NET CHANGE IN FUND BALANCE	\$ (107,100)	\$ (107,100)	208,851
FUND BALANCE, MAY 1			1,156,076
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 1,364,927</b>

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
THORNDALE CORRIDOR TIF DISTRICT FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes	\$ 950,000	\$ 950,000	\$ 1,548,769
Property taxes	4,500	4,500	24,124
Investment income			
Total revenues	954,500	954,500	1,572,893
<b>EXPENDITURES</b>			
Economic development	750,000	750,000	106,554
Contractual services			
Debt service			
Interest	-	-	5,069
Total expenditures	750,000	750,000	111,623
NET CHANGE IN FUND BALANCE	\$ 204,500	\$ 204,500	1,461,270
FUND BALANCE, MAY 1			1,235,252
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 2,696,522</b>

(See independent auditor's report.)



**CITY OF WOODDALE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL  
WATER/SEWER OPERATIONS FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>OPERATING REVENUES</b>			
Charges for services	\$ 8,382,500	\$ 8,382,500	\$ 7,562,757
Miscellaneous	100,750	100,750	50,357
Total operating revenues	<u>8,483,250</u>	<u>8,483,250</u>	<u>7,613,114</u>
<b>OPERATING EXPENSES</b>			
Public utilities expenses	3,566,334	3,566,334	3,322,000
Wastewater expenses	2,320,484	2,320,484	2,058,381
Capital projects	769,500	769,500	594,780
Less capital assets capitalized	<u>(769,500)</u>	<u>(769,500)</u>	<u>(208,300)</u>
Total operating expenses	<u>5,886,818</u>	<u>5,886,818</u>	<u>5,766,861</u>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	2,596,432	2,596,432	1,846,253
Depreciation	<u>1,270,000</u>	<u>1,270,000</u>	<u>1,136,448</u>
<b>OPERATING INCOME</b>	<u>1,326,432</u>	<u>1,326,432</u>	<u>709,805</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	30,000	30,000	10,932
Rental income	220,080	220,080	245,438
Principal payments	<u>(1,367,072)</u>	<u>(1,367,072)</u>	<u>(1,367,072)</u>
Interest expense	<u>(585,282)</u>	<u>(585,282)</u>	<u>(574,865)</u>
Total non-operating revenues (expenses)	<u>(1,702,274)</u>	<u>(1,702,274)</u>	<u>(1,685,567)</u>
<b>INCOME BEFORE TRANSFERS</b>	<u>(375,842)</u>	<u>(375,842)</u>	<u>(975,762)</u>
<b>TRANSFERS</b>			
Transfers (out)	<u>(264,150)</u>	<u>(264,150)</u>	<u>(280,000)</u>
<b>CHANGE IN NET POSITION - BUDGETARY BASIS</b>	<u>\$ (639,992)</u>	<u>\$ (639,992)</u>	<u>(1,255,762)</u>
<b>ADJUSTMENTS TO GAAP BASIS</b>			
Principal payments			1,367,072
Pension expense			<u>(358,776)</u>
Total adjustments to GAAP BASIS			<u>1,008,296</u>
<b>CHANGE IN NET POSITION - GAAP BASIS</b>			<u>(247,466)</u>
<b>NET POSITION, MAY 1</b>			<u>19,760,977</u>
<b>NET POSITION, APRIL 30</b>			<u>\$ 19,513,511</u>

(See independent auditor's report.)

**CITY OF WOOD DALE, ILLINOIS**  
**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL**  
**WATER/SEWER OPERATIONS FUND - BUDGETARY BASIS**

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>OPERATING EXPENSES</b>			
Public utilities expenses			
Personal services			
Salaries	\$ 638,061	\$ 638,061	\$ 647,450
Overtime pay	30,500	30,500	37,316
System rounds	8,000	8,000	7,927
Stand-by pay	11,250	11,250	9,085
Seasonal employment	6,000	6,000	7,056
Stipends	-	-	1,000
Health care	172,700	172,700	134,946
FICA expense	53,337	53,337	52,782
IMRF expense	80,941	80,941	87,163
Longevity pay	3,400	3,400	3,400
Total personal services	1,004,189	1,004,189	988,125
Contractual services			
Telephone/alarm line	12,945	12,945	11,609
Printing	4,000	4,000	4,822
Maintenance - building/grounds	10,000	10,000	10,001
Maintenance - other equipment	200	200	-
Maintenance - vehicles	5,000	5,000	5,280
Maintenance - agreements	-	-	1,598
Maintenance - equipment distribution	10,000	10,000	12,614
Equipment rental	750	750	340
Data processing service	31,000	31,000	29,082
Laboratory services	10,000	10,000	4,815
Utility locates	3,000	3,000	-
Education and training	2,500	2,500	554
Dues and subscriptions	2,000	2,000	616
Soil testing and disposal	10,000	10,000	387
Maintenance - water mains	21,000	21,000	28,451
Maintenance - water meters	1,500	1,500	-
Total contractual services	123,895	123,895	110,169
Commodities			
Gasoline	18,150	18,150	21,290
Postage	20,000	20,000	13,501
Maintenance - building/grounds	2,500	2,500	2,438
Maintenance - water mains	28,500	28,500	35,047
Maintenance - other equipment	500	500	207
Maintenance - facility	8,000	8,000	3,207
Maintenance - vehicles	19,500	19,500	18,791
Maintenance - storm sewers	12,000	12,000	12,812
Safety equipment	2,500	2,500	347
Electric utilities	50,750	50,750	52,975
Natural gas utilities	5,000	5,000	8,226
DPWC purchase	2,000,000	2,000,000	1,903,273
Laboratory supplies	600	600	455
Chemical supplies	1,000	1,000	-
Water tap supplies	1,000	1,000	1,717
Water meters	40,000	40,000	14,222

(This schedule is continued on the following pages.)

**CITY OF WOOD DALE, ILLINOIS**  
**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)**  
**WATER/SEWER OPERATIONS FUND - BUDGETARY BASIS**

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>OPERATING EXPENSES (Continued)</b>			
Public utilities expenses (Continued)			
Commodities (Continued)			
Water meter parts	\$ 2,500	\$ 2,500	\$ 169
Other parts and materials	10,000	10,000	5,214
Total commodities	2,222,500	2,222,500	2,093,891
Other			
Conference/meetings	500	500	-
Miscellaneous	750	750	761
Credit card processing fees	14,500	14,500	8,483
Bad debt expense	-	-	20,571
General fund administrative charges	200,000	200,000	100,000
Total other	215,750	215,750	129,815
Total public utilities expenses	3,566,334	3,566,334	3,323,000
Sewer operating expenses			
Personal services			
Salaries	799,450	799,450	624,879
Overtime pay	32,000	32,000	36,355
System rounds	14,000	14,000	14,641
Stand-by pay	11,800	11,800	12,025
Health care	235,786	235,786	149,961
Stipends	-	-	2,550
FICA expense	66,276	66,276	47,311
IMRF expense	100,747	100,747	72,466
Seasonal employment	6,000	6,000	6,294
Leave time buy-back	1,450	1,450	1,976
Longevity pay	1,650	1,650	950
Total personal services	1,269,159	1,269,159	969,408
Contractual services			
Telephone/alarm line	20,000	20,000	30,409
Maintenance - building/grounds	10,000	10,000	16,689
Maintenance - lift stations	6,000	6,000	5,725
Maintenance - other equipment	14,000	14,000	21,348
Maintenance - vehicles	8,200	8,200	2,434
Maintenance - agreements	1,600	1,600	-
Equipment rental	850	850	268
Laboratory services	32,000	32,000	36,764
Professional services	7,000	7,000	62,237
Insurance premiums	117,500	117,500	116,625
IEPA permit fees	76,000	76,000	87,297
Dump fees	75,000	75,000	43,473
Industrial pretreatment	150,000	150,000	200,373
Education and training	4,750	4,750	732
Dues and subscriptions	1,250	1,250	980
Maintenance - sewer mains	2,300	2,300	5,292
Total contractual services	526,450	526,450	630,646

(This schedule is continued on the following page.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)  
WATER/SEWER OPERATIONS FUND - BUDGETARY BASIS

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>OPERATING EXPENSES (Continued)</b>			
Sewer operating expenses (Continued)			
Commodities			
Gasoline	\$ 10,000	\$ 10,000	\$ 7,287
Postage	18,000	18,000	13,501
Maintenance - building/grounds	7,750	7,750	6,557
Maintenance - lift stations	10,000	10,000	23,655
Maintenance - sewer mains	8,000	8,000	1,762
Maintenance - other equipment	25,350	25,350	47,591
Maintenance - vehicles	12,000	12,000	11,101
Safety equipment	3,750	3,750	4,323
Electric utilities	175,000	175,000	189,856
Natural gas utilities	22,500	22,500	40,598
Industrial pretreatment	1,000	1,000	-
Laboratory supplies	4,500	4,500	2,993
Plant supplies	2,000	2,000	45
Chemical supplies	18,000	18,000	6,240
Other parts and materials	2,500	2,500	608
Total commodities	320,350	320,350	356,117
Capital outlay	1,000	1,000	23
Other equipment	1,000	1,000	23
Total capital outlay	1,000	1,000	23
Other	525	525	525
Escrow agent fees	1,250	1,250	-
Conference/meetings	1,750	1,750	1,662
Miscellaneous	200,000	200,000	100,000
General fund administrative charges			
Total other	203,525	203,525	102,187
Total sewer operating expenses	2,320,484	2,320,484	2,058,381
Capital projects			
Sewer	75,000	75,000	21,860
Water	50,000	50,000	10,000
Wastewater	345,000	345,000	321,905
Plant maintenance	299,500	299,500	241,015
Total capital projects	769,500	769,500	594,780
Less capital assets capitalized	(769,500)	(769,500)	(208,300)
<b>TOTAL OPERATING EXPENSES</b>	\$ 5,886,818	\$ 5,886,818	\$ 5,766,861

NONMAJOR ENTERPRISE FUNDS

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS

April 30, 2019

	Commuter Parking Lot	Sanitation	Total
<b>CURRENT ASSETS</b>			
Cash and investments	\$ 132,631	\$ 245,893	\$ 378,524
Accounts receivable	-	315,819	315,819
Prepaid items	83	-	83
Total current assets	132,714	561,712	694,426
<b>NONCURRENT ASSETS</b>			
Capital assets			
Nondepreciable	260,000	-	260,000
Depreciable, net of accumulated depreciation	1,582,682	-	1,582,682
Total noncurrent assets	1,842,682	-	1,842,682
Total assets	1,975,396	561,712	2,537,108
<b>CURRENT LIABILITIES</b>			
Accounts payable	3,015	132,564	135,579
Deposits payable	430	-	430
Total current liabilities	3,445	132,564	136,009
<b>LONG-TERM LIABILITIES</b>			
Advances from other funds	407,587	-	407,587
Total long-term liabilities	407,587	-	407,587
Total liabilities	411,032	132,564	543,596
<b>NET POSITION</b>			
Net investment in capital assets	1,842,682	-	1,842,682
Unrestricted (deficit)	(278,318)	429,148	150,830
<b>TOTAL NET POSITION</b>	\$ 1,564,364	\$ 429,148	\$ 1,993,512

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2019

	Commuter Parking Lot	Sanitation	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 131,096	\$ 1,075,666	\$ 1,206,762
Miscellaneous	120	-	120
Total operating revenues	131,216	1,075,666	1,206,882
<b>OPERATING EXPENSES</b>			
Operations	139,798	1,139,341	1,279,139
Total operating expenses	139,798	1,139,341	1,279,139
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	(8,582)	(63,675)	(72,257)
Depreciation	66,548	-	66,548
<b>OPERATING INCOME (LOSS)</b>	(75,130)	(63,675)	(138,805)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	97	71	168
Total non-operating revenues (expenses)	97	71	168
<b>CHANGE IN NET POSITION</b>	(75,033)	(63,604)	(138,637)
<b>NET POSITION, MAY 1</b>	1,639,397	492,752	2,132,149
<b>NET POSITION, APRIL 30</b>	\$ 1,564,364	\$ 429,148	\$ 1,993,512

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS  
NON-MAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2019

	Commuter Parking Lot	Sanitation	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 131,176	\$ 1,073,086	\$ 1,204,262
Receipts from miscellaneous income	120	-	120
Payments to suppliers	(51,410)	(856,505)	(907,915)
Payments for General Fund administrative charges	(85,000)	(343,000)	(428,000)
	(5,114)	(126,419)	(131,533)
Net cash from operating activities			
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Payments on interfund loans/advances	(30,000)	-	(30,000)
	(30,000)	-	(30,000)
Net cash from noncapital financing activities			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	97	71	168
	97	71	168
Net cash from investing activities			
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
None	-	-	-
	-	-	-
Net cash from capital and related financing activities			
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(35,017)	(126,348)	(161,365)
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	167,648	372,241	539,889
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	\$ 132,631	\$ 245,893	\$ 378,524
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (75,130)	\$ (63,675)	\$ (138,805)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	66,548	-	66,548
Changes in net position			
Accounts receivable	-	(2,580)	(2,580)
Prepaid items	3,337	-	3,337
Accounts payable	51	(60,164)	(60,113)
Deposits	80	-	80
<b>NET CASH FROM OPERATING ACTIVITIES</b>	\$ (5,114)	\$ (126,419)	\$ (131,533)

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL  
COMMUTER PARKING LOT FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>OPERATING REVENUES</b>			
Charges for services	\$ 125,525	\$ 125,525	\$ 131,096
Miscellaneous	120	120	120
Total operating revenues	125,645	125,645	131,216
<b>OPERATING EXPENSES</b>			
Contractual			
Printing	500	500	425
Maintenance - building/grounds	10,000	10,000	1,739
Maintenance - other equipment	1,500	1,500	-
Property rental	10	10	-
Professional services	30,000	30,000	29,449
Credit card processing fees	13,000	13,000	14,266
Commodities			
Electric utilities	3,900	3,900	4,546
Maintenance - building/grounds	20,000	20,000	4,373
Other			
General fund administrative charges	60,000	60,000	85,000
Total operating expenses	138,910	138,910	139,798
<b>OPERATING INCOME (LOSS) BEFORE DEPRECIATION</b>	(13,265)	(13,265)	(8,582)
Depreciation	66,548	66,548	66,548
<b>OPERATING INCOME (LOSS)</b>	(79,813)	(79,813)	(75,130)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	100	100	97
Total non-operating revenues (expenses)	100	100	97
<b>CHANGE IN NET POSITION</b>	\$ (79,713)	\$ (79,713)	(75,033)
<b>NET POSITION, MAY 1</b>			1,639,397
<b>NET POSITION, APRIL 30</b>			\$ 1,564,364

