

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

**December 31, 2018**



**BRIDGEVIEW, ILLINOIS**

# VILLAGE OF BRIDGEVIEW, ILLINOIS

## ANNUAL FINANCIAL REPORT

December 31, 2018

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# VILLAGE OF BRIDGEVIEW, ILLINOIS

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## **FINANCIAL SECTION**



**BRIDGEVIEW, ILLINOIS**



## INDEPENDENT AUDITOR'S REPORT

To the Honorable President and Board of Trustees  
Village of Bridgeview, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bridgeview, Illinois as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village of Bridgeview, Illinois' basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bridgeview, Illinois, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 15 to the financial statements, the Village of Bridgeview, Illinois implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which resulted in an adjustment to beginning net position. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of changes in Village net pension liability and related ratios, schedule of changes in Village total other post-employment benefits liability, and schedule of Village contributions on pages 3–15 and 75–85 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Bridgeview, Illinois' basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2019, on our consideration of the Village of Bridgeview, Illinois' 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Bridgeview, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Bridgeview, Illinois' internal control over financial reporting and compliance.

*JW & Associates, P.C.*

Hillside, Illinois

June 27, 2019

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

As management of the Village of Bridgeview (the "Village") we offer readers a discussion and analysis of the Village's financial performance that provides an overview of the financial activities, and identifies changes in the Village's financial position for the year ended December 31, 2018. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

**Financial Highlights**

- The Village's net position as of December 31, 2018 is (\$122,841,399) as compared to (\$112,435,528) in the prior year. Governmental net position was (\$136,352,845) and business-type activities were \$13,511,446.
- During the year, the Village's Governmental revenues, totaled \$41,571,002 and expenses totaled, \$51,435,389 resulting in a decrease in net position of \$9,864,387.
- The Village's business-type activities, revenues were \$5,911,166 and expenses were \$6,452,650 resulting in a decrease in net position of \$541,484.

**Overview of the Financial Statements**

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

**Using the Financial Section  
of this Annual Report**

The financial statement's focus is on the Village as a whole and on the major individual funds. Both perspectives allow the readers to address relevant questions, broaden the basis for comparison and enhance the reader's understanding of the statements.

**Village-wide Financial Statements**

The Village-wide financial statements are designed to be corporate like. Governmental and business type activities are consolidated into columns, which add to a total of governmental activities.

The Statement of Net Position combines and consolidates governmental fund's current financial resources with capital assets and long term obligations. It uses the accrual basis of accounting and economic resources measurement focus. The Statement of Net Position can be found on page 16 of this report.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

The Statement of Activities is focused on both the growth and the new costs of various activities. These activities are supported by the government's general taxes and other resources. This is intended to summarize and simplify the users' analysis of the costs of various governmental services. The Statement of Activities can be found on page 17 of this report.

The governmental activities reflect the Village's basic services, which are general government, public safety, public works, culture and recreation and other services. Property taxes, shared state taxes and other taxes finance the majority of these services.

The business type activities reflect private sector type operations where the fee for service covers most of the costs of operation including depreciation.

**Fund Financial Statements**

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

Traditional users of governmental financial statements will find the fund financials statements presentation more familiar. The focus is on major funds rather than fund types.

The governmental fund presentation is presented on a current financial resources focus. This is the manner in which the financial plan is usually developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of the government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

While the total column of the enterprise funds financial statements are the same as the business type activities column on the Village-wide financial statements, the governmental funds total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and interfund transfers as other sources and uses as well as capital expenditures and bond principal payments as expenditures. The reconciliations eliminate these transactions and incorporate the capital assets and long term obligations into the governmental activities column in Village-wide statements. The fund financial statements can be found on pages 18-24 of this report.



**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**The Village as Trustee**

The Village is the trustee, or fiduciary, for its police and fire pension plans. All of the Village's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The Village excludes these activities from the Village's other financial statements because the Village cannot use these assets to finance its operations. The Village is responsible for ensuring that assets reported in this fund are used for their intended purposes. The fiduciary fund financial statements can be found on pages 25 and 26 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements are located directly after the financial statements.

**Other Information**

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

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**FINANCIAL ANALYSIS OF THE VILLAGE'S GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Statement of Net Position**

The following chart reflects the Condensed Statement of Net Position:

**CONDENSED STATEMENT OF NET POSITION**

(in thousands)	Governmental Activities <u>12/31/2018</u>	Governmental Activities <u>12/31/2017</u>	Increase (Decrease)
<b>Assets:</b>			
Current assets	\$ 32,686	\$ 40,971	\$ (8,285)
Non-current assets	<u>163,367</u>	<u>167,355</u>	<u>(3,988)</u>
Total assets	<u>196,053</u>	<u>208,326</u>	<u>(12,273)</u>
 Deferred outflows	 <u>12,848</u>	 <u>11,088</u>	 <u>1,760</u>
 <b>Liabilities:</b>			
Current liabilities	10,733	11,617	(884)
Non-current liabilities	<u>315,065</u>	<u>315,683</u>	<u>(618)</u>
Total liabilities	<u>325,798</u>	<u>327,300</u>	<u>(1,502)</u>
 Deferred inflows	 <u>19,456</u>	 <u>18,602</u>	 <u>854</u>
 <b>Net position:</b>			
Net investment in capital assets	(94,433)	(94,827)	394
Restricted	16,077	19,979	(3,902)
Unrestricted	<u>(57,997)</u>	<u>(51,640)</u>	<u>(6,357)</u>
Total net position	<u>\$ (136,353)</u>	<u>\$ (126,488)</u>	<u>\$ (9,865)</u>