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL  
SANITATION FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,116,500	\$ 1,116,500	\$ 1,075,666
Total operating revenues	1,116,500	1,116,500	1,075,666
<b>OPERATING EXPENSES</b>			
Contractual services			
Scavenger/yard waste/recycling service	787,000	787,000	788,807
Clean air counts	3,500	3,500	566
Credit card processing fees	7,500	7,500	6,968
Other			
General fund administrative charges	338,000	338,000	343,000
Total operating expenses	1,136,000	1,136,000	1,139,341
OPERATING INCOME (LOSS)	(19,500)	(19,500)	(63,675)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	40	40	71
Total non-operating revenues (expenses)	40	40	71
CHANGE IN NET POSITION	\$ (19,460)	\$ (19,460)	(63,604)
NET POSITION, MAY 1			492,752
<b>NET POSITION, APRIL 30</b>			<u>\$ 429,148</u>

FIDUCIARY FUNDS

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL  
POLICE PENSION FUND

For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual
<b>ADDITIONS</b>			
Contributions			
Employer contributions	\$ 1,300,127	\$ 1,300,127	\$ 1,300,128
Employee contributions	318,723	318,723	328,458
Total contributions	1,618,850	1,618,850	1,628,586
Investment income			
Net appreciation in fair value of investments	1,354,497	1,354,497	322,100
Interest	450,000	450,000	913,430
Total investment income	1,804,497	1,804,497	1,235,530
Less investment expense	(100,000)	(100,000)	(76,299)
Net investment income	1,704,497	1,704,497	1,159,231
Total additions	3,323,347	3,323,347	2,787,817
<b>DEDUCTIONS</b>			
Pension benefits	1,632,000	1,632,000	1,825,822
Administrative expenses	63,000	63,000	52,064
Total deductions	1,695,000	1,695,000	1,877,886
CHANGE IN NET POSITION	\$ 1,628,347	\$ 1,628,347	909,931
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
May 1			25,570,114
April 30			\$ 26,480,045

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended April 30, 2019

Special Service Areas	Balances May 1	Additions	Deductions	Balances April 30
<b>ASSETS</b>				
Cash and investments	\$ 52,913	\$ 688,948	\$ 675,133	\$ 66,728
<b>TOTAL ASSETS</b>	\$ 52,913	\$ 688,948	\$ 675,133	\$ 66,728
<b>LIABILITIES</b>				
Due to bondholders	\$ 52,913	\$ 688,948	\$ 675,133	\$ 66,728
<b>TOTAL LIABILITIES</b>	\$ 52,913	\$ 688,948	\$ 675,133	\$ 66,728

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT  
 CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended April 30, 2019

CSFA Number	Program Name	State	Federal	Other	Total
444-26-1565	Tobacco Enforcement Program	\$ 2,200	\$ -	\$ -	\$ 2,200
494-00-1488	Motor Fuel Tax Program	1,074,810	-	-	1,074,810
494-10-0343	State and Community Highway Safety/National Priority Safety Program	-	33,921	-	33,921
494-42-0495	Local Surface Transportation Program	-	314,714	-	314,714
	Other grant programs and activities	-	-	188,930	188,930
	All other costs not allocated	-	-	26,396,401	26,396,401
<b>TOTALS</b>		<b>\$ 1,077,010</b>	<b>\$ 348,635</b>	<b>\$ 26,585,331</b>	<b>\$ 28,010,976</b>

OTHER SUPPLEMENTAL INFORMATION

(See independent auditor's report.)





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**CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS**  
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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**SIKICH LLP**

Naperville, Illinois  
November 7, 2019

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor  
Members of the City Council  
City of Wood Dale, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wood Dale, Illinois (the City) as of and for the year ended April 30, 2019, and the related notes to financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 7, 2019.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

CITY OF WOOD DALE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 67,985,799	\$ 67,491,867	\$ 67,129,082	\$ 66,557,336
Restricted	934,710	1,079,416	1,473,106	1,683,660
Unrestricted	13,446,896	13,191,299	13,574,668	12,858,567
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 82,367,405</b>	<b>\$ 81,762,582</b>	<b>\$ 82,176,856</b>	<b>\$ 81,099,563</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 13,937,534	\$ 15,367,079	\$ 17,423,220	\$ 21,164,845
Restricted	-	-	-	-
Unrestricted	8,946,335	8,745,299	6,369,103	3,135,917
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 22,883,869</b>	<b>\$ 24,112,378</b>	<b>\$ 23,792,323</b>	<b>\$ 24,300,762</b>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 81,923,333	\$ 82,858,946	\$ 84,552,302	\$ 87,722,181
Restricted	934,710	1,079,416	1,473,106	1,683,660
Unrestricted	22,393,231	21,936,598	19,943,771	15,994,484
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 105,251,274</b>	<b>\$ 105,874,960</b>	<b>\$ 105,969,179</b>	<b>\$ 105,400,325</b>

\*The City implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

**STATISTICAL SECTION**

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	100-109
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes, and sales taxes.	110-117
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	118-122
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	123-125
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	126-130

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF WOODDALE, ILLINOIS**  
CHANGE IN NET POSITION  
Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
<b>EXPENSES</b>				
Governmental activities				
General government	\$ 5,549,805	\$ 4,977,502	\$ 5,210,996	\$ 5,218,648
Public safety	5,274,665	5,169,976	5,335,005	5,616,667
Highways and streets	5,281,480	4,686,885	4,941,463	6,839,258
Storm sewers	241,318	132,649	-	-
Recreation	541,532	344,617	385,302	395,382
Economic development	-	-	-	-
Interest	-	-	-	-
Total governmental activities expenses	<u>16,888,800</u>	<u>15,311,629</u>	<u>15,872,766</u>	<u>18,069,955</u>
Business-type activities				
Water/wastewater	4,847,057	4,943,745	6,197,658	6,236,600
Commuter parking	74,094	130,056	116,176	126,326
Sanitation	955,467	963,995	956,080	995,443
Total business-type activities	<u>5,856,618</u>	<u>6,037,796</u>	<u>7,269,914</u>	<u>7,358,369</u>
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<u>\$ 22,745,418</u>	<u>\$ 21,349,425</u>	<u>\$ 23,142,680</u>	<u>\$ 25,428,324</u>
<b>PROGRAM REVENUES</b>				
Governmental activities				
Charges for services				
General government	\$ 741,954	\$ 828,474	\$ 970,835	\$ 861,388
Public safety	1,162,325	862,816	942,217	1,051,919
Highways and streets	16,524	14,262	11,812	12,760
Recreation	63,598	90,184	133,090	118,439
Operating grants and contributions	366,439	592,693	509,041	422,507
Capital grants and contributions	238,363	108,102	124,387	845,518
Total governmental activities program revenues	<u>2,589,203</u>	<u>2,496,531</u>	<u>2,691,382</u>	<u>3,312,531</u>
Business-type activities				
Charges for services				
Water/wastewater	4,824,481	5,186,373	5,599,329	6,429,938
Commuter parking	85,028	120,846	132,533	134,056
Sanitation	926,579	986,336	951,756	980,328
Operating grants and contributions	-	-	-	-
Capital grants and contributions	17,718	-	-	83,280
Total business-type activities program revenues	<u>5,853,806</u>	<u>6,293,555</u>	<u>6,683,598</u>	<u>7,627,602</u>
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<u>\$ 8,443,009</u>	<u>\$ 8,790,086</u>	<u>\$ 9,374,980</u>	<u>\$ 10,940,133</u>
<b>NET (EXPENSE) REVENUE</b>	<u>\$ (14,299,597)</u>	<u>\$ (12,815,098)</u>	<u>\$ (13,181,384)</u>	<u>\$ (14,757,424)</u>
Governmental activities	(2,812)	255,759	(586,316)	269,233
Business-type activities				
<b>TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE</b>	<u>\$ (14,302,409)</u>	<u>\$ (12,559,339)</u>	<u>\$ (13,767,700)</u>	<u>\$ (14,488,191)</u>

2014	2015	2016*	2017	2018	2018
\$ 70,708,496	\$ 71,518,558	\$ 71,148,820	\$ 71,944,028	\$ 72,144,655	\$ 72,764,415
1,692,180	2,126,392	1,809,557	2,204,327	3,859,109	4,574,007
10,864,255	10,259,416	(5,000,591)	(10,519,202)	(10,587,331)	(10,555,369)
\$ 83,264,931	\$ 83,904,366	\$ 67,957,786	\$ 63,629,153	\$ 65,416,433	\$ 66,783,053
\$ 20,697,109	\$ 21,562,863	\$ 21,439,213	\$ 22,622,903	\$ 23,238,195	\$ 23,610,571
3,233,664	2,563,452	1,050,678	(436,595)	(1,345,069)	(2,103,548)
\$ 23,930,773	\$ 24,126,315	\$ 22,489,891	\$ 22,186,308	\$ 21,893,126	\$ 21,507,023
\$ 91,405,605	\$ 93,081,421	\$ 92,588,033	\$ 94,566,931	\$ 95,382,850	\$ 96,374,986
1,692,180	2,126,392	1,809,557	2,204,327	3,859,109	4,574,007
14,097,919	12,822,868	(3,949,913)	(10,955,797)	(11,932,400)	(12,658,917)
\$ 107,195,704	\$ 108,030,681	\$ 90,447,677	\$ 85,815,461	\$ 87,309,559	\$ 88,290,076

CITY OF WOODDALE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental activities	\$ 3,117,286	\$ 2,880,056	\$ 2,959,967	\$ 3,006,690
Taxes	4,724,726	5,197,361	5,484,668	5,548,459
Property and replacement	1,467,987	1,469,717	1,742,535	1,647,393
Intergovernmental - sales and use	1,117,408	1,144,540	1,065,354	1,125,868
Telecommunications	801,326	1,055,278	1,119,572	1,439,238
Utility	254,273	272,862	295,526	337,975
Intergovernmental - income	134	528	559	819
Other taxes	152,011	224,859	91,175	81,725
Miscellaneous	685,472	665,074	594,291	491,974
Investment income	-	-	67,525	-
Miscellaneous	-	-	-	-
Gain on sale of capital assets	-	-	-	-
Transfers in (out)	(900,000)	(700,000)	34,000	-
Total governmental activities	11,420,623	12,210,275	13,455,172	13,680,131
Business-type activities	83,538	82,358	94,843	43,110
Investment earnings	170,846	190,358	205,418	196,096
Miscellaneous	900,000	700,000	(34,000)	-
Transfers in (out)	-	-	-	-
Total business-type activities	1,154,384	972,716	266,261	239,206
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 12,575,007</b>	<b>\$ 13,182,991</b>	<b>\$ 13,721,433</b>	<b>\$ 13,919,337</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (2,878,974)</b>	<b>\$ (604,823)</b>	<b>\$ 273,788</b>	<b>\$ (1,077,293)</b>
Governmental activities	1,151,572	1,228,475	(320,055)	508,439
Business-type activities	-	-	-	-
<b>TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION</b>	<b>\$ (1,727,402)</b>	<b>\$ 623,652</b>	<b>\$ (46,267)</b>	<b>\$ (568,854)</b>

\*The City implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

	2014	2015	2016*	2017	2018	2019
\$	5,710,493	5,276,741	6,147,000	5,638,890	6,365,261	6,322,028
	5,642,359	6,584,711	7,802,832	7,429,928	7,443,201	7,692,939
	4,983,437	5,315,837	4,824,543	4,633,635	4,523,494	4,289,173
	441,091	297,902	265,633	354,375	449,219	412,644
	-	-	-	68,918	11,411	106,554
	-	-	-	-	4,146	5,001
	16,777,380	17,475,191	19,040,008	18,125,746	18,899,732	18,828,339
	7,105,623	6,928,803	8,142,337	8,126,696	8,484,730	7,836,950
	148,788	172,750	164,970	176,463	176,958	206,346
	1,036,381	1,084,391	1,134,753	1,178,525	822,428	1,139,341
	8,290,792	8,185,944	9,442,060	9,481,684	9,484,116	9,182,637
	\$ 25,068,172	\$ 25,661,135	\$ 28,482,068	\$ 27,607,430	\$ 28,383,848	\$ 28,010,976
\$	1,003,901	1,422,758	955,839	843,668	1,177,614	854,303
	1,108,476	1,063,970	857,610	600,350	620,325	1,106,150
	19,454	-	-	-	-	-
	117,042	103,627	119,478	99,768	106,539	106,598
	430,061	501,009	352,221	431,068	396,024	385,667
	2,223,082	3,62,980	402,838	1,583,567	219,162	499,705
	4,902,016	3,454,344	2,687,986	3,558,421	2,519,664	2,952,423
	6,510,192	6,773,998	7,171,641	7,363,064	8,018,990	7,613,114
	133,461	129,130	134,551	119,603	125,891	131,216
	1,052,744	1,085,924	1,146,236	1,175,805	1,070,862	1,075,666
	2,011	133,591	-	404,471	-	-
	7,698,408	8,122,643	8,452,428	8,658,472	9,215,743	8,819,996
\$	12,600,424	\$ 11,576,987	\$ 11,140,414	\$ 12,216,893	\$ 11,735,407	\$ 11,772,419
\$	(11,875,364)	(14,020,847)	(16,352,022)	(14,567,325)	(16,380,068)	(15,875,916)
(592,384)	(63,501)	(989,632)	(418,741)	(268,373)	(662,641)	
\$	(12,467,748)	(14,084,148)	(17,341,654)	(14,986,066)	(16,648,441)	(16,238,557)

CITY OF WOOD DALE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2014	2015	2016*	2017	2018	2019
\$	3,082,599	3,136,608	3,174,884	3,713,218	4,196,113	4,898,132
	5,782,133	6,167,493	6,222,471	5,950,468	5,780,389	6,564,057
	1,661,137	1,308,644	1,350,321	1,191,147	1,047,509	922,019
	1,186,533	1,138,954	1,002,169	1,037,736	1,039,569	1,076,765
	1,315,013	1,348,551	1,467,510	1,301,607	1,248,689	1,336,915
	389,458	460,417	493,815	494,384	496,447	515,293
	374					
	4,277	145,136	144,565	25,251	60,330	137,509
	637,513	1,212,312	905,771	1,562,250	809,175	1,511,846
	(18,305)	-	-	104,918	224,574	280,000
	14,040,732	14,918,115	14,761,506	15,380,979	14,902,795	17,242,536
	2,589	49,558	2,325	7,285	(6,160)	11,100
	201,501	209,285	200,883	212,791	205,925	245,438
	18,305	-	-	(104,918)	(224,574)	(280,000)
	222,395	258,843	203,208	115,158	(24,809)	(23,462)
\$	14,263,127	15,176,958	14,964,714	15,496,137	14,877,986	17,219,074
\$	2,165,368	897,268	(1,590,516)	813,654	(1,477,273)	1,366,620
	(369,989)	195,542	(786,424)	(303,583)	(293,182)	(386,103)
\$	1,795,379	1,092,810	(2,376,940)	510,071	(1,770,455)	980,517

	2010	2011	2012	2013
<b>GENERAL FUND</b>				
Reserved	\$ 344,241	\$ 272,630	\$ -	\$ -
Unreserved - designated	-	-	-	-
Designated for capital projects fund	-	-	-	-
Unreserved - undesignated	9,757,574	10,422,052	-	-
Nonspendable	-	-	-	-
Advance to other fund	-	-	-	-
Prepays	-	-	230,434	221,393
Inventories	-	-	21,828	21,269
Restricted for public safety	-	-	156,376	206,183
Unassigned	-	-	11,100,777	11,160,118
<b>TOTAL GENERAL FUND</b>	<b>\$ 10,101,815</b>	<b>\$ 10,694,682</b>	<b>\$ 11,509,415</b>	<b>\$ 11,608,963</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 934,710	\$ 1,079,416	\$ -	\$ -
Unreserved - reported in	-	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	3,866,836	3,351,102	-	-
Nonspendable	-	-	-	-
Prepays	-	-	-	-
Restricted	-	-	-	-
Public safety	-	-	41,150	40,601
Highways and streets	-	-	1,037,918	1,137,947
Recreation	-	-	117,501	178,681
Grant projects	-	-	120,161	120,248
Capital projects	-	-	-	-
Economic development	-	-	-	-
Committed	-	-	-	-
Equipment replacement	-	-	184,747	183,916
Land acquisition	-	-	15,006	21,358
Capital projects	-	-	2,747,279	2,170,268
Assigned	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 4,801,546</b>	<b>\$ 4,430,518</b>	<b>\$ 4,263,762</b>	<b>\$ 3,853,019</b>
<b>TOTAL GOVERNMENT FUNDS</b>	<b>\$ 14,903,361</b>	<b>\$ 15,125,200</b>	<b>\$ 15,773,177</b>	<b>\$ 15,461,982</b>

Note: GASB Statement No. 54 was implemented for the fiscal year ended April 30, 2012.

Data Source

Audited Financial Statements

**CITY OF WOOD DALE, ILLINOIS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
<b>REVENUES</b>				
Taxes	\$ 11,209,465	\$ 12,138,175	\$ 8,411,416	\$ 6,093,608
Licenses and permits	617,793	633,989	714,712	599,388
Intergovernmental	586,094	626,321	4,956,643	8,201,745
Charges for services	416,722	465,739	501,848	577,822
Fines and forfeitures	820,663	536,918	635,952	748,857
Investment income	152,011	149,885	87,251	74,230
Grant revenue	-	-	-	-
Miscellaneous	717,500	853,798	670,200	519,263
Total revenues	14,520,248	15,404,825	15,978,022	16,814,913
<b>EXPENDITURES</b>				
General government	5,260,285	4,884,894	4,986,481	4,656,644
Public safety	4,770,533	5,031,219	4,887,630	5,114,281
Highways and streets	1,411,808	1,248,743	1,118,483	1,632,837
Storm sewer	127,778	132,649	-	-
Recreation	541,532	344,617	385,302	395,382
Economic development	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	3,459,530	2,880,071	4,200,321	5,397,288
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Other charges	-	-	-	-
Total expenditures	15,571,466	14,522,193	15,578,217	17,196,432
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,051,218)	882,632	399,805	(381,519)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	395,537	1,090,030	544,000	1,131,500
Transfers (out)	(1,295,537)	(1,790,030)	(510,000)	(1,131,500)
Capital leases issued	-	-	-	-
Loans issued, at par	-	-	-	-
Sale of capital assets	21,617	39,207	73,686	70,324
Total other financing sources (uses)	(878,383)	(660,793)	107,686	70,324
<b>NET CHANGE IN FUND BALANCES</b>	\$ (1,929,601)	\$ 221,839	\$ 507,491	\$ (311,195)
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	0.00%	0.00%	0.00%	0.00%

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	6,360,884	6,043,923	6,020,140	6,436,485	6,779,637	9,788,993
	733,994	773,617	789,180	914,233	1,389,222	722,087
	9,025,322	8,380,932	8,445,621	9,278,083	7,646,783	6,413,507
	534,505	598,309	634,601	584,518	5,650,970	586,360
	806,302	790,749	587,441	349,177	363,908	825,024
	40,482	145,136	144,565	25,251	60,330	137,509
	780,554	-	-	-	-	-
	573,821	517,505	446,745	728,113	932,375	1,267,670
	18,855,864	17,250,171	17,068,293	18,315,860	22,823,225	19,741,150

	5,088,591	4,836,056	4,436,636	4,731,051	5,013,521	5,381,559
	5,224,476	6,182,651	6,375,333	6,189,889	6,449,893	6,750,470
	1,885,638	2,056,593	1,816,717	2,207,721	1,483,024	1,545,074
	441,091	297,902	265,633	354,375	449,219	412,644
	-	-	-	68,918	114,411	106,554
	-	-	-	-	-	-
	8,146,339	4,851,794	4,117,744	4,282,540	5,593,676	5,396,855
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	5,069
	-	-	-	-	-	-

	20,788,135	18,224,996	17,012,063	17,834,494	19,103,744	19,598,225
	(1,932,271)	(974,825)	56,230	481,366	3,719,481	142,925
	2,866,303	200,000	2,316,111	994,470	1,980,103	2,857,732
	(2,884,608)	(200,000)	(2,016,111)	(736,970)	(1,700,103)	(2,577,732)
	-	-	-	-	-	-
	41,512	-	81,169	120,881	45,815	11,062
	23,207	-	381,169	378,381	1,155,015	1,093,062

\$	(1,909,064)	(974,825)	437,399	859,747	4,874,496	1,235,987
	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%

CITY OF WOOD DALE, ILLINOIS  
EQUALIZED ASSESSED VALUE AND ESTIMATED ACTUAL VALUE  
OF TAXABLE PROPERTY  
Last Ten Levy Years

Tax Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2009	\$ 453,626,244	\$ 366	\$ 55,496,088	\$ 221,459,210	\$ 730,581,908	\$ 0.3621	\$ 2,191,745,724	33.333%
2010	412,175,765	403	50,522,915	197,780,110	660,479,193	0.4125	1,981,437,579	33.333%
2011	351,716,548	-	48,696,940	191,893,160	592,306,648	0.4677	1,776,919,944	33.333%
2012	306,944,090	-	44,830,012	177,770,240	529,544,342	0.5405	1,588,633,026	33.333%
2013	284,787,193	-	42,069,311	166,914,340	493,770,844	0.5909	1,481,312,532	33.333%
2014	278,888,995	-	40,971,200	165,588,040	485,448,235	0.6107	1,456,344,705	33.333%
2015	283,139,720	-	41,347,910	166,579,130	491,066,760	0.6093	1,473,200,280	33.333%
2016	307,349,058	-	43,402,330	172,116,348	522,867,736	0.5770	1,568,603,208	33.333%
2017	333,931,669	-	44,898,520	177,115,528	555,945,717	0.5550	1,667,837,151	33.333%
2018	349,803,671	-	47,381,900	180,058,508	577,244,079	0.5479	1,751,732,237	33.333%

Date Source  
DuPage County Assessor's Office and City records

CITY OF WOOD DALE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>DIRECT</b>										
City of Wood Dale	0.1951	0.2221	0.2517	0.2907	0.3177	0.3282	0.3274	0.3099	0.2980	0.2940
Corporate	0.0281	0.0320	0.0363	0.0420	0.0459	0.0475	0.0474	0.0449	0.0432	0.0427
IMRF	0.0555	0.0632	0.0717	0.0829	0.0906	0.0937	0.0935	0.0886	0.0852	0.0841
Police pension	0.0034	0.0039	0.0045	0.0053	0.0059	0.0061	0.0061	0.0058	0.0056	0.0056
Audit	0.0267	0.0305	0.0346	0.0400	0.0437	0.0452	0.0451	0.0428	0.0412	0.0407
Tort judgments/liability	0.0533	0.0608	0.0689	0.0796	0.0871	0.0900	0.0898	0.0850	0.0818	0.0808
Social Security	0.3621	0.4125	0.4677	0.5405	0.5909	0.6107	0.6093	0.5770	0.5550	0.5479
Total city direct rate	0.6614	0.7448	0.8274	0.9619	1.0583	1.1221	1.1240	1.1051	1.0993	0.9847
Addison Fire Protection District	0.3092	0.3427	0.3747	0.4307	0.4659	0.4800	0.4720	0.4435	0.4199	0.4110
Addison Park District	0.0446	0.0509	0.0570	0.0655	0.0713	0.0738	0.0717	0.0676	0.0646	0.0636
Addison Township	0.1566	0.1793	0.2038	0.2360	0.2564	0.2662	0.2644	0.248	0.2381	0.2347
Bensenville Library District	0.3117	0.3614	0.4128	0.4718	0.5097	0.5179	0.5232	0.4932	0.4758	0.4708
Bensenville Park District	0.1554	0.1659	0.1796	0.1929	0.2040	0.2057	0.1971	0.1848	0.1749	0.1673
DuPage County	0.0148	0.0158	0.0169	0.0168	0.0178	0.0196	0.0188	0.0176	0.0166	0.0146
DuPage County Airport Authority	0.1217	0.1321	0.1414	0.1542	0.1657	0.1691	0.1622	0.1514	0.1306	0.1278
DuPage County Forest Preserve District										
Grade schools										
District #2	2.7529	3.1160	3.5405	4.0744	4.4252	4.572	4.5309	4.2774	4.0943	4.0338
District #4	1.8423	2.0834	2.3227	2.7039	2.9650	3.025	3.0240	2.8820	2.6807	2.6225
District #7	1.5489	1.8338	2.0067	2.2715	2.4504	2.5124	2.5181	2.3958	2.3200	2.2918
District #10	1.5888	1.7966	2.0486	2.3210	2.5368	2.6647	2.5037	2.3808	2.2590	2.2678
High schools										
District #88	1.4795	1.6616	1.8332	2.1984	2.4373	2.5581	2.5477	2.3995	2.2462	2.1815
District #100	1.3993	1.6157	1.8069	2.0638	2.2320	2.3019	2.2934	2.1741	2.0849	2.0567
District #108	1.6350	1.8298	2.0220	2.3318	2.5755	2.7083	2.6236	2.4698	2.3489	2.2863
Itasca Fire Protection District	0.5751	0.6498	0.7236	0.8216	0.8973	0.9019	0.9019	0.859	0.8277	1.0063
Itasca Park District	0.3735	0.4166	0.4678	0.5223	0.5626	0.5850	0.5581	0.5348	0.5097	0.5133
Jr. College District #502	0.2127	0.2349	0.2495	0.2681	0.2956	0.2975	0.2786	0.2656	0.2431	0.2317
Special Service Area #1	-	-	-	-	-	-	-	-	-	-
Special Service Area #2	-	-	-	-	-	-	-	-	-	-
Special Service Area #5	-	-	-	-	-	-	-	-	-	-
Special Service Area #6	-	-	-	-	-	-	-	-	-	-
Special Service Area #7	-	-	-	-	-	-	-	-	-	-
Special Service Area #8	-	-	-	-	-	-	-	-	-	-
Special Service Area #9	-	-	-	-	-	-	-	-	-	-
Special Service Area #11	3.8012	4.2129	4.2046	4.6604	4.988	5.0902	5.0799	5.0977	5.1024	5.0940
Special Service Area #12	0.3331	0.3697	0.3986	0.4413	0.4800	0.4657	0.4762	0.4433	0.4305	0.4045
Special Service Area #13	0.3151	0.3523	0.3738	0.3894	0.4132	0.4051	0.4009	0.4045	0.4099	0.4081
Special Service Area #14	0.2630	0.3109	0.3065	0.3427	0.3771	0.3407	0.3255	0.3217	0.3127	0.3019
Wood Dale Fire Protection District	0.5915	0.6789	0.7729	0.8937	0.9812	1.0132	1.0137	0.9611	0.9263	0.9141
Wood Dale Library District	0.3081	0.3509	0.3960	0.4563	0.4983	0.5148	0.5165	0.4904	0.4733	0.4670
Wood Dale Park District	0.3031	0.3548	0.3995	0.4537	0.4852	0.4955	0.4957	0.4707	0.4673	0.4632

Note: Property tax rates are per \$100 of assessed valuation.

Data Sources

Office of the County Clerk, DuPage County  
DuPage County Tax Bill



CITY OF WOOD DALE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Equalized Assessed Valuations	Total Tax Levy as Extended	Tax Collections (I)	Percentage of Extensions Collected
2009	\$ 730,581,908	\$ 2,645,437	\$ 2,635,202	99.61%
2010	660,479,183	2,724,477	2,713,718	99.61%
2011	592,306,648	2,770,218	2,759,058	99.60%
2012	529,544,342	2,862,187	2,828,577	98.83%
2013	493,770,844	2,917,692	2,880,180	98.71%
2014	485,448,235	2,964,632	2,916,897	98.39%
2015	491,066,760	3,016,947	2,971,693	99.32%
2016	522,867,736	3,016,947	2,998,008	99.37%
2017	555,945,717	3,085,499	3,081,866	99.88%
2018	577,244,079	3,162,720	(2)	N/A

(1) Includes property taxes collected in the current year that may be attributable to prior years. These collections, if any, are immaterial as 99% or greater of the current year's tax levy has historically been collected during the respective fiscal year. Additionally, information to associate any noncurrent tax collections to a specific tax levy year is not readily available.