**December 31, 2018 and 2017**

In 2018, the Village implemented GASB Statement No. 75 resulting in the restatement of unrestricted net position (\$5.2 million decrease) and non-current liabilities (\$5.2 million increase) at 12/31/17. The 2018 assets as described above are composed of cash and investments valued at \$13.24 million (7% of total assets), \$18.03 million of intergovernmental and taxes receivable (9% of total assets) and capital assets net of accumulated depreciation of \$163.23 million (83% of total assets). The liabilities as described above are composed of accounts payable of \$1.6 million (0.5% of total liabilities), accrued payroll and other liabilities of \$4.9 million (1.5% of total liabilities), \$4.3 million of long term debt due within one year (1.3% of total liabilities) and \$315.1 million of long term debt due in more than one year (96.7% of total liabilities). Non-current assets are down by \$4 million due primarily to depreciation expense exceeding current year additions. Current assets are down \$8.3 million as a result of the use of cash and investment balances from the 2017 bond issue. The increase in deferred outflows is the result

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

of deferred outflows related to pensions increasing by \$2 million. Non-current liabilities have decreased \$0.6 million as a result of schedule debt service payments of \$4.3 million offset by an increases in the net pension liability of \$3.7 million. The increase in deferred inflows is primarily the result of an increase in deferred outflows related to pensions of \$0.9 million.

**Statement of Activities**

Governmental activities are broken out by functional area for program revenues and expenses: General Government, Public Safety, Public Works, Culture and Recreation, Other and Interest on Debt. General revenues are separated by property taxes, public service taxes, investment earnings, and miscellaneous revenues.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**CONDENSED STATEMENT OF ACTIVITIES**

**For the Years Ended December 31, 2017 and 2016**

(in thousands)	Governmental Activities <u>12/31/2018</u>	Governmental Activities <u>12/31/2017</u>	Increase (Decrease) <u></u>
Revenues:			
Program Revenues:			
Charges for services	\$ 7,842	\$ 7,760	\$ 82
Operating grants and contributions	572	598	(26)
Capital grants and contributions	-	75	(75)
General Revenues:			
Taxes	32,705	30,649	2,056
Unrestricted Investment Earnings	149	12	137
Miscellaneous revenues	303	43	260
Gain/(Loss) on disposal of assets	-	-	-
Total revenues	<u>41,571</u>	<u>39,137</u>	<u>2,434</u>
Expenses:			
General government	14,648	14,273	375
Public safety	10,578	9,541	1,037
Highway and streets	2,171	2,003	168
Culture and recreation	8,815	5,360	3,455
Other	1,557	1,529	28
Interest on long-term debt	<u>13,666</u>	<u>14,663</u>	<u>(997)</u>
Total expenses	<u>51,435</u>	<u>47,369</u>	<u>4,066</u>
Change in net position	<u>(9,864)</u>	<u>(8,232)</u>	<u>(1,632)</u>
Net position - beginning (as restated)	<u>(126,488)</u>	<u>(118,256)</u>	<u>(8,232)</u>
Net position - ending	<u>\$ (136,352)</u>	<u>\$ (126,488)</u>	<u>\$ (9,864)</u>

Total revenues for fiscal 2018 increased by \$2.4 million from the prior year. The most significant change was an increase in property tax revenue of \$2.1 million, which was collected primarily in the BV Court TIF fund.

Total expenses for fiscal 2018 increased by \$4.1 million. The most significant changes within expenses were an increase in Culture and Recreation of \$3.5 million as a result of a \$3.4 million payment out of the Harlem Ave TIF #2 related to the new hotel, a decrease in interest on long-term debt of \$1.0 million and an increase in public safety of \$1.0 million.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

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

**ENTERPRISE FUNDS**

**Statement of Net Position**

The following chart reflects the condensed Statement of Net Position:

**CONDENSED STATEMENT OF NET POSITION**

	Business-Type Activities <u>12/31/2018</u>	Business-Type Activities <u>12/31/2017</u>	Increase (Decrease) <u></u>
(in thousands)			
Assets:			
Current assets	\$ 2,114	\$ 1,935	\$ 179
Non-current assets	<u>13,820</u>	<u>14,396</u>	<u>(576)</u>
Total assets	<u>15,934</u>	<u>16,331</u>	<u>(397)</u>
Deferred outflows	<u>311</u>	<u>449</u>	<u>(138)</u>
Liabilities:			
Current liabilities	534	544	(10)
Non-current liabilities	<u>1,453</u>	<u>2,142</u>	<u>(689)</u>
Total liabilities	<u>1,987</u>	<u>2,686</u>	<u>(699)</u>
Deferred inflows	<u>747</u>	<u>41</u>	<u>706</u>
Net Position:			
Net investment in capital assets	13,188	13,859	(671)
Unrestricted	<u>323</u>	<u>194</u>	<u>129</u>
Total net position	<u>\$ 13,511</u>	<u>\$ 14,053</u>	<u>\$ (542)</u>

The decrease in non-current liabilities is driven by a \$0.7 million decrease in the IMRF net pension liability. Deferred outflows related to pension increased by \$0.7 million during the fiscal year. The decrease in non-current assets is due to depreciation expense in excess of capital asset additions.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**CONDENSED STATEMENT OF ACTIVITIES**

	Business-Type Activities <u>12/31/2018</u>	Business-Type Activities <u>12/31/2017</u>	Increase (Decrease) <u></u>
(in thousands)			
Revenues:			
Program Revenues			
Charges for services	\$ 5,812	\$ 5,735	\$ 77
General revenues:			
Miscellaneous	99	97	2
Interest Income (Expense)	-	-	-
Total revenues	<u>5,911</u>	<u>5,832</u>	<u>79</u>
Expenses:			
Water	5,408	5,042	366
Sewer	<u>1,045</u>	<u>1,001</u>	<u>44</u>
Total expenses	<u>6,453</u>	<u>6,043</u>	<u>410</u>
Change in net position	(542)	(211)	(331)
Net position beginning of year (as restated)	<u>14,053</u>	<u>14,264</u>	<u>(211)</u>
Net position end of year	<u>\$ 13,511</u>	<u>\$ 14,053</u>	<u>\$ (542)</u>

The most significant changes in water and sewer fund operations were increases of about \$366,000 in water expenses from the prior year due primarily to increases water purchases. The Village also saw an increase in water revenues of nearly \$77,000. There were no transfers to governmental funds during the fiscal year.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

The major governmental funds are: General Fund, General Obligation Fund, the Bridgeview Finance Corporation (a blended component unit), Harlem Ave TIF #2 and the Bridgeview Stadium. All other governmental funds are shown as non-major.