(2) 2018 Tax Levy to be collected in Fiscal Year 2020.

Property in the City is reassessed each year. Property is assessed at 33% of actual value.

N/A - information not available

Data Sources

DuPage County Treasurer's Office  
Audited Financial Statements

CITY OF WOOD DALE, ILLINOIS  
PRINCIPAL PROPERTY TAXPAYERS

Current Year and Ten Years Ago

Taxpayers	2019			2010			Percentage of Total Assessed Valuation
	Type of Business	Equalized Assessed Value	Percentage of Total Assessed Valuation	Type of Business	Equalized Assessed Value	Percentage of Total Assessed Valuation	
AMB Pop Re Tax Co.	Real Estate-Developer	\$ 17,389,390	3.01%	AMB Partners II Local LP	\$ 11,947,540	1.64%	
Hamilton Partners	Real Property	10,303,650	1.82%	Grocery Store	7,364,500	1.01%	
LIFT Lewis Mined LLC	Real Estate-Developer	8,806,320	1.53%	Technology Company	5,960,130	0.82%	
Videojet Technologies	Industrial Ink-Jet Printing	6,679,480	1.16%	Financial Institution	5,944,320	0.82%	
Center Point Prop Trust	Real Property	5,770,100	1.00%	Auto Sales	4,882,270	0.67%	
800 Mined LLC	Real Property	4,942,760	0.86%	Financial Institution	4,694,840	0.64%	
Parkway Bank	Financial Institution	4,764,590	0.83%	Manufacturing	3,635,930	0.50%	
Nippon Express	Manufacturing	4,421,620	0.77%	Food Service	3,484,900	0.48%	
Bridge-Point Wood Dale LLC	Real Estate-Developer	4,408,860	0.76%	Real Estate-Developer	3,449,090	0.47%	
WMI Chicago II LLC	Real Estate-Developer	4,260,500	0.74%	Real Estate-Developer	2,575,730	0.35%	
		\$ 71,947,270	12.48%		\$ 53,939,250	7.40%	

Note: Information for the period nine years ago was not available; therefore, information for the period ten years ago is presented.

Data Source

Office of the DuPage County Clerk

CITY OF WOODDALE, ILLINOIS  
SALES TAX COLLECTED BY CATEGORY

Last Ten Calendar Years

	2010		2011		2012		2013		2014		2015		2016		2017		2018	
	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year
General merchandise	\$ 478,706	0.04%	\$ 553,234	9.72%	\$ 550,271	4.77%	\$ 557,201	1.28%	\$ -	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Food	378,123	(10.19%)	413,406	10.21%	420,821	1.79%	428,710	1.87%	486,105	13.39%	424,376	(2.80%)	379,808	(10.49%)	551,207	45.10%	663,924	20.45%
Drinking and eating places	394,711	1.76%	383,735	(2.78%)	387,248	0.92%	406,687	5.02%	423,599	4.16%	452,697	5.47%	408,522	(9.76%)	416,312	1.91%	439,121	5.48%
Apparel	1,850	3,457,696%	546	(70.49%)	-	(100.00%)	-	N/A	-	N/A	-	N/A	-	N/A	-	N/A	-	N/A
Furniture, H.H. and radio	115,625	(15.08%)	123,825	7.09%	207,749	67.78%	191,680	(7.73%)	248,813	29.81%	210,219	(10.47%)	280,521	33.44%	299,099	6.62%	139,652	(53.31%)
Lumber, building and hardware	175,412	(35.91%)	195,250	11.31%	200,018	2.44%	221,607	10.79%	279,806	26.26%	374,154	2.10%	314,772	(15.87%)	243,472	(22.65%)	260,953	7.18%
Automobile and filling stations	447,884	(32.26%)	625,834	39.73%	1,152,383	84.14%	1,184,130	2.75%	985,596	(16.77%)	763,151	(22.53%)	772,548	1.23%	598,880	(22.48%)	663,567	10.80%
Drugs and miscellaneous retail	653,900	17.97%	635,888	(2.77%)	638,974	0.49%	653,960	2.35%	672,181	2.79%	946,026	28.49%	833,479	(11.90%)	810,752	(2.73%)	988,400	21.92%
Agriculture and all others	1,656,361	(11.37%)	1,602,531	(3.25%)	1,553,092	(3.09%)	1,551,109	(0.13%)	1,647,746	6.23%	2,021,752	7.51%	2,041,440	0.97%	1,761,675	(13.70%)	1,996,635	13.34%
Manufacturers	235,707	(24.40%)	225,600	(4.29%)	127,000	(43.71%)	145,246	14.37%	166,924	14.97%	197,207	5.51%	220,224	11.67%	174,903	(20.58%)	276,017	57.81%
<b>TOTAL</b>	\$ 4,533,369	29.40%	\$ 4,731,849	(11.20%)	\$ 5,237,556	4.30%	\$ 5,340,430	0.00%	\$ 4,910,770	2.00%	\$ 5,389,582	2.54%	\$ 5,521,374	(2.66%)	\$ 4,856,300	(7.52%)	\$ 5,428,359	11.78%
<b>CITY DIRECT SALES TAX RATE</b>	2.00%		2.00%		2.00%		2.00%		2.00%	2.00%		2.00%		2.00%		2.00%		2.00%

N/A - Information not available

Data Source

Illinois Department of Revenue

CITY OF WOODDALE, ILLINOIS  
SALES TAX COLLECTED BY CATEGORY (Continued)

Last Ten Calendar Years

	2014		2015		2016		2017		2018	
	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year	Amount	% Change From Prior Year
General merchandise	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Food	\$ 416,607	(10.18%)	\$ 424,376	(2.80%)	\$ 379,808	(10.49%)	\$ 551,207	45.10%	\$ 663,924	20.45%
Drinking and eating places	429,233	1.33%	452,697	5.47%	408,522	(9.76%)	416,312	1.91%	439,121	5.48%
Apparel	-	N/A	-	N/A	-	N/A	-	N/A	-	N/A
Furniture, H.H. and radio	234,792	(5.64%)	210,219	(10.47%)	280,521	33.44%	299,099	6.62%	139,652	(53.31%)
Lumber, building and hardware	366,459	30.97%	374,154	2.10%	314,772	(15.87%)	243,472	(22.65%)	260,953	7.18%
Automobile and filling stations	985,077	(0.05%)	763,151	(22.53%)	772,548	1.23%	598,880	(22.48%)	663,567	10.80%
Drugs and miscellaneous retail	736,251	9.53%	946,026	28.49%	833,479	(11.90%)	810,752	(2.73%)	988,400	21.92%
Agriculture and all others	1,880,533	14.13%	2,021,752	7.51%	2,041,440	0.97%	1,761,675	(13.70%)	1,996,635	13.34%
Manufacturers	186,912	11.97%	197,207	5.51%	220,224	11.67%	174,903	(20.58%)	276,017	57.81%
<b>TOTAL</b>	\$ 5,255,864	(8.00%)	\$ 5,389,582	2.54%	\$ 5,521,374	(2.66%)	\$ 4,856,300	(7.52%)	\$ 5,428,359	11.78%
<b>CITY DIRECT SALES TAX RATE</b>	2.00%		2.00%		2.00%		2.00%		2.00%	

CITY OF WOOD DALE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

Calendar Year	City Direct Rate	Non-Home Rule Sales Tax Rate	DuPage County Commission	Regional Water Transportation Authority	DuPage County	State of Illinois	Total
2009	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2010	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2011	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2012	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2013	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2014	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2015	1.00%	1.00%	0.25%	0.50%	0.50%	5.00%	8.25%
2016	1.00%	1.00%	0.00%	0.50%	0.50%	5.00%	8.00%
2017	1.00%	1.00%	0.00%	0.50%	0.50%	5.00%	8.00%
2018	1.00%	1.00%	0.00%	0.50%	0.50%	5.00%	8.00%

Data Source

City and County Records

CITY OF WOOD DALE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Calendar Years

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Debt Certificates	Capital Leases	Notes Payable	General Obligation Bonds	IEPA Loan	Total			
2010	\$ -	\$ -	\$ 19,518	\$ -	\$ -	\$ -	\$ -	\$ 19,518	0.01%	\$ 1.41
2011	-	-	-	-	-	-	-	-	0.00%	-
2012	-	-	-	-	9,995,000	-	-	9,995,000	2.56%	725.85
2013	-	-	-	-	9,995,000	-	-	9,995,000	2.51%	725.85
2014	-	-	-	-	9,970,000	4,103,771	-	14,073,771	3.59%	1,022.06
2015	-	-	-	-	9,610,000	18,684,617	-	28,294,617	7.37%	2,054.80
2016	-	-	-	-	9,235,000	21,334,311	-	30,569,311	7.77%	2,219.99
2017	-	-	-	-	8,845,000	20,439,889	-	29,284,889	7.60%	2,126.72
2018	-	-	-	829,200	8,440,000	19,510,835	-	28,780,035	7.50%	2,090.05
2019	-	-	-	1,631,200	8,020,000	18,563,763	-	28,214,963	6.67%	2,049.02

Note: See schedule of Demographic Statistics on page 123 for personal income and population data.

Data Sources

Office of the County Clerk  
City's Records

CITY OF WOOD DALE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Levy Years

Levy Year	Population (1)	Equalized Assessed Value (2)	Gross General Bonded Debt (3)	Less Debt Service Funds	Net General Bonded Debt	Ratio of Net General Obligation Debt to Equalized Assessed Value	Net General Bonded Debt Per Capita
2009	13,882	\$ 730,581,908	\$ -	\$ -	\$ -	0.00%	-
2010	13,770	660,479,193	-	-	-	0.00%	-
2011	13,770	592,306,648	-	-	-	0.00%	-
2012	13,770	529,544,342	-	-	-	0.00%	-
2013	13,770	493,770,844	-	-	-	0.00%	-
2014	13,770	493,770,844	-	-	-	0.00%	-
2015	13,770	485,448,235	-	-	-	0.00%	-
2016	13,770	491,066,760	-	-	-	0.00%	-
2017	13,770	555,945,717	-	-	-	0.00%	-
2018	13,770	577,244,079	-	-	-	0.00%	-

Data Sources

- (1) U.S. Department of Commerce, Bureau of Census
- (2) Office of the DuPage County Clerk
- (3) City's Records, excludes Alternate Revenue Source Bonds

CITY OF WOOD DALE, ILLINOIS

DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2019

Governmental Unit	Gross Bonded Debt	(1) Percentage of Debt Applicable to City	(2) Amount of City's Share of Debt
<b>DIRECT DEBT</b>			
City of Wood Dale	\$ 1,631,200	100.000%	\$ 1,631,200
<b>OVERLAPPING DEBT</b>			
DuPage County	144,795,000	1.450%	2,099,528
DuPage County Forest Preserve District	102,721,129	1.450%	1,489,456
Itasca Park District	1,805,000	3.540%	63,897
Wood Dale Park District	2,195,000	78.750%	1,728,563
Bensenville Park District	5,025,000	11.270%	566,318
School Districts			
District #2	34,371,000	12.450%	4,279,190
District #4	5,630,000	3.490%	196,487
District #7	745,000	75.720%	564,114
District #10	9,740,000	4.330%	421,742
District #88	80,685,000	1.410%	1,137,659
District #100	9,895,000	41.200%	4,076,740
District #108	18,620,000	1.100%	204,820
Wood Dale Special Service Area #11	24,000	100.000%	24,000
Wood Dale Special Service Area #12	895,000	100.000%	895,000
Wood Dale Special Service Area #13	1,290,000	100.000%	1,290,000
Wood Dale Special Service Area #14	805,000	100.000%	805,000
Total overlapping bonded debt	419,241,129		19,842,514
<b>TOTAL</b>	<b>\$ 420,872,329</b>		<b>\$ 21,473,714</b>

(1) Determined by ratio of assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in the City.

(2) Amount in column (2) multiplied by amount in column (1).

Data Source

Office of the DuPage County Clerk

CITY OF WOOD DALE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Calendar Years

	2009	2010	2011	2012
Assessed value of property	\$ 2,191,767,642	\$ 1,981,457,394	\$ 1,776,937,713	\$ 1,588,633,026
Debt limit	63,013,320	56,966,900	51,086,959	45,673,199
Total debt applicable to limit	-	-	-	-
<b>LEGAL DEBT MARGIN</b>	<b>\$ 63,013,320</b>	<b>\$ 56,966,900</b>	<b>\$ 51,086,959</b>	<b>\$ 45,673,199</b>

**TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT**

0.00%      0.00%      0.00%      0.00%

	2013	2014	2015	2016	2017	2018
	\$ 1,481,312,532	\$ 1,456,344,705	\$ 1,473,200,280	\$ 1,568,603,208	\$ 1,667,837,151	\$ 1,731,732,237
	42,587,735	41,869,910	42,354,508	45,097,342	47,950,318	49,787,302
	-	-	-	-	-	-
	\$ 42,587,735	\$ 41,869,910	\$ 42,354,508	\$ 45,097,342	\$ 47,950,318	\$ 49,787,302

0.00%      0.00%      0.00%      0.00%      0.00%      0.00%

CITY OF WOOD DALE, ILLINOIS

DEMOGRAPHIC STATISTICS

Last Ten Calendar Years

Calendar Year	(1) Population	(1) Per Capita Income	Equalized Assessed Valuation	Personal Income	(2) Unemployment Rate
2009	13,882	\$ 25,190	\$ 730,581,908	\$ 349,687,580	10.60%
2010	13,770	25,190	660,479,193	346,866,300	9.70%
2011	13,770	28,397	592,306,648	391,026,690	8.90%
2012	13,770	28,909	529,544,342	398,076,930	9.90%
2013	13,770	28,455	493,770,844	391,825,350	7.40%
2014	13,770	27,883	485,448,235	383,948,910	5.40%
2015	13,770	28,555	491,066,760	393,202,350	4.80%
2016	13,770	27,967	522,867,736	385,105,590	5.10%
2017	13,770	29,836	555,945,717	410,841,720	5.00%
2018	13,770	30,731	577,244,079	423,165,870	3.30%

Data Sources

- City Records and Office of the DuPage County Clerk
- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Bureau of Labor Statistics

CITY OF WOOD DALE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2019			2008 (1)		
	Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
Videjet	532	1	3.86%	1,674	1	12.06%
Power Solutions	510	2	3.70%	750	2	5.40%
AAR Corporation	440	3	3.20%	506	3	3.65%
C.H. Robinson	364	4	2.64%	490	4	3.53%
Tempco Electric Heater	355	5	2.58%	471	5	3.39%
Quest Diagnostics	340	6	2.47%	364	6	2.62%
Power Solutions	275	7	2.00%	201	7	1.45%
OPTO International, Inc.	200	8	1.45%	180	8	1.30%
Top Golf	160	9	1.16%	165	9	1.19%
Wiegel Tool Works	150	10	1.09%	150	10	1.08%
<b>TOTAL</b>	<b>2,794</b>			<b>4,951</b>		

(1) Information not available for 2010

Data Source:  
Office of the DuPage County Clerk

**CITY OF WOOD DALE, ILLINOIS**

**TEN LARGEST CONSUMERS - WATERWORKS AND SEWERAGE SYSTEMS**

April 30, 2019

<b>Taxpayers</b>	<b>Rank</b>	<b>Total Consumption (Gallons)</b>
Dominion Towers	1	5,256,000
WPS Wood Dale LLC	2	4,820,050
Brookwood Green Condo	3	4,218,604
Tempco Electric Heater Corp.	4	3,582,621
Courtyard Chicago Wood Dale	5	3,221,071
Jewel-Osco Food Store	6	2,467,245
Whispering Oaks Unit Owners	7	2,184,047
Power Great Lakes	8	2,082,410
Wood Dale Station Condos	9	1,995,000
Video Jet Technologies, Inc.	10	1,911,353

Note: Information was not available for nine years ago.