Overall revenue in the governmental funds increased by \$2.5 million, or 6%. The primary cause of the increase was a \$2 million increase in property tax revenues, mostly in the TIF funds. General fund revenues are down significantly as a result of the sale at the end of 2017 of the State and Home Rule Sales Tax to the Bridgeview Finance Corporation.

Overall expenditures of the governmental funds have decreased by \$25 million or 34% primarily due to a \$25.0 million payoff of principal related to series 2008 A&B bonds in 2017. Overall interest and other charges expenditures are down \$1.3 million. Other significant changes include a \$3.5 million increase in culture and recreation related to the new hotel in the Harlem Ave TIF #2. Capital outlay is down as costs for the new sports dome project were incurred in the previous year.

**Budgetary Highlights**

The Village adopts a cash basis budget on an annual basis. All departments submit funding requests to the Mayor 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, and requests for the next fiscal year. The proposed budget is presented to the Village Board for review, at which time public hearings are held and the budget is then adopted. A condensed budget and actual comparison is provided for the General Fund. The detailed Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual can be found in the required supplementary information of this report.

**CONDENSED SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE- BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2018**

(in thousands)	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>General Fund</u></b>			
Revenues	\$ 23,788	\$ 11,568	\$(12,220)
Expenditures	(23,698)	(23,201)	497
Net transfers/other sources/uses	<u>180</u>	<u>11,562</u>	<u>11,382</u>
Net change in fund balance	<u>270</u>	<u>(71)</u>	<u>(341)</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

The major variances between actual and budget include the following:

- Sales tax revenues were \$10.3 million under budget in the general fund as substantially all such revenues were recognized in the Bridgeview Finance Corporation Fund after the sale of those revenues at the end of 2017. Residual Certificates which essentially represent excess sales tax revenue beyond what is required to be retained by the Bridgeview Finance Corporation is recorded as a transfer in to the general fund.
- Property tax revenues were \$1.9 million below budget.
- Expenditures are under budget by \$220,000 in public works.
- Capital outlay is under budget by \$541,000
- Transfers in to the general fund were over budget by \$9 million. As noted above, Residual Certificates of sales tax proceeds from the Bridgeview Finance Corporation account for most of the over budget transfers in.



**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**CAPITAL ASSETS**

The Village's investment in capital assets for its governmental and business-type activities as of December 31, is shown below (net of accumulated depreciation). See the notes to the financial statements for more detailed information.

**Change in Capital Assets, Net of Accumulated Depreciation**

Governmental Activities  
(in thousands)

	Balance December 31, 2017	Balance December 31, 2018	Increase/ (Decrease)
Land	\$ 37,206	\$ 37,346	\$ 140
Construction in progress	228	-	(228)
Infrastructure	50,729	50,729	-
Land improvements	863	914	51
Buildings	132,575	132,610	35
Equipment	9,179	9,576	397
Accumulated Depreciation	(63,425)	(67,948)	(4,523)
 Total capital assets, net	 \$ 167,355	 \$ 163,227	 \$ (4,128)

Business-Type Activities

	Balance December 31, 2017	Balance December 31, 2018	Increase/ (Decrease)
Construction in progress	\$ -	\$ -	\$ -
Infrastructure	24,202	24,202	-
Land improvements	553	553	-
Buildings	1,331	1,331	-
Equipment	3,056	3,056	-
Accumulated Depreciation	(14,746)	(15,376)	(630)
 Total capital assets, net	 \$ 14,396	 \$ 13,766	 \$ (630)

Additions of governmental activities capital assets were primarily for public works vehicles and equipment totaling \$234,000 and public safety vehicles and equipment totaling \$129,000. Land additions related to demolition work in the BV Court TIF. Construction in progress deletions involve the write off of previously capitalized engineering costs that did not ultimately result in the acquisition of a Village asset. There were no capital asset acquisitions or deletions involving business-type activities.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

**DEBT ADMINISTRATION**

At December 31, 2018, the Village had outstanding debt as follows:

Governmental Activities:	
2005 General Obligations Bonds	\$ 110,735,000
2011A General Obligation Bonds	1,690,000
2012 General Obligation Bonds	27,215,000
2013A General Obligation Bonds	23,965,000
2014A General Obligation Bonds	27,475,000
2014C General Obligation Bonds	650,000
2015A General Obligation Bonds	16,000,000
2017A Sales Tax Securitized Bonds	27,155,000
2017B Taxable Sales Tax Securitized Bonds	20,285,000
Premium/(Discount)	2,127,262
Notes Payable:	
Ford Ambulance Lease	79,468
Pumper Lease	139,053
Excavator Lease	144,819
Compensated Absences	1,147,893
Net Pension Liability	54,147,117
Total OPEB Liability	<u>6,392,927</u>
 Total Governmental Activities	 <u><u>\$ 319,348,539</u></u>
 Business-Type Activities:	
IEPA Loan	577,591
Total OPEB Liability	<u>904,660</u>
 Total Business-Type Activities	 <u><u>\$ 1,482,251</u></u>

Governmental Activities - Outstanding general obligation bonds decreased by \$4.4 million due to scheduled principal payments. The Special Service Area bonds were paid off during the year in the amount of \$108,640. The Village entered into a \$163,000 lease to finance the purchase of an excavator and made \$153,000 of principal payments resulting in a net increase in notes payable of about \$10,000. Net pension liabilities related to the Village's pension plans increased by nearly \$3.8 million after dropping by nearly \$1.6 million in the prior year. The implementation of a new GASB pronouncement resulted in a total OPEB liability at year-end of \$6.4 million which replaced a net OPEB obligation of \$1.3 million in the prior year.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**

Business-Type Activities – In the prior year, the Village reported a net pension liability related to the Water Operation and Sewer Operation Funds' share of the IMRF net pension liability totaling approximately \$702,000. At the current year end, that liability no longer exists but there is an IMRF related net pension asset of almost \$54,000. The implementation of GASB Statement #75 resulted in the allocation of about \$905,000 of the Village's total OPEB liability to business-type activities.