Data Source

Finance Department

**CITY OF WOOD DALE, ILLINOIS**  
**FULL-TIME EQUIVALENT EMPLOYEES**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>GENERAL GOVERNMENT</b>										
Administration	4.00	4.00	4.00	4.00	4.00	5.00	4.00	4.00	6.00	5.00
City clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community development	6.00	6.00	6.00	6.00	6.00	6.00	9.00	9.00	8.00	7.00
Finance	4.00	4.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Engineering	2.00	2.00	-	-	-	-	-	-	-	-
Total general government	17.00	17.00	14.00	14.00	14.00	15.00	18.00	18.00	19.00	17.00
<b>PUBLIC SAFETY</b>										
Officers	35.00	35.00	35.00	35.00	35.00	35.00	33.00	33.00	33.00	33.00
Civilians	17.00	17.00	17.00	17.00	17.00	16.00	11.00	11.00	11.00	12.00
Total public safety	52.00	52.00	52.00	52.00	52.00	51.00	44.00	44.00	44.00	45.00
<b>PUBLIC WORKS</b>										
City service administration	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
Streets	9.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00	8.00
Water and sewer	20.00	20.00	21.00	21.00	21.00	19.00	21.00	21.00	20.00	20.00
Vehicle maintenance	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00
Total public works	33.00	31.00	32.00	32.00	32.00	33.00	34.00	34.00	33.00	33.00
<b>TOTAL FULL-TIME EQUIVALENT EMPLOYEES</b>	102.00	100.00	98.00	98.00	98.00	99.00	96.00	96.00	96.00	95.00

Data Source:

City Payroll Records

CITY OF WOODDALE, ILLINOIS  
OPERATING INDICATORS (Continued)

Last Ten Calendar Years

Program/Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>PUBLIC SAFETY (Continued)</b>										
Crime index, part 1 (offense)	3	-	-	-	-	-	-	-	-	-
Homicide	1	2	1	1	1	1	1	1	3	3
Sexual assault	83	73	85	80	84	73	77	82	5	3
Aggravated assault/battery	24	21	40	45	30	22	23	16	17	22
Burglary	10	10	14	14	14	17	16	17	17	17
Motor vehicle theft	10	14	14	8	11	9	18	18	9	8
Arson	225	215	246	247	241	197	216	250	243	201
Total crime index part 1 offenses	1,373	2,623	1,720	1,790	2,210	2,157	1,750	1,314	2,211	1,908
Parking violations	8,500	7,975	7,927	8,294	7,882	7,577	6,712	5,686	4,563	5,592
Traffic violations (includes DUI violations)	192	198	149	172	173	150	111	131	100	98
DUI violations	972	1,060	773	860	664	659	838	538	438	394
False alarm responses										
<b>PUBLIC WORKS</b>										
Street cleaning	250	250	250	250	250	250	250	250	250	250
Curbside recycling sweep	2,200	2,400	2,200	2,200	2,200	2,100	N/A	N/A	N/A	N/A
Curbside yard of waste collected	46	45	10	19	15	33	43	15	19	22
Number of snow events	56.6	57.9	193	19	89	51	31	26	36	29
Snowplowing	57	57	57	57	57	97	107	107	107	107
Right of way mowing	100	100	100	100	100	100	100	100	100	100
Acres mowed	60	78	115	95	90	97	87	76	448	73
Total number of parcel	2,393	2,239	2,302	2,086	1,735	2,062	2,298	2,019	1,779	1,617
Regulatory signs installed	832	871	920	772	834	933	869	837	851	881
Public works program rides	172	141	191	287	320	336	355	348	316	337
Repair orders completed	366	396	479	638	598	663	602	701	670	741
PM services	122	117	54	61	61	66	73	54	59	67
General repairs	90	89	67	70	60	84	76	86	86	64
Tire service	32	28	39	33	29	27	26	25	40	24
Replacement	41	39	60	77	110	145	111	120	103	100
Signs, lighting, and	48	79	63	83	58	99	103	62	38	68
Landscaping										
Number of outsourced services										

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CITY OF WOODDALE, ILLINOIS  
OPERATING INDICATORS

Last Ten Calendar Years

Program/Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>GENERAL GOVERNMENT</b>										
City Clerk	803	751	758	825	819	810	750	N/A	N/A	N/A
Business/writing/licenses issued	9,968	9,880	9,729	10,225	9,049	9,534	9,234	12,229	9,587	10,269
Vehicle stickers issued	3,334	3,619	3,858	3,378	3,134	2,887	3,027	2,214	2,123	1,863
Accounts payable checks processed	85	77	88	84	94	729	758	869	961	787
Community development	36	34	37	43	61	59	63	75	55	22
Residential permits issued	2	3	4	9	4	3	7	73	2	5
New construction	34	31	33	34	57	56	56	2	53	17
New construction permits issued	4	2	1	-	-	4	-	-	2	1
New construction	47	41	51	41	33	34	40	46	36	35
Remodel	N/A	N/A	N/A	N/A	N/A	656	655	748	868	729
Other permits issued	N/A	N/A	N/A	N/A	N/A	11	11	18	11	9
Accessory Structures	N/A	N/A	N/A	N/A	N/A	6	12	16	12	7
Deck/Porch	N/A	N/A	N/A	N/A	N/A	49	60	66	68	58
Fence	N/A	N/A	N/A	N/A	N/A	10	14	15	14	12
Sign	N/A	N/A	N/A	N/A	N/A	100	146	178	297	188
Stair	N/A	N/A	N/A	N/A	N/A	123	124	147	113	128
Electrical, plumbing or mechanical only	N/A	N/A	N/A	N/A	N/A	55	66	99	133	123
Replacement window, door, siding	N/A	N/A	N/A	N/A	N/A	70	55	70	10	25
Replace/repair water connection	N/A	N/A	N/A	N/A	N/A	2	45	2	82	61
Miscellaneous	N/A	N/A	N/A	N/A	N/A	15,990,636	17,996,278	23,001,993	33,785,596	26,318,821
Total building permit valuation	6,521,034	7,048,684	10,258,972	4,641,276	4,393,700	N/A	401	184	182	226
Removal/occupancy permits issued	N/A	N/A	N/A	N/A	N/A	13	556	697	499	499
Special occupancy permits issued	N/A	N/A	N/A	N/A	N/A	3	2	2	1	1
Amusement permits issued	N/A	N/A	N/A	N/A	N/A	18,379	18,201	17,094	15,281	15,378
<b>PUBLIC SAFETY</b>										
City Clerk	17,989	17,527	17,513	18,379	18,122	18,903	18,201	17,094	15,281	15,378
Officer initiated	14,283	13,552	13,525	14,715	15,456	15,296	N/A	N/A	N/A	N/A
9-1-1	3,526	4,175	3,988	3,664	3,686	3,607	N/A	N/A	N/A	N/A
Total accident investigations	382	383	371	370	318	412	408	395	301	395
Fatalities	42	37	38	34	27	36	36	28	26	36
Personal injury	42	37	33	34	41	61	47	47	46	56
Fatalities										

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CITY OF WOOD DALE, ILLINOIS  
CAPITAL ASSET STATISTICS  
Last Ten Fiscal Years

CITY OF WOOD DALE, ILLINOIS  
OPERATING INDICATORS (Continued)  
Last Ten Calendar Years

Program/Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>PLANT MAINTENANCE</b>										
Repair orders completed	1,081	946	973	985	852	805	786	519	N/A	N/A
<b>WATER</b>										
Average daily consumption (gallons)	1,101,216	1,046,112	1,068,315	1,149,737	1,051,041	1,051,200	1,138,162	1,086,786	1,076,868	1,070,917
Residential (gallons)	30,577,000	28,816,000	292,688,000	307,186,000	289,334,000	280,320,000	266,682,000	276,640,000	263,980,000	281,060,000
Industrial/commercial (gallons)	96,173,000	93,015,000	130,536,000	108,214,000	94,296,000	92,710,000	88,208,000	83,964,000	80,855,000	108,863,000
Public works (gallons)	N/A	N/A	N/A	N/A	2,304,000	1,736,000	1,847,000	1,566,000	1,596,000	1,304,000
Water main breaks	39	33	32	50	52	49	25	31	29	17
Total hydrant flushing	973	973	974	974	974	974	974	974	974	974
System 1	740	740	739	741	741	741	741	741	741	741
System 2	233	233	235	233	233	233	233	233	233	233
Number of valves exercised	549	534	1,205	1,205	1,193	1,193	1,193	1,193	1,193	1,135
System 1	462	436	1,003	1,003	991	991	991	991	991	1,135
System 2	87	98	202	202	202	202	202	202	202	0
Water main accounts	4,362	4,356	4,324	4,359	4,391	4,440	4,440	4,440	4,444	4,459
Residential	533	516	535	513	517	516	516	516	510	512
Municipal church/school	23	23	23	23	23	23	23	23	23	23
Hydrant meters in service	6	6	6	7	8	12	12	12	10	13
<b>WASTEWATER</b>										
Average daily treatment (gallons)	2,525,000	2,397,000	2,507,000	2,095,000	2,116,000	2,567,000	2,690,000	1,938,000	2,119,000	2,500,000
Excursions/violations	1	1	1	1	1	1	1	1	1	3
N/A - Information unavailable/program non-existent										

Data Source:  
Various City departments

Data Source:  
City capital asset records

**APPENDIX B**  
**DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**APPENDIX C**  
**PROPOSED FORMS OF OPINION OF BOND COUNSEL**

May 6, 2020

City of Wood Dale  
Wood Dale, Illinois

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Re:    \$ \_\_\_\_\_ City of Wood Dale, DuPage County, Illinois  
      General Obligation Bonds (Alternate Revenue Source), Series 2020A

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Wood Dale, DuPage County, Illinois (the "Issuer") of \$ \_\_\_\_\_ of its General Obligation Bonds (Alternate Revenue Source), Series 2020A (the "Bonds"). We have examined the law and the certified transcript of proceedings of the City relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and other certificates of public officials, including the City's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, as follows:

The Bonds are valid and binding general obligations of the City.

The Bonds are payable as to principal and interest from (i) ratably and equally with the City's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012, receipts of the Retailer's Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes, (ii) such other funds legally available and appropriated therefor, and (iii) ad valorem taxes levied against all taxable property within the City without limitation as to rate or amount.

Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as in effect on the date hereof (the "Code"), and is not a specific preference in computing the federal alternative minimum tax. This opinion is conditioned on the City's continuing compliance with the Tax Representations. Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds.

The Bonds have been properly designated as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code, as amended to this date, relating to the exception from the 100% disallowance for the deduction for interest expense allocable to interest on tax exempt obligations acquired by financial institutions. The designation is conditioned upon continuing compliance with the Tax Representations.

The opinions set forth herein express the professional judgment of the attorneys participating in the transactions as to the legal issues addressed herein. By rendering such opinions, the undersigned does not become an insurer or guarantor of that expression of professional judgment or of the transaction opined upon. Nor does the rendering of that opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

We express no opinion as to (a) the ability or the likelihood of the City to make such payments when due or (b) the validity or feasibility of any future financings that the City may undertake in order to provide funds to make such payments.

It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity. It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to the valid exercise of the constitutional powers of the City, the State of Illinois and the United States of America.

Very truly yours,

**APPENDIX D**

**CITY OF WOOD DALE, DUPAGE COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2019 AUDITED FINANCIAL STATEMENTS  
RELATING TO THE CITY'S PENSION PLANS**

CITY OF WOOD DALE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
POLICE PENSION FUND

For the Year Ended April 30, 2019

<b>ADDITIONS</b>	
Contributions	
Employer contributions	\$ 1,300,128
Employee contributions	<u>328,458</u>
Total contributions	<u>1,628,586</u>
Investment income	
Net appreciation in fair value of investments	322,100
Interest and dividends	<u>913,430</u>
Total investment income	<u>1,235,530</u>
Less investment expense	<u>(76,299)</u>
Net investment income	<u>1,159,231</u>
Total additions	<u>2,787,817</u>
<b>DEDUCTIONS</b>	
Pension benefits	1,825,822
Administrative expenses	<u>52,064</u>
Total deductions	<u>1,877,886</u>
CHANGE IN NET POSITION	909,931
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
May 1	<u>25,570,114</u>
April 30	<u>\$ 26,480,045</u>

CITY OF WOOD DALE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Pledged Revenues

The City has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The Series 2012 General Obligation Alternate Revenue Source Bonds, issued for the North Wastewater Treatment Plant Upgrades, Phase 1A, are payable from (i) Water and Sewer Revenues, Non-Home Rule Sales Taxes, and such other funds of the City lawfully available and annually appropriated for such purpose; and (ii) ad valorem taxes levied against all taxable property within the City without limitation as to rate or amount. The 2012 bonds have a remaining total pledge of \$9,811,721, with the bonds maturing December 30, 2032. During the current fiscal year, the pledge of water revenues for the 2012 bonds of \$633,270 was approximately 6.22% of total water and sewer revenues and non-home rule sales tax revenues.