**Currently Known Facts, Decisions and Conditions**

Management's plans to ensure the short term and long term sustainability of the Village are currently focused on economic development within the Harlem Ave. #2 and Bridgeview Court TIF districts. Completion of a state of the art Sports Dome, completed in 2018, a mini mall, and a hotel are expected to be completed and operating in 2019 within the Harlem Ave. #2 TIF district. Those additions at the corner of 71<sup>st</sup> & Harlem will be adjacent to the already existing Stadium. In 2018, the Village entered into a 10 year agreement with SeetGeek worth over \$9,000,000 for naming rights for the Stadium, which will begin in 2019. Those additions will add to the Village's existing sales tax revenues, hotel tax revenues and recreational fees to enhance the Village's operating revenues.

**Contacting the Village's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general knowledge of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Village of Bridgeview, 7500 South Oketo Avenue, Bridgeview, Illinois 60455.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2018**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current			
Cash and cash equivalents	\$ 13,238,482	\$ 1,321,506	\$ 14,559,988
Receivables (net of allowances for uncollectibles)			
Property taxes	14,642,673	-	14,642,673
Other governmental	3,387,457	-	3,387,457
Accounts	1,110,824	559,551	1,670,375
Inventory	-	15,305	15,305
Prepaid expenses	524,089	-	524,089
Internal balances	(217,901)	217,901	-
Noncurrent			
Notes receivable	139,767	-	139,767
Net pension asset	-	53,655	53,655
Capital assets not being depreciated	37,346,013	-	37,346,013
Capital assets net of accumulated depreciation	125,881,322	13,765,913	139,647,235
Total assets	196,052,726	15,933,831	211,986,557
<b>Deferred Outflows of Resources</b>			
Call premium on refunded debt	2,076,923	-	2,076,923
Deferred outflows related to pensions	10,771,228	311,035	11,082,263
Total deferred outflows of resources	12,848,151	311,035	13,159,186
<b>Liabilities</b>			
Current			
Accounts payable	1,583,944	455,522	2,039,466
Accrued payroll	406,794	48,491	455,285
Accrued interest payable	1,098,731	-	1,098,731
Other payables	2,249,094	-	2,249,094
Unearned revenue	685,477	-	685,477
Claims payable	424,171	-	424,171
Due to pension funds	597	-	597
Current portion - bonds payable	4,180,000	-	4,180,000
Current portion - notes payable	102,020	29,899	131,919
Noncurrent			
Bonds payable	253,117,262	-	253,117,262
IEPA loan payable	-	548,052	548,052
Other notes payable	261,319	-	261,319
Net pension liability	54,147,117	-	54,147,117
Total OPEB liability	6,392,927	904,660	7,297,587
Compensated absences	1,147,893	-	1,147,893
Total liabilities	325,797,346	1,986,624	327,783,970
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	14,605,224	-	14,605,224
Deferred inflows related to OPEB	358,292	50,702	408,994
Deferred inflows related to pensions	4,492,860	696,094	5,188,954
Total deferred inflows of resources	19,456,376	746,796	20,203,172
<b>Net Position</b>			
Net investment in capital assets	(94,433,266)	13,187,962	(81,245,304)
Restricted assets			
Law enforcement	544,451	-	544,451
Debt service	14,810,274	-	14,810,274
Street improvement	298,008	-	298,008
TIF redevelopment	424,317	-	424,317
Unrestricted	(57,996,629)	323,484	(57,673,145)
Total net position	\$ (136,352,845)	\$ 13,511,446	\$ (122,841,399)

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Functions/Programs	Expenses	Program Revenues			Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		Total
					Governmental Activities	Business-Type Activities	
<b>Primary Government</b>							
<b>Governmental Activities</b>							
General government	\$ 14,648,258	\$ 1,449,217	\$ -	\$ -	\$ (13,199,041)	\$ -	\$ (13,199,041)
Public safety	10,577,922	1,148,325	133,484	-	(9,296,113)	-	(9,296,113)
Public works	2,171,372	851,202	438,650	-	(881,520)	-	(881,520)
Culture and recreation	8,814,707	4,393,403	-	-	(4,421,304)	-	(4,421,304)
Other	1,556,797	-	-	-	(1,556,797)	-	(1,556,797)
Interest and fees	13,666,333	-	-	-	(13,666,333)	-	(13,666,333)
Total governmental activities	<u>51,435,389</u>	<u>7,842,147</u>	<u>572,134</u>	<u>-</u>	<u>(43,021,108)</u>	<u>-</u>	<u>(43,021,108)</u>
<b>Business-Type Activities</b>							
Water	5,407,430	5,117,719	-	-	-	(289,711)	(289,711)
Sewer	1,045,220	694,073	-	-	-	(351,147)	(351,147)
Total business-type activities	<u>6,452,650</u>	<u>5,811,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(640,858)</u>	<u>(640,858)</u>
Total primary government	<u>\$ 57,888,039</u>	<u>\$ 13,653,939</u>	<u>\$ 572,134</u>	<u>\$ -</u>	<u>(43,021,108)</u>	<u>(640,858)</u>	<u>(43,661,966)</u>
General revenues							
Taxes:							
Property taxes, levied for general purposes					17,173,166	-	17,173,166
Public service taxes					15,532,367	-	15,532,367
Unrestricted investment earnings					148,523	37	148,560
Miscellaneous revenues					302,665	99,337	402,002
Total general revenues					<u>33,156,721</u>	<u>99,374</u>	<u>33,256,095</u>
Change in Net Position					<u>(9,864,387)</u>	<u>(541,484)</u>	<u>(10,405,871)</u>
Net Position - Beginning (Restated)					<u>(126,488,458)</u>	<u>14,052,930</u>	<u>(112,435,528)</u>
Net Position - Ending					<u>\$ (136,352,845)</u>	<u>\$ 13,511,446</u>	<u>\$ (122,841,399)</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2018**