7. DEFINED BENEFIT PENSION PLANS

The City contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan (collectively called the pension plans) which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 and www.imrf.org. For the year ended April 30, 2019, the City reported total net pension liabilities of \$25,152,588 and total pension expense of \$2,650,235.

a. Plan Descriptions

Illinois Municipal Retirement Fund

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

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

See accompanying notes to financial statements.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2018, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	90
Inactive employees entitled to but not yet receiving benefits	77
Active employees	66
TOTAL	<u>233</u>

*Benefits Provided*

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

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

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

*Contributions*

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rates for the calendar years ended December 31, 2018 and December 31, 2019 were 11.71% and 9.63% of covered payroll, respectively.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

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

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

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



CITY OF WOOD DALE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The discount rate used to measure the total pension liability at December 31, 2017 was 7.50%.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 28,819,310	\$ 28,033,682	\$ 785,628
Changes for the period			
Service cost	435,385	-	435,385
Interest	2,128,994	-	2,128,994
Difference between expected and actual experience	420,945	-	420,945
Changes in assumptions	905,629	-	905,629
Employer contributions	-	558,717	(558,717)
Employee contributions	-	215,876	(215,876)
Net investment income	-	(1,464,780)	1,464,780
Benefit payments and refunds	(1,300,827)	(1,300,827)	-
Other (net transfer)	-	536,884	(536,884)
Net changes	2,590,126	(1,454,130)	4,044,256
BALANCES AT DECEMBER 31, 2018	\$ 31,409,436	\$ 26,579,552	\$ 4,829,884

Changes in assumptions relate to the change in discount rate during 2018

CITY OF WOOD DALE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2019, the City recognized pension expense of \$311,576. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 424,127	\$ 4,620
Changes in assumption	643,310	398,335
Net difference between projected and actual earnings on pension plan investments	1,772,379	-
Employer contributions after the measurement date	148,739	-
TOTAL	\$ 2,988,555	\$ 402,955

\$148,739 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending April 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense for the City as follows:

Year Ending April 30,	
2020	\$ 775,414
2021	548,795
2022	399,110
2023	713,542
TOTAL	\$ 2,436,861

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 8,966,314	\$ 4,829,884	\$ 1,460,348

Police Pension Plan

*Plan Administration*

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

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

Administrative costs are financed through contributions and investment income.

*Plan Membership*

At April 30, 2019, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	26
Inactive plan members entitled to but not receiving benefits	-
Active plan members	35
<b>TOTAL</b>	<b>61</b>

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided*

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits, which are recognized when due and payable in accordance with ILCS. Benefits and refunds of the Police Pension Plan are recognized when due and payable in accordance with the terms of the plan.

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary, including administrative costs. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the City has chosen a policy to fund 100% of the past service cost by 2040. For the year ended April 30, 2019, the City's contribution was 39.54% of covered payroll.

*Investment Policy*

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and requires the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, corporate bonds, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

There were no changes to the investment policy during the year.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)  
*Investment Policy* (Continued)

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes (net of inflation estimate of 2.30%):

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	27.00%	7.62%
U.S. Mid Cap Equity	3.00%	6.00%
U.S. Small Cap Equity	3.00%	5.06%
Real Estate	3.00%	4.57%
Non US Developed Equity	16.00%	4.82%
Emerging Markets	8.00%	6.45%
Fixed Income	38.00%	1.40%
Cash	2.00%	0.61%

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study by the Global Investment Committee of Morgan Stanley and was published in March 2019. The best estimate ranges of expected nominal rates of return (net of inflation of 2.30%) were developed for each major assets class as of December 31, 2018. These ranges were combined to produce the long-term expected rate of return by weighting the expected future nominal rates of return by the target asset allocation percentage. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2019 are listed in the table above.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Rate of Return*

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.72%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

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

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 3,538,137	\$ 70,019	\$ 1,360,846	\$ 2,107,272	\$ -
U.S. agency securities	2,101,273	539,701	478,730	285,801	797,041
Corporate bonds	3,142,278	44,952	1,921,520	997,028	178,778
TOTAL	\$ 8,781,688	\$ 654,672	\$ 3,761,096	\$ 3,390,101	\$ 975,819

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

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Interest Rate Risk (Continued)*

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to have an average maturity/modified duration of approximately five years. This average is adjusted upward when interest rates are rising and downward when they are falling in order to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

*Credit Risk*

In accordance with its investment policy, the Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing primarily in U.S. Treasury obligations, U.S. agency obligations, and requiring that municipal and corporate bonds must be rated as investment grade by one of the two largest rating services at the time of purchase. The U.S. Treasury obligations and U.S. agency securities are rated AAA. Corporate bonds are rated ranging from AAA to BAA3.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund is exposed to custodial credit risk as the broker also serves as the custodian. However, the custodian has issued an excess SIPC policy to the Fund to mitigate the exposure to custodial credit risk.

*Concentration of Credit Risk*

Concentration of credit risk is the risk that the Fund has a high percentage of its investments invested in one type of investment. The Fund's investment policy limits the amount of the portfolio that can be invested in any one investment category.

Diversification by Instrument	Percent of Portfolio	
	Minimum	Maximum
Equities and mutual funds	20%	65%
Fixed income	33%	78%
Cash	2%	20%

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Actuarial Assumptions*

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

Actuarial valuation date	April 30, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 8.97%
Interest rate	6.75%
Asset valuation method	Market

Active, Disabled, and Spouse mortality rates used in the April 30, 2019 valuation were based on the RP-2014 Study, with Blue Collar Adjustment and improved generational mortality using the MP-2016 Improvement Rates. Retiree mortality was based on an actuarial experience study conducted by the actuary in 2016 and experience-weighted with the Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment and improved generational mortality using MP-2016 Improvement Rates. Other demographic assumptions are based on a review of assumptions in the actuary's 2016 experience study for Illinois Police Officers.

*Discount Rate*

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

7. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2018	\$ 44,785,681	\$ 25,570,114	\$ 19,215,567
Changes for the period			
Service cost	775,260	-	775,260
Interest	2,961,412	-	2,961,412
Difference between expected and actual experience	106,218	-	106,218
Changes in assumptions	-	-	-
Employer contributions	-	1,300,128	(1,300,128)
Employee contributions	-	328,458	(328,458)
Net investment income	-	1,159,230	(1,159,230)
Benefit payments and refunds	(1,825,822)	(1,825,822)	-
Administrative expense	-	(52,063)	52,063
Net changes	2,017,068	909,931	1,107,137
BALANCES AT APRIL 30, 2019	\$ 46,802,749	\$ 26,480,045	\$ 20,322,704

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 27,478,198	\$ 20,322,704	\$ 14,540,333

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

For the year ended April 30, 2019, the City recognized pension expense of \$2,338,659. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,071,953	\$ 171,994
Changes in assumptions	1,155,521	667,497
Net difference between projected and actual earnings on pension plan investments	390,720	-
TOTAL	\$ 2,618,194	\$ 839,491

7. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)  
Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

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

Fiscal Year Ending April 30,	
2020	\$ 595,949
2021	228,323
2022	355,567
2023	362,880
2024	76,478
Thereafter	159,506
TOTAL	\$ 1,778,703

8. OTHER POSTEMPLOYMENT BENEFITS

- a. Plan Description

In addition to the pension benefits described in Note 7, the City provides postemployment health care benefits (OPEB) to certain retirees under its Healthcare Benefits Program, a single-employer plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the City and can be amended by the City under its personnel manual and union contracts. To be eligible, employees must be enrolled in the City's healthcare plan at time of retirement, and receive a pension from either IMRF or the Fund. The City provides an explicit premium subsidy to certain retirees who meet eligibility conditions, and healthcare access to other retired members provided the member pays 100% of the blended premium. Police officers who become disabled in the line of duty during an emergency receive continuation of healthcare benefits at no cost to the member. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the City's insurance provider.

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- b. Benefits Provided
- All healthcare benefits are provided through the City's health plan. The benefit levels are similar to those afforded to active employees. Benefits include general in-patient and out-patient medical services, vision care, dental care, and prescriptions. Upon a retired participant reaching the age of 65, Medicare becomes the primary insurer and the City's plan becomes secondary. A separate, audited GAAP basis report is not issued for the plan.
- c. Membership
- At April 30, 2018 (most recent data available), membership consisted of:
- |                                                                          |            |
|--------------------------------------------------------------------------|------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 13         |
| Inactive employees entitled to but not yet receiving benefit payments    | -          |
| Active employees                                                         | 109        |
| <b>TOTAL</b>                                                             | <u>122</u> |

d. Total OPEB Liability

The City's total OPEB liability of \$2,804,943 was measured as of April 30, 2019 and was determined by an actuarial valuation as of May 1, 2017.

- e. Actuarial Assumptions and Other Inputs
- The total OPEB liability at April 30, 2019, as determined by an actuarial valuation as of May 1, 2017 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to April 30, 2019, including updating the discount rate at April 30, 2019, as noted below.
- |                             |                                          |
|-----------------------------|------------------------------------------|
| Actuarial cost method       | Entry-age normal                         |
| Actuarial value of assets   | N/A                                      |
| Salary Increases            | 2.75%                                    |
| Discount rate               | 3.79%                                    |
| Healthcare cost trend rates | 5.50% to 6.50% Initial<br>5.00% Ultimate |

**CITY OF WOOD DALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- e. Actuarial Assumptions and Other Inputs (Continued)
- The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's A.A.
- Active IMRF Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study. These rates are improved generationally using MP-2017 improvement rates and weighted based on the IMRF December 31, 2017 valuation. Retiree and spousal IMRF mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study, with blue collar adjustments. These rates are improved generationally using MP-2017 improvement rates. Active Police Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates. Retiree Police Mortality follows the Lauterbach and Amen Assumption Study for Police 2016. These rates are experience weighted with the raw rates as developed in the RP-204 study, with blue collar adjustment and improved generationally using MP-206 improvement rates. Disabled mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study for disabled participants. These rates are improved generationally using MP-2016 improvement rates. Spouse mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study. These rates are improved generationally using MP-2016 improvement rates.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2018	\$ 2,672,474
Changes for the period	
Service cost	48,286
Interest	104,291
Changes in assumptions	70,859
Benefit payments	<u>(90,967)</u>
Net changes	132,469
BALANCES AT APRIL 30, 2019	<u>\$ 2,804,943</u>

Changes in assumptions during 2019 related to the change in discount rate from 3.97% to 3.79%.

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

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

	1% Decrease (2.79%)	Current Discount Rate (3.79%)	1% Increase (4.79%)
Total OPEB liability	\$ 3,323,863	\$ 2,804,943	\$ 2,397,225

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 5.50% to 6.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.50% to 5.50%) or 1 percentage point higher (6.50% to 7.50%) than the current rate:

	1% Decrease (4.50% to 5.50%)	Current Healthcare Rate (5.50% to 6.50%)	1% Increase (6.50% to 7.50%)
Total OPEB liability	\$ 2,373,569	\$ 2,804,943	\$ 3,356,489

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

For the year ended April 30, 2019, the City recognized OPEB expense of \$68,878. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	63,591	-
TOTAL	\$ 63,591	\$ -

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

Year Ending April 30,	
2020	\$ 7,268
2021	7,268
2022	7,268
2023	7,268
2024	7,268
Thereafter	27,251
TOTAL	\$ 63,591

9. COMMITMENTS AND CONTINGENCIES

DuPage Water Commission

The City has a contract for the purchase of Lake Michigan water from the DuPage Water Commission (the Commission). The Commission's obligation to deliver lake water is limited to certain specified maximum amounts as defined by the terms of the agreement. The City is obligated to pay a share of operation and maintenance costs on a monthly basis computed based on current price and consumption.

Litigation

The City is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable in the opinion of the City's attorneys.

Grants

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



CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019
Actuarially determined contribution	\$ 552,503	\$ 521,086	\$ 524,474	\$ 501,726
Contributions in relation to the actuarially determined contribution	552,503	521,086	524,474	501,726
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Covered payroll	\$ 4,532,650	\$ 4,376,856	\$ 4,530,428	\$ 4,479,472
Contributions as a percentage of covered payroll	12.19%	11.91%	11.58%	11.20%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,019,884	\$ 1,023,940	\$ 1,081,298	\$ 1,181,154	\$ 1,300,127
Contributions in relation to the actuarially determined contribution	883,238	1,023,960	1,081,300	1,181,162	1,300,128
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ 136,646</b>	<b>\$ (20)</b>	<b>\$ (2)</b>	<b>\$ (8)</b>	<b>\$ (1)</b>

Covered payroll	\$ 3,101,656	\$ 3,246,190	\$ 3,390,761	\$ 3,509,438	\$ 3,288,479
Contributions as a percentage of covered payroll	28.48%	31.54%	31.89%	33.66%	39.54%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 22 years; the asset valuation method was five-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, projected salary increases assumption of 4.00% to 8.97% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

**CITY OF WOOD DALE, ILLINOIS**  
**SCHEDULE OF CHANGES IN THE EMPLOYERS**  
**NET PENSION LIABILITY AND RELATED RATIOS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Four Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 481,907	\$ 452,339	\$ 455,926	\$ 435,385
Interest	1,915,795	1,978,938	2,077,093	2,128,994
Changes of benefit terms				
Differences between expected and actual experience	(516,170)	(33,477)	292,280	420,945
Changes of assumptions	33,818	(70,106)	(907,985)	905,629
Benefit payments, including refunds of member contributions	(991,083)	(1,053,344)	(1,129,241)	(1,300,827)
Net change in total pension liability	924,267	1,274,350	788,073	2,590,126
Total pension liability - beginning	25,832,620	26,756,887	28,031,237	28,819,310
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 26,756,887</b>	<b>\$ 28,031,237</b>	<b>\$ 28,819,310</b>	<b>\$ 31,409,436</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 558,047	\$ 525,356	\$ 526,216	\$ 558,717
Contributions - member	201,200	193,219	205,732	215,876
Net investment income	118,862	1,602,686	4,254,445	(1,464,780)
Benefit payments, including refunds of member contributions	(991,083)	(1,053,344)	(1,129,241)	(1,300,827)
Other (net transfer)	(439,575)	(32,789)	(394,345)	536,884
Net change in plan fiduciary net position	(652,549)	1,235,128	3,462,807	(1,454,130)
Plan fiduciary net position - beginning	23,888,296	23,335,747	24,570,875	28,033,682
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 23,335,747</b>	<b>\$ 24,570,875</b>	<b>\$ 28,033,682</b>	<b>\$ 26,579,552</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 3,421,140</b>	<b>\$ 3,460,362</b>	<b>\$ 785,628</b>	<b>\$ 4,829,884</b>
Plan fiduciary net position				
as a percentage of the total pension liability	87.21%	87.66%	97.77%	84.62%
Covered payroll	\$ 4,464,061	\$ 4,285,625	\$ 4,571,815	\$ 4,450,647
Employer's net pension liability				
as a percentage of covered payroll	76.64%	80.74%	17.18%	108.52%

The discount rate assumption was changed from 7.50% to 7.25% in 2018.