	Major Funds					Nonmajor	Total
	General	General	Bridgeview	Harlem Ave	Bridgeview	Governmental	Governmental
	Fund	Obligation	Finance	TIF #2	Stadium	Funds	Funds
		Debt Service	Corporation				
<b>Assets</b>							
Cash and cash equivalents	\$ 5,273,309	\$ 75,409	\$ 3,742,733	\$ 405,767	\$ 1,006,881	\$ 2,590,488	\$ 13,094,587
Property taxes receivable	2,704,327	11,904,164	-	-	-	34,182	14,642,673
Accounts receivable	319,603	-	-	-	791,221	-	1,110,824
Other governmental receivables	549,900	-	2,766,156	-	-	71,401	3,387,457
Notes receivable	139,767	-	-	-	-	-	139,767
Prepaid items	-	-	-	-	138,066	-	138,066
Interfund receivables	1,732,980	-	-	700,000	3,289	700,000	3,136,269
Advance to other funds	-	-	40,721,579	-	-	-	40,721,579
Total assets	<u>\$ 10,719,886</u>	<u>\$ 11,979,573</u>	<u>\$ 47,230,468</u>	<u>\$ 1,105,767</u>	<u>\$ 1,939,457</u>	<u>\$ 3,396,071</u>	<u>\$ 76,371,222</u>
<b>Liabilities</b>							
Accounts payable	\$ 1,171,357	\$ -	\$ 7,503	\$ 20,677	\$ 277,103	\$ 72,597	\$ 1,549,237
Accrued payroll	406,794	-	-	-	-	-	406,794
Other payables	1,700,806	2,880	-	-	501,324	44,084	2,249,094
Unearned revenue	30,000	-	-	150,000	505,477	-	685,477
Interfund payables	240,157	121,833	-	700,000	409,102	1,905,334	3,376,426
Advance from other funds	-	31,570,629	-	7,264,098	-	1,886,852	40,721,579
Total liabilities	<u>3,549,114</u>	<u>31,695,342</u>	<u>7,503</u>	<u>8,134,775</u>	<u>1,693,006</u>	<u>3,908,867</u>	<u>48,988,607</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - property taxes	2,697,898	11,876,081	-	-	-	31,245	14,605,224
Unavailable revenue - intergovernmental	101,303	-	929,226	-	-	-	1,030,529
Total deferred inflows of resources	<u>2,799,201</u>	<u>11,876,081</u>	<u>929,226</u>	<u>-</u>	<u>-</u>	<u>31,245</u>	<u>15,635,753</u>
<b>Fund Balances</b>							
Nonspendable							
Notes receivable	139,767	-	-	-	-	-	139,767
Prepays	-	-	-	-	138,066	-	138,066
Advances	-	-	40,721,579	-	-	-	40,721,579
Restricted							
Law enforcement	-	-	-	-	-	544,451	544,451
Debt service	-	-	5,572,160	-	108,385	-	5,680,545
Street improvement	-	-	-	-	-	298,008	298,008
TIF redevelopment	-	-	-	-	-	424,317	424,317
Unassigned	4,231,804	(31,591,850)	-	(7,029,008)	-	(1,810,817)	(36,199,871)
Total fund balances	<u>4,371,571</u>	<u>(31,591,850)</u>	<u>46,293,739</u>	<u>(7,029,008)</u>	<u>246,451</u>	<u>(544,041)</u>	<u>11,746,862</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,719,886</u>	<u>\$ 11,979,573</u>	<u>\$ 47,230,468</u>	<u>\$ 1,105,767</u>	<u>\$ 1,939,457</u>	<u>\$ 3,396,071</u>	<u>\$ 76,371,222</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS TO**  
**THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2018**

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**Total fund balances - governmental funds** \$ 11,746,862

Amounts reported for governmental activities in the statement of net position are different because

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds

Capital assets	231,175,025	
Accumulated depreciation	(67,947,690)	
Net capital assets		163,227,335

Some assets and liabilities reported in the statement of net position are not sources or uses of current financial resources and therefore are not reported as assets or liabilities in the governmental funds. These balance sheet items consist of

General obligation payable	(257,297,262)	
Accrued interest payable	(1,098,731)	
Notes payable obligation	(363,339)	
Compensated absences	(1,147,893)	
Net pension liability	(54,147,117)	
OPEB obligation	(6,392,927)	
Total long-term liabilities		(320,447,269)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds

Deferred outflows of resources related to pensions	10,500,628	
Deferred outflows of 2018 employer contributions related to pensions	270,600	
Deferred inflows of resources related to OPEB	(358,292)	
Deferred inflows of resources related to pensions	(4,492,860)	
Total deferred outflows and inflows of resources		5,920,076

Balance sheet items from the Village's internal service fund are allocated to the governmental and business-type activities for the government-wide statements.

92,699

The difference between the reacquisition price and the net carrying amount of refunded debt is a deferred outflow of resources in the government-wide statements but is an expenditure in the funds

2,076,923

Some of the State revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds

1,030,529

**Net position of governmental activities**

**\$ (136,352,845)**

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Major Funds					Nonmajor	Total
	General	General	Bridgeview	Harlem Ave	Bridgeview	Governmental	Governmental
	Fund	Obligation	Finance	TIF #2	Stadium Fund	Funds	Funds
		Debt Service	Corporation				
<b>Revenues</b>							
Property taxes	\$ 2,441,573	\$ 11,087,332	\$ -	\$ 299,409	\$ -	\$ 3,344,852	\$ 17,173,166
State/home rule sales tax	476,302	-	10,477,536	-	-	-	10,953,838
State income tax	1,586,444	-	-	-	-	-	1,586,444
Replacement tax	194,976	-	-	-	-	-	194,976
Other intergovernmental	2,290,109	-	-	-	-	-	2,290,109
Charges for services	2,389,193	-	-	-	-	-	2,389,193
Licenses, permits, and fees	922,408	-	-	-	-	-	922,408
Fines and forfeitures	474,467	-	-	-	-	110,942	585,409
Stadium event revenue	-	-	-	-	1,752,642	-	1,752,642
Stadium sponsorships	-	-	-	-	959,964	-	959,964
Stadium rental revenue	-	-	-	-	958,884	-	958,884
Other revenue	785,964	20	26,888	244,030	152,901	22,687	1,232,490
Motor fuel tax allotments	-	-	-	-	-	438,650	438,650
Investment income	6,372	58,819	82,210	32	533	557	148,523
Total revenues	<u>11,567,808</u>	<u>11,146,171</u>	<u>10,586,634</u>	<u>543,471</u>	<u>3,824,924</u>	<u>3,917,688</u>	<u>41,586,696</u>
<b>Expenditures</b>							
Current							
Administration	11,890,875	175	57,071	220,555	-	586,116	12,754,792
Police department	3,586,013	-	-	-	-	67,380	3,653,393
Fire department	4,064,507	-	-	-	-	-	4,064,507
Public works	1,600,447	-	-	-	-	276,800	1,877,247
Culture and recreation	408,561	-	-	3,365,692	2,407,935	-	6,182,188
All other departments	1,123,218	-	-	-	-	424,821	1,548,039
Debt service							
Principal payments	102,748	3,475,000	-	-	50,000	1,170,000	4,797,748
Interest and other charges	77,018	10,919,593	2,241,348	-	-	53,274	13,291,233
Capital outlay	347,422	-	-	-	-	162,617	510,039
Total expenditures	<u>23,200,809</u>	<u>14,394,768</u>	<u>2,298,419</u>	<u>3,586,247</u>	<u>2,457,935</u>	<u>2,741,008</u>	<u>48,679,186</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(11,633,001)</u>	<u>(3,248,597)</u>	<u>8,288,215</u>	<u>(3,042,776)</u>	<u>1,366,989</u>	<u>1,176,680</u>	<u>(7,092,490)</u>
<b>Other Financing Sources (Uses)</b>							
Debt issuances	163,000	-	-	-	-	-	163,000
Transfers in	11,398,917	1,315,443	-	1,002,671	-	1,150,819	14,867,850
Transfers (out)	-	(372,200)	(9,767,479)	(950,000)	(1,412,988)	(2,365,183)	(14,867,850)
Total other financing sources (uses)	<u>11,561,917</u>	<u>943,243</u>	<u>(9,767,479)</u>	<u>52,671</u>	<u>(1,412,988)</u>	<u>(1,214,364)</u>	<u>163,000</u>
<b>Net Change in Fund Balances</b>	<u>(71,084)</u>	<u>(2,305,354)</u>	<u>(1,479,264)</u>	<u>(2,990,105)</u>	<u>(45,999)</u>	<u>(37,684)</u>	<u>(6,929,490)</u>
<b>Fund Balances - Beginning of Year</b>	<u>4,442,655</u>	<u>(29,286,496)</u>	<u>47,773,003</u>	<u>(4,038,903)</u>	<u>292,450</u>	<u>(506,357)</u>	<u>18,676,352</u>
<b>Fund Balances - End of Year</b>	<u>\$ 4,371,571</u>	<u>\$ (31,591,850)</u>	<u>\$ 46,293,739</u>	<u>\$ (7,029,008)</u>	<u>\$ 246,451</u>	<u>\$ (544,041)</u>	<u>\$ 11,746,862</u>



**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

<b>Net change in fund balances - total governmental funds</b>		<b>\$ (6,929,490)</b>
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlay as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets		
Capital outlay	395,548	
Depreciation	<u>(4,522,751)</u>	
Capital outlay in excess of depreciation		(4,127,203)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		
		4,597,748
The change in interest payable on long-term debt is not reported in the governmental funds, however, it results in a decrease in interest payable in the statement of net position		
		(185,668)
Increase in compensated absences not requiring the use of current financial resources and not reported as expenditures in the funds		
		(25,728)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
		(15,694)
Changes in deferred outflows and inflows or resources related to pensions and OPEB are reported only in the statement of activities		
Deferred outflow and inflows or resources related to OPEB	(358,292)	
Deferred outflow and inflows or resources related to Fire pension	1,751,476	
Deferred outflow and inflows or resources related to Police pension	969,015	
Deferred outflow and inflows or resources related to IMRF	<u>(1,587,720)</u>	
Total changes in deferred outflows and inflows or resources related to pensions		774,479
Changes in net pension liability and OPEB are reported only in the statement of activities		
OPEB	177,522	
Fire pension	(3,012,497)	
Police pension	(2,291,837)	
IMRF	<u>1,543,387</u>	
Total changes in net pension liability and OPEB		(3,583,425)
Governmental funds report the difference between the reacquisition price and the net carrying amount of refunded debt as an expenditure whereas this amount is deferred and amortized in the government-wide statements		
		(276,923)
The issuance of long-term debt provides current financial resources to governmental funds, while the proceeds are recognized as liabilities in the government-wide financial statements		
		(163,000)
Governmental funds report the effect of premiums and discounts when the debt is first issued, whereas these amounts are unavailable and amortized in the statement of activities		
		87,491
Revenues and expenditures for the internal service fund are not shown on the governmental fund statements. For the government-wide statements, these revenues and expenditures are allocated to the governmental and business-type activities		
		<u>(16,974)</u>
<b>Change in net position of governmental activities</b>		<b>\$ (9,864,387)</b>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2018**