The price inflation assumption was changed from 2.75% to 2.50%, and the salary increase assumption was changed from 3.75% to 3.39% in 2017.

The discount rate assumption was changed from 7.48% to 7.50% in 2016.

The retirement age and mortality assumptions were changed in 2015.

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

(See independent auditor's report.)

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**CITY OF WOOD DALE, ILLINOIS**  
**SCHEDULE OF CHANGES IN THE EMPLOYERS**  
**NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE PENSION FUND**

Last Five Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019
<b>TOTAL PENSION LIABILITY</b>					
Service cost	\$ 699,643	\$ 646,508	\$ 760,237	\$ 726,239	\$ 775,260
Interest	2,297,128	2,424,056	2,686,344	2,769,286	2,961,412
Changes of benefit terms					
Differences between expected and actual experience	-	(332,566)	297,731	1,063,649	106,218
Changes in assumptions	2,368,669	(1,096,269)	(1,238,569)	(1,599,900)	(1,825,822)
Benefit payments, including refunds of member contributions	(1,069,412)	(1,163,299)	(1,238,569)	(1,599,900)	(1,825,822)
Net change in total pension liability	1,927,359	3,923,368	1,409,444	2,959,274	2,017,068
Total pension liability - beginning	34,586,236	36,493,595	40,416,963	41,826,407	44,785,681
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 36,493,595</b>	<b>\$ 40,416,963</b>	<b>\$ 41,826,407</b>	<b>\$ 44,785,681</b>	<b>\$ 46,802,749</b>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	\$ 883,238	\$ 1,023,960	\$ 1,081,300	\$ 1,181,162	\$ 1,300,128
Contributions - member	298,262	332,138	320,719	303,265	328,458
Net investment income	1,197,294	(358,480)	2,100,822	1,886,339	1,159,231
Benefit payments, including refunds of member contributions	(1,069,412)	(1,163,299)	(1,238,569)	(1,599,900)	(1,825,822)
Administrative expense	(39,466)	(38,886)	(46,234)	(58,137)	(52,064)
Net change in plan fiduciary net position	1,269,916	(204,567)	2,218,038	1,712,729	909,931
Plan fiduciary net position - beginning	20,573,998	21,843,914	21,639,347	23,857,385	25,570,114
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 21,843,914</b>	<b>\$ 21,639,347</b>	<b>\$ 23,857,385</b>	<b>\$ 25,570,114</b>	<b>\$ 26,480,045</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 14,649,681</b>	<b>\$ 18,777,616</b>	<b>\$ 17,969,022</b>	<b>\$ 19,215,567</b>	<b>\$ 20,322,704</b>
Plan fiduciary net position					
as a percentage of the total pension liability	59.86%	53.54%	57.04%	57.09%	56.58%
Covered payroll	\$ 3,101,656	\$ 3,246,190	\$ 3,390,761	\$ 3,509,438	\$ 3,288,479
Employer's net pension liability					
as a percentage of covered payroll	472.32%	578.45%	529.94%	547.54%	618.00%

Notes to Required Supplementary Information

2016 - Actuarial assumptions were updated to reflect revised expectations with respect to mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

2017 - Actuarial assumptions were updated to reflect revised expectations with respect to mortality rates.

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

(See independent auditor's report.)

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CITY OF WOOD DALE, ILLINOIS

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

Last Two Fiscal Years

MEASUREMENT DATE	APRIL 30,	2018	2019
<b>TOTAL OPEB LIABILITY</b>			
Service cost	\$	46,442	\$ 48,286
Interest		101,880	104,291
Changes of benefit terms		-	-
Differences between expected and actual experience		-	-
Changes in assumptions		-	70,859
Benefit payments, including refunds of member contributions		(84,163)	(90,967)
Net change in total OPEB liability		64,159	132,469
Total OPEB liability - beginning		2,608,315	2,672,474
<b>TOTAL OPEB LIABILITY - ENDING</b>	\$	2,672,474	\$ 2,804,943
Covered payroll	\$	8,308,877	\$ 8,356,127
Employer's total OPEB liability as a percentage of covered payroll		32.16%	33.57%

Notes to Required Supplementary Information

2019 - Actuarial assumptions were updated to reflect changes in the discount rate from 3.97% to 3.79%.

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

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

(See independent auditor's report.)

CITY OF WOOD DALE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED	APRIL 30,	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense		5.98%	(1.54%)	9.99%	7.98%	4.72%

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

(See independent auditor's report.)

**CITY OF WOOD DALE, ILLINOIS**

SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL  
POLICE PENSION FUND

For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>ADDITIONS</b>			
Contributions			
Employer contributions	\$ 1,300,127	\$ 1,300,127	\$ 1,300,128
Employee contributions	318,723	318,723	328,458
Total contributions	<u>1,618,850</u>	<u>1,618,850</u>	<u>1,628,586</u>
Investment income			
Net appreciation in fair value of investments	1,354,497	1,354,497	322,100
Interest	450,000	450,000	913,430
Total investment income	<u>1,804,497</u>	<u>1,804,497</u>	<u>1,235,530</u>
Less investment expense	<u>(100,000)</u>	<u>(100,000)</u>	<u>(76,299)</u>
Net investment income	1,704,497	1,704,497	1,159,231
Total additions	<u>3,323,347</u>	<u>3,323,347</u>	<u>2,787,817</u>
<b>DEDUCTIONS</b>			
Pension benefits	1,632,000	1,632,000	1,825,822
Administrative expenses	63,000	63,000	52,064
Total deductions	<u>1,695,000</u>	<u>1,695,000</u>	<u>1,877,886</u>
CHANGE IN NET POSITION	<u>\$ 1,628,347</u>	<u>\$ 1,628,347</u>	<u>909,931</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
May 1			<u>25,570,114</u>
April 30			<u>\$ 26,480,045</u>

(See independent auditor's report.)

## APPENDIX E

### CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING (the “Agreement”) is made as of April 1, 2020, by the City of Wood Dale, DuPage County, Illinois (the “Obligor”) for the purpose of permitting \_\_\_\_\_, as underwriter (the “Underwriter”) to purchase the Obligor’s \$\_\_\_\_\_ General Obligation Bonds (Alternate Revenue Source), Series 2020A (the “Bonds”), issued pursuant to a Bond Ordinance adopted by the Mayor and the City Council of the Obligor on March 5, 2020 (the “Bond Ordinance”), in compliance with the Securities and Exchange Commission (“SEC”) Rule 15c2-12 (the “SEC Rule”) as published in the Federal Register on November 17, 1994.

WHEREAS, the Obligor has issued its Bonds pursuant to the Bond Ordinance; and

WHEREAS, the Obligor is an Obligated Person (as defined in the SEC Rule) and the (i) receipts of the Retailer’s Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes (ratably and equally with the City’s outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012), (ii) such other funds legally available and appropriated therefor, and (iii) ad valorem taxes levied against all taxable property within the City without limitation as to rate or amount the only source of funds pledged to pay the principal and interest due on the Bonds;

NOW, THEREFORE, the Obligor hereby agrees as follows:

Section 1. Definitions. The words and terms defined in this Agreement shall have the meanings herein specified. Those words and terms not expressly defined herein shall have the meanings assigned to them in the SEC Rule.

(a) “Annual Financial Information” means information of the type contained in the following tables, headings and exhibits of the Official Statement:

1. The table under the heading of “**Retailers’ Occupation, Service Occupation and Use Tax**” within this Official Statement;
2. All of the tables under the heading “**PROPERTY ASSESSMENT AND TAX INFORMATION**” within this Official Statement;
3. All of the tables under the heading “**DEBT INFORMATION**” within this Official Statement; and
4. All of the tables under the heading “**FINANCIAL INFORMATION**” (excluding Budget Financial Information) within this Official Statement.

(b) “Bondholder” or “holder” or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, or the holders of beneficial interests in the Bonds.

(c) “EMMA” is Electronic Municipal Market Access System established by the MSRB.

(d) “Final Official Statement” means the Official Statement, dated as of March 17, 2020, relating to the Bonds, including any document or set of documents included by specific reference to such document or documents filed with the MSRB through EMMA.

(e) “Financial Obligation” means a: (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

(f) “MSRB” means the Municipal Securities Rulemaking Board.

(g) “Rule” means Section (6)(5)(i) of Securities and Exchange Commission Rule 1502-12 promulgated under the Securities Exchange Act of 1934, as amended (17 C.F.R. §240.15c2-12).

Section 2. Term. The term of this Agreement is from the date hereof to the earlier of (i) the date of the last payment of principal of and interest on the Bonds, or (ii) the date the Bonds are defeased under the Ordinance.

Section 3. Provision of Financial Information. (a) The Obligor hereby undertakes to provide the following financial information, in each case (i) in an electronic format as prescribed by the MSRB (currently through EMMA) and (ii) accompanied by identifying information as prescribed by the MSRB:

(1) To the MSRB, when and if available, the audited financial statements of the Obligor as prepared by the Obligor for each twelve-month period ending April 30, together with the opinion of such accountants and all notes thereto, within 210 days of each April 30; and

(2) To the MSRB, the Annual Financial Information of the Obligor within 210 days of each April 30.

(3) If any Annual Financial Information or audited financial statements relating to the Obligor referred to in paragraph (a) of this Section 3 no longer can be generated because the operations to which they related have been materially changed or discontinued, a statement to that effect, provided by the Obligor to EMMA, along with any other Annual Financial Information or audited financial statements required to be provided under this Agreement, shall satisfy the undertaking to provide such Annual Financial Information or audited financial statements. To the extent available, the Obligor shall cause to be filed along with the other Annual Financial Information or audited financial statements operating data similar to that which can no longer be provided.

(4) The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit A attached hereto.

(5) Failure to provide the Annual Financial Information or audited financial statements or portions thereof because it is unavailable through circumstances beyond the control of the Obligor shall not be deemed to be a breach of this Agreement. The Obligor further agrees to supplement the filing when such data is available.

(6) Annual Financial Information or audited financial statements required to be provided pursuant to this Section 3 may be provided by a specific reference to such Annual Financial Information or audited financial statements already prepared and previously provided to MSRB. Any information included by reference shall also be (i) available to the public on the MSRB's Internet Website, or (ii) filed with the SEC.

(7) All continuing disclosure filings under the Agreement shall be made in accordance with the terms and requirements of the MSRB at the time of such filing. Currently, the SEC has approved the submission of continuing disclosure filings with EMMA, and the MSRB has requested that such filings be made by transmitting such filings to EMMA at [www.emma.msrb.org](http://www.emma.msrb.org).

Section 4. Accounting Principles. The audited financial statements will be prepared on a modified accrual basis as described in the auditors' report and notes accompanying the audited financial statements of the Obligor or those mandated by state law from time to time. The audited financial statements of the Obligor, as described in Section 3(a)(1) hereof, will be prepared in accordance with generally accepted accounting standards and Government Auditing Standards issued by the Comptroller General of the United States.

Section 5. Reportable Events. The Obligor shall disclose the following events in a timely manner, not in excess of ten (10) business days of the occurrence of any of the following events, to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed in MSRB:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions or other material events affecting the tax exempt status of the Bonds; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities;
- (g) modifications to rights of Bondholders, if material;
- (h) bond calls and tender offers, if material;
- (i) defeasances;
- (j) rating changes;
- (k) bankruptcy, insolvency, receivership, or similar event of the obligated person\*;
- (l) release, substitution or sale of property securing repayment of the Bonds, if material;
- (m) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

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\* This Reportable Event is considered to occur when any of the following occurs: the appointment of a receiver, fiscal agent, or similar officer for the Obligor in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligor, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligor.



- (o) incurrence of a financial obligation of the Obligor, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligor, any of which affect security holders, if material<sup>\*\*</sup>; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Obligor, any of which reflect financial difficulties<sup>\*\*</sup>.

The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.

Section 6. Use of Agent. The Obligor may, at its sole discretion, utilize an agent (the “Dissemination Agent”) in connection with the dissemination of any information required to be provided by the Obligor pursuant to the terms of this Agreement.

Further, the Obligor may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Obligor in making judgments with respect to the scope of its obligations hereunder and compliance therewith, all in order to further the purposes of this Agreement.

Section 7. Failure to Disclose. If, for any reason, the Obligor fails to provide the Annual Financial Information or audited financial statements as required by this Agreement, the Obligor shall provide notice of such failure in a timely manner to EMMA or to the MSRB, which may be in the form of the notice attached hereto as Exhibit C.

Section 8. Remedies.

(a) The purpose of this Agreement is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the Obligor in satisfaction of the SEC Rule. This Agreement is solely for the benefit of the holders of the Bonds and creates no new contractual or other rights for, nor can it be relied upon by, the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other Obligated Persons or any other third party. The sole remedy against the Obligor for any failure to carry out any provision of this Agreement shall be for specific performance of the Obligor’s disclosure obligations hereunder and not for money damages of any kind or in any amount or for any other remedy.