	<b>Water Operations</b>	<b>Sewer Operations</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Fund</b>
<b>Assets</b>				
Current assets				
Cash	\$ 1,321,506	\$ -	\$ 1,321,506	\$ 143,895
Accounts receivable (net of allowance)	491,418	68,133	559,551	-
Interfund receivable	240,157	-	240,157	-
Inventory	15,305	-	15,305	-
Prepaid expenses	-	-	-	386,023
Total current assets	<u>2,068,386</u>	<u>68,133</u>	<u>2,136,519</u>	<u>529,918</u>
Noncurrent assets				
Net pension asset	33,380	20,275	53,655	-
Capital assets				
Capital assets, net of depreciation	7,790,170	5,975,743	13,765,913	-
Total noncurrent assets	<u>7,823,550</u>	<u>5,996,018</u>	<u>13,819,568</u>	<u>-</u>
Total assets	<u>9,891,936</u>	<u>6,064,151</u>	<u>15,956,087</u>	<u>529,918</u>
<b>Deferred Outflow of Resources</b>				
Deferred outflows related to pensions	193,500	117,535	311,035	-
Total deferred outflow of resources	<u>193,500</u>	<u>117,535</u>	<u>311,035</u>	<u>-</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	432,012	23,510	455,522	34,707
Accrued payroll	30,137	18,354	48,491	-
Claims payable	-	-	-	424,171
Due to pension plans	-	-	-	597
Long-term obligations, due in less than one year				
Notes payable	-	29,899	29,899	-
Total current liabilities	<u>462,149</u>	<u>71,763</u>	<u>533,912</u>	<u>459,475</u>
Noncurrent liabilities				
Long-term obligations, due in more than one year				
Loan payable	-	548,052	548,052	-
Total OPEB liability	560,346	344,314	904,660	-
Total noncurrent liabilities	<u>560,346</u>	<u>892,366</u>	<u>1,452,712</u>	<u>-</u>
Total liabilities	<u>1,022,495</u>	<u>964,129</u>	<u>1,986,624</u>	<u>459,475</u>
<b>Deferred Inflow of Resources</b>				
Deferred inflows related to OPEB	31,405	19,297	50,702	-
Deferred inflows related to pensions	433,052	263,042	696,094	-
Total deferred inflow of resources	<u>464,457</u>	<u>282,339</u>	<u>746,796</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in capital assets	7,790,170	5,397,792	13,187,962	-
Unrestricted	808,314	(462,574)	345,740	70,443
Total net position	<u>\$ 8,598,484</u>	<u>\$ 4,935,218</u>	<u>13,533,702</u>	<u>\$ 70,443</u>
Effect of Internal Service Activity			<u>(22,256)</u>	
Net Position reported on Statement of Net Position			<u>\$ 13,511,446</u>	

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Water Operations	Sewer Operations	Total Enterprise Funds	Internal Service Fund
<b>Operating Revenues</b>				
Water fees	\$ 5,117,719	\$ -	\$ 5,117,719	\$ -
Sewer fees	-	694,073	694,073	-
Other revenue	91,438	7,899	99,337	2,702,274
Total operating revenues	<u>5,209,157</u>	<u>701,972</u>	<u>5,911,129</u>	<u>2,702,274</u>
<b>Operating Expenses</b>				
Administration	5,008,388	801,310	5,809,698	2,721,717
Depreciation expense	396,573	233,331	629,904	-
Total operating expenses	<u>5,404,961</u>	<u>1,034,641</u>	<u>6,439,602</u>	<u>2,721,717</u>
<b>Operating Income (Loss)</b>	<u>(195,804)</u>	<u>(332,669)</u>	<u>(528,473)</u>	<u>(19,443)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Transfers in	-	90,778	90,778	-
Transfers (out)	(90,778)	-	(90,778)	-
Interest expense	-	(10,579)	(10,579)	-
Interest income	37	-	37	-
Total nonoperating revenues (expenses)	<u>(90,741)</u>	<u>80,199</u>	<u>(10,542)</u>	<u>-</u>
<b>Change in Net Position</b>	<u>(286,545)</u>	<u>(252,470)</u>	<u>(539,015)</u>	<u>(19,443)</u>
<b>Fund Net Position -</b>				
Beginning of Year (Restated)	<u>8,885,029</u>	<u>5,187,688</u>	<u>14,072,717</u>	<u>89,886</u>
<b>Fund Net Position - End of Year</b>	<u>\$ 8,598,484</u>	<u>\$ 4,935,218</u>	<u>13,533,702</u>	<u>\$ 70,443</u>
			<u>(22,256)</u>	
			<u>\$ 13,511,446</u>	