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<sup>\*\*</sup> The term “financial obligation” means a: (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(b) Subject to paragraph (d) of this Section 8, in the event the Obligor fails to provide any information required of it by the terms of this Agreement, any holder of Bonds may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the county in which the Obligor is located. An affidavit to the effect that such person is a holder of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

(c) Subject to paragraph (d) of this Section 8, any challenge to the adequacy of the information provided by the Obligor by the terms of this Agreement may be pursued only by holders of not less than 25% in principal amount of Bonds then outstanding in any court of competent jurisdiction in the county in which the Obligor is located. An affidavit to the effect that such persons are holders of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

(d) Prior to pursuing any remedy under this Section 8, a holder of Bonds shall give notice to the Obligor, via registered or certified mail, of such breach and its intent to pursue such remedy. Fifteen (15) days after mailing of such notice, and not before, a holder of Bonds may pursue such remedy under this Section. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Ordinance or any other agreement to which the Obligor is a party.

Section 9. Modification of Agreement. The Obligor may, from time to time, amend or modify this Agreement without the consent of or notice to the holders of the Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Obligor, or type of business conducted, (ii) this Agreement, as so amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances, and (iii) such amendment or modification does not materially impair the interests of the holders of the Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Bonds at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds this Agreement) is permitted by the SEC Rule, as then in effect.

Section 10. Previous Undertakings. Except as noted in the Official Statement, the Obligor hereby represents that it has not, in the previous five (5) years, failed to comply in all material respects, with any previous Undertakings.

Section 11. Interpretation Under Illinois Law. It is the intention of the parties hereto that this Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with, the law of the State of Illinois.

Section 12. Severability Clause. In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, provided to the extent that this Agreement addresses matters of federal securities laws, including the SEC Rule, this Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

Section 13. Successors and Assigns. All covenants and agreements in this Agreement made by the Obligor shall bind its successors, whether so expressed or not.

IN WITNESS WHEREOF, the Obligor has caused this Agreement to be executed as of the 7th day of April, 2020.

**CITY OF WOOD DALE, DUPAGE COUNTY,  
ILLINOIS**

By: \_\_\_\_\_  
Its: Mayor

ATTEST

By: \_\_\_\_\_  
Its: City Clerk

EXHIBIT A

CERTIFICATE RE: ANNUAL FINANCIAL INFORMATION DISCLOSURE

The undersigned, on behalf of the City of Wood Dale, DuPage County, Illinois, as the Obligor under the Continuing Disclosure Undertaking, dated as of April 1, 2020 (the "Agreement"), hereby certifies that the information enclosed herewith constitutes the Annual Financial Information (as defined in the Agreement) which is required to be provided pursuant to Section 3(a)(2) of the Agreement.

Dated: \_\_\_\_\_.

**CITY OF WOOD DALE, DUPAGE COUNTY,  
ILLINOIS**

By: \_\_\_\_\_  
Its: Mayor

ATTEST

By: \_\_\_\_\_  
Its: City Clerk

EXHIBIT B

CERTIFICATE RE: MATERIAL EVENT DISCLOSURE

The undersigned, on behalf of the City of Wood Dale, DuPage County, Illinois, as Obligor under the Continuing Disclosure Undertaking, dated as of April 1, 2020 (the "Agreement"), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a material event which is required to be provided pursuant to Section 5 of the Agreement.

Dated: \_\_\_\_\_.

**CITY OF WOOD DALE, DUPAGE COUNTY,  
ILLINOIS**

By: \_\_\_\_\_  
Its: Mayor

ATTEST

By: \_\_\_\_\_  
Its: City Clerk

EXHIBIT C

NOTICE TO REPOSITORIES OF FAILURE TO FILE INFORMATION

Notice is hereby given that the City of Wood Dale, DuPage County, Illinois (the “Obligor”), has not provided the audited financial statements and Annual Financial Information as required by Section 3(a)(1) and (2) of the Continuing Disclosure Undertaking, dated as of April 1, 2020.

Dated: \_\_\_\_\_

**CITY OF WOOD DALE, DUPAGE COUNTY,  
ILLINOIS**

By: \_\_\_\_\_  
Its: Mayor

ATTEST

By: \_\_\_\_\_  
Its: City Clerk

**OFFICIAL BID FORM**  
(Open Speer Auction)

City of Wood Dale  
404 North Wood Dale Road  
Wood Dale, Illinois 60191

April 23, 2020  
Speer Financial, Inc.

City Council Members:

For the \$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A (the "Bonds") of the City of Wood Dale, DuPage County, Illinois (the "City"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ \_\_\_\_\_ (no less than \$9,250,000) to the date of delivery for the Bonds, expected to be on or about May 6, 2020, bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$ \_\_\_\_\_ gross spread per \$1,000 bond as bid herein.**

**MATURITIES\* - DECEMBER 30**

\$350,000.....2020	\$325,000.....2027	\$575,000.....2033
255,000.....2021	340,000.....2028	590,000.....2034
265,000.....2022	510,000.....2029	610,000.....2035
280,000.....2023	525,000.....2030	630,000.....2036
290,000.....2024	540,000.....2031	645,000.....2037
300,000.....2025	560,000.....2032	665,000.....2038
310,000.....2026		685,000.....2039

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Ice Miller LLP, Chicago, Illinois. The City will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the City in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds.

**Form of Deposit (Check One)**

Prior to Bid Opening:  
Certified/Cashier's Check   
Wire Transfer

Within TWO hours of Bidding:  
Wire Transfer

Amount: \$185,000

**Account Manager Information**

Name \_\_\_\_\_  
Address \_\_\_\_\_  
By \_\_\_\_\_  
City \_\_\_\_\_ State/Zip \_\_\_\_\_  
Direct Phone (\_\_\_\_\_) \_\_\_\_\_  
FAX Number (\_\_\_\_\_) \_\_\_\_\_  
E-Mail Address \_\_\_\_\_

**Bidders Option Insurance**

<p>We have purchased insurance from:</p> <p><u>Name of Insurer</u> (Please fill in)</p> <p>_____</p> <p>Premium: _____</p> <p>Maturities: (Check One)</p> <p><input type="checkbox"/> _____ Years</p> <p><input type="checkbox"/> All</p>
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The foregoing bid was accepted and the Bonds sold, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

CITY OF WOOD DALE, DUPAGE COUNTY, ILLINOIS

\*Subject to change.

\_\_\_\_\_  
Mayor

----- **NOT PART OF THE BID** -----  
(Calculation of true interest cost)

	<b>Bid</b>	<b>Post Sale Revision</b>
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	%
TOTAL BOND YEARS	110,567.50 Years	
AVERAGE LIFE	11.953 Years	Years

## OFFICIAL NOTICE OF SALE

**\$9,250,000\***

### **CITY OF WOOD DALE**

**DuPage County, Illinois**

**General Obligation Bonds (Alternate Revenue Source), Series 2020A**

*(Open Speer Auction)*

The City of Wood Dale, DuPage County, Illinois (the "City"), will receive electronic bids on the SpeerAuction ("*SpeerAuction*") website address "www.SpeerAuction.com" for its \$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A (the "Bonds"), on an all or none basis between 10:15 A.M. and 10:30 A.M., C.D.T., Thursday, April 23, 2020. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). Award will be made or all bids rejected at a meeting of the City on that date. The City reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the City and are payable (i) ratably and equally with the City's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012 (the "2012 Bonds") from the collections distributed to the City by the State of Illinois from (i) receipts of the Retailer's Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes (the "Sales Taxes"), and (ii) such other funds legally available and appropriated therefor (collectively, (i) and (ii) constitute the "Pledged Revenues") and (ii) ad valorem property taxes upon all taxable property in the City without limitation as to rate or amount for which its full faith and credit have been irrevocably pledged (the "Pledged Taxes").

#### **Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the Bonds.

- (1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

#### **Establishment of Issue Price**

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Ice Miller LLP, Chicago, Illinois ("Bond Counsel"). All actions to be taken by the City under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor, Speer Financial, Inc., Chicago, Illinois ("Speer") and any notice or report to be provided to the City may be provided to Speer.

*\*Subject to change.*



(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (1) the City shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest true interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. Subject to the winning bidder electing the hold-the-offering-price rule described below, the City shall treat the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity, unless the winning bidder elects to comply with the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds unless the winning bidder elects to comply with the hold-the-offering-price rule.**

(d) Until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the Public; this reporting obligation shall only extend to the closing date if the competitive sale requirements are satisfied. If the competitive sale requirements are not satisfied or the winning bidder has not elected to apply the hold-the-offering-price rule, that reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the purchaser shall provide the City with a representation as to the price or prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Bonds of such maturity. In the event the winning bidder elects to apply the hold-the-offering-price rule to a maturity or maturities of the Bonds, the reporting obligation described immediately above shall only continue to the closing date with respect to such maturity or maturities.

(e) The City is not requiring the application of the hold-the-offering-price rule (defined in (f) below) to the Bonds. The Winning Bidder may elect in its final bid form to apply the hold-the-offering-price rule to any or all maturities of the Bonds.

(f) The City may determine to treat (i) the first price at which 10% of a maturity of the Bonds is sold to the Public as the issue price of that maturity and/or (ii) if the winning bidder elects to apply the hold-the-offering-price rule, as described below, the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder may, in its discretion, agree to apply the hold-the-offering-price rule. The City is not requiring the Bonds to be subject to the hold-the-offering-price rule. If the winning bidder so elects to apply the hold-the-offering-price rule to any maturity of the Bonds, which election will be made in the report of the final interest rates and prices of the Bonds agreed to between the winning bidder and the City, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the Underwriters participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires (A) which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth business day following the date of the award report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (1) "Public" means any person other than an Underwriter or a Related Party;
- (2) "Underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, including, specifically, the purchaser, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public);
- (3) a purchaser of any of the Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- (4) "Sale Date" means the date that the Bonds are awarded by the City to the winning bidder.

#### Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

#### Rules

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the City, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the City.
- (2) Neither the City, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the City exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Bonds are definitively awarded to the winning bidder only upon official award by the City. If, for any reason, the City fails to: (i) award Bonds to the winner reported by SpeerAuction, or (ii) deliver Bonds to winning bidder at settlement, neither the City, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The City reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the City reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Bonds will be in fully registered form in denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be paid. Individual purchases will be in book-entry form only. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth (15<sup>th</sup>) day of the month in which an interest payment date occurs. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 30 and December 30 of each year commencing December 30, 2020, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the "Bond Registrar"). The Bonds are dated the date of delivery thereof, which is expected to be on or about May 6, 2020.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the City will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

**MATURITIES\* - DECEMBER 30**

\$350,000.....2020	\$325,000.....2027	\$575,000.....2033
255,000.....2021	340,000.....2028	590,000.....2034
265,000.....2022	510,000.....2029	610,000.....2035
280,000.....2023	525,000.....2030	630,000.....2036
290,000.....2024	540,000.....2031	645,000.....2037
300,000.....2025	560,000.....2032	665,000.....2038
310,000.....2026		685,000.....2039

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

Bonds due December 30, 2020-2028, inclusive, are not subject to optional redemption prior to maturity. Bonds due on or after December 30, 2029-2039, are callable in whole or in part on any date on or after December 30, 2028, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid for the December 30, 2030-2039 maturities shall be in non-descending order in relation to the rate bid for the December 30, 2029 maturity. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Bonds, must be for not less than \$9,250,000.

Award of the Bonds: The Bonds will be awarded on the basis of true interest cost, determined in the following manner. **True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Bonds from the payment dates thereof to the dated date and to the bid price.** For the purpose of calculating true interest cost, the Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the City as determined by Speer, which determination shall be conclusive and binding on all bidders; *provided*, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

**The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed, and is subject to verification.**

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by Speer, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or Speer will notify the bidder to whom the Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association (“SIFMA”) will be required to pay SIFMA’s standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the City’s good faith bank the amount of **TWO PERCENT OF PAR** (the “Deposit”) **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier’s check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received within such two-hour time period provided that such winning bidder’s federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the City pending delivery of the Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the City caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied to the purchase price upon delivery of the Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago  
 Corporate Trust  
 30 N. LaSalle Street, 38<sup>th</sup> Floor  
 Chicago, IL 60602  
 ABA # 071003405

Credit To: 3281 Speer Bidding Escrow  
 RE: City of Wood Dale, DuPage County, Illinois

bid for \$9,250,000\* General Obligation Bonds (Alternate Revenue Source), Series 2020A

Contemporaneously with such wire transfer, the bidder shall send an email to [biddingscrow@aboc.com](mailto:biddingscrow@aboc.com) with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Bonds. The City and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the City; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

If a Financial Surety Bond is used for the Deposit, it must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder using a Financial Surety Bond, then that purchaser is required to submit its Deposit to the City in the form of a certified or cashier's check or wire transfer as instructed by Speer, or the City not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the City to satisfy the Deposit requirement.

The City covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be May 6, 2020. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters at cost.

The City will, at its expense, deliver the Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the opinion of Bond Counsel. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Bonds: (1) the unqualified opinion of Bond Counsel, stating that the Bonds are lawful and enforceable obligations of the City in accordance with their terms; (2) the opinion of Bond Counsel that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds; and (3) a no litigation certificate by the City.

The City does **not** intend to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Brad Wilson, Finance Director, City of Wood Dale, 404 North Wood Dale Road, Wood Dale, Illinois 60191 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Official Statements Sales Calendar/Competitive" from the Independent Public Finance Consultants to the City, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **ANNUNZIATO PULICE**  
Mayor  
CITY OF WOOD DALE  
DuPage County, Illinois

/s/ **JEFFREY MERMUYS**  
City Manager  
CITY OF WOOD DALE  
DuPage County, Illinois

**Exhibit A**  
**Example Issue Price Certificate**

**CITY OF WOOD DALE, DUPAGE COUNTY, ILLINOIS**

\$ \_\_\_\_\_  
**GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE), SERIES 2020A**

**ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of \_\_\_\_\_ (“\_\_\_\_\_”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

**1. Reasonably Expected Initial Offering Price.**

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by \_\_\_\_\_ are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by \_\_\_\_\_ in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by \_\_\_\_\_ to purchase the Bonds.

(b) \_\_\_\_\_ was not given the opportunity to review other bids prior to submitting its bid.<sup>1</sup>

(c) The bid submitted by \_\_\_\_\_ constituted a firm offer to purchase the Bonds.

**2. Defined Terms.**

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2020.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents \_\_\_\_\_’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ice Miller LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

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<sup>1</sup> Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: \_\_\_\_\_, 2020

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
*(Attached)*

**SCHEDULE B**  
**COPY OF UNDERWRITER'S BID**  
*(Attached)*