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>Water Operations</b>	<b>Sewer Operations</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Fund</b>
<b>Cash Flows from Operating Activities</b>				
Receipt from customers	\$ 5,204,264	\$ 701,230	\$ 5,905,494	\$ 2,702,274
Payments to suppliers	(3,674,271)	(167,757)	(3,842,028)	(2,763,759)
Payments to employees	(1,260,854)	(654,897)	(1,915,751)	-
Net cash provided (used) by operating activities	<u>269,139</u>	<u>(121,424)</u>	<u>147,715</u>	<u>(61,485)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Interfund borrowing (lending)	(88,333)	-	(88,333)	(5,322)
Transfers in (out)	(90,778)	90,778	-	-
Net cash provided by financing activities	<u>(179,111)</u>	<u>90,778</u>	<u>(88,333)</u>	<u>(5,322)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Principal payments on debt	-	(25,907)	(25,907)	-
Proceeds from debt issuance	-	67,132	67,132	-
Interest payments on debt	-	(10,579)	(10,579)	-
Purchases of capital assets	-	-	-	-
Net cash used by capital and related financing activities	<u>-</u>	<u>30,646</u>	<u>30,646</u>	<u>-</u>
<b>Cash Flows from Investing Activities</b>				
Interest received	37	-	37	-
Net cash provided by investing activities	<u>37</u>	<u>-</u>	<u>37</u>	<u>-</u>
<b>Net Change in Cash and Cash Equivalents</b>	<u>90,065</u>	<u>-</u>	<u>90,065</u>	<u>(66,807)</u>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>1,231,441</u>	<u>-</u>	<u>1,231,441</u>	<u>210,702</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$ 1,321,506</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,321,506</u></u>	<u><u>\$ 143,895</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating income (loss)	\$ (195,804)	\$ (332,669)	\$ (528,473)	\$ (19,443)
Adjustments to reconcile operating activities to net cash provided (used) by operating activities:				
Depreciation	396,573	233,331	629,904	-
Decrease (increase) in receivables, net	(4,893)	(742)	(5,635)	-
Decrease (increase) in inventory	2,435	-	2,435	-
Decrease (increase) in prepaids	-	-	-	(110,055)
Decrease (increase) in deferred outflows	85,521	52,371	137,892	-
(Decrease) increase in accounts payable	35,471	(42,286)	(6,815)	20,784
(Decrease) increase in claims payable	-	-	-	47,229
(Decrease) increase in deferred inflows	438,991	266,832	705,823	-
(Decrease) increase in net pension & OPEB liability	(484,380)	(295,903)	(780,283)	-
(Decrease) increase in accrued payroll	(4,775)	(2,358)	(7,133)	-
Total adjustments	<u>464,943</u>	<u>211,245</u>	<u>676,188</u>	<u>(42,042)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>\$ 269,139</u></u>	<u><u>\$ (121,424)</u></u>	<u><u>\$ 147,715</u></u>	<u><u>\$ (61,485)</u></u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2018**

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	<b>Pension Trusts</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 885,526
Investments	43,504,646
Accrued interest	141,890
Due from Primary Government	597
Contributions due from members	239
Total assets	<u>44,532,898</u>
<b>Liabilities</b>	
Other liabilities	<u>6,413</u>
Total liabilities	<u>6,413</u>
<b>Net Position Held in Trust for Pension Benefits</b>	<u><u>\$ 44,526,485</u></u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>Pension Trusts</b>
<b>Additions</b>	
Contributions	
Employer	\$ 3,003,000
Plan members	555,920
Total contributions	<u>3,558,920</u>
Investment Income	
Interest and dividends earned	1,835,345
Net appreciation in	
Fair value of investments	(3,240,311)
Less investment expense	<u>(127,171)</u>
Net investment earnings	<u>(1,532,137)</u>
Total additions	<u>2,026,783</u>
<b>Deductions</b>	
Administration	93,841
Benefits	<u>4,476,086</u>
Total deductions	<u>4,569,927</u>
<b>Change in Net Position</b>	<u>(2,543,144)</u>
<b>Net Position Held in Trust for Pension Benefits</b>	
Beginning of Year	<u>47,069,629</u>
End of Year	<u>\$ 44,526,485</u>

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Village of Bridgeview, Illinois (the “Village”) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The following is a summary of the Village’s significant policies.

#### **Reporting Entity and Its Services**

The Village is a municipal corporation governed by an elected board. The Village reports component units in accordance with the provisions of the Governmental Accounting Standard Board (“GASB”) Statement No. 61, “The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34” which modifies certain requirements for inclusion of component units in the financial reporting entity. An organization is considered a component unit of the primary government if 1) the government appoints a voting majority of the organization’s board and there is a financial benefit or burden relationship or the government is able to impose its will on the organization or 2) the organization is fiscally dependent on the government and there is a financial benefit or burden relationship or 3) the government determines that it would be misleading to exclude the organization from its financial statements.

In conformity with accounting principles generally accepted in the United States of America, the financial statements of component units have been included in the financial reporting entity either as a fiduciary component unit or as a blended component unit.

#### ***Fiduciary Component Units***

The Village’s police and fire employees participate in the Police Pension Plan (“Police Pension”) and the Fire Pension Plan (“Fire Pension”). Each plan functions for the benefit of these employees. The Village, Police Pension, and Fire Pension are obligated to fund all Police Pension and Fire Pension costs based on actuarial valuations. The nature of the Pension Funds dictates the Village’s financial accountability. The Village appoints a voting majority of the component unit’s board and the pension funds have the possibility of imposing a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels.

#### ***Blended Component Units***

On October 20, 2017, the Village authorized the establishment of a bankruptcy remote special purpose entity named the Bridgeview Finance Corporation (“BFC”). While legally separate, it is presented as a blended component unit of the Village. The purpose of the organization is to issue bonds on behalf of the Village in order to provide funding for any lawful purpose of the Village, including but not limited to, funding for capital and infrastructure requirements of the Village, to refund any outstanding obligations of the Village and to refund outstanding bonds of the Corporation. To repay the debt service associated with the bonds issued by the BFC, the Village has sold and assigned its sales tax revenues to the BFC in order to make such payments. Pursuant to State of Illinois Public Act 100-0023, the sale resulted in a “statutory lien” that would insulate the sales and assignment from unfavorable actions in the event of a bankruptcy or other reorganization of the Village. The Board of the BFC consists of three voting members: the Village Treasurer, Chairman of the Finance

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Committee of the Village's Board, and an Independent Director who is independent of the Village. In the event that any of the positions of Village Treasurer or Finance Chairman are terminated or cease to exist for any reason, a replacement director shall be appointed by the Village's Mayor with the approval of the Village's Board of Trustees.

**Basis of Presentation**

The Village's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

***Government-Wide Financial Statements***

The statement of net position and the statement of activities display the information about the Village as a whole. In the government-wide statement of net position, both the government and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed 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 government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-like activity. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that are required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

***Fund Financial Statements***

The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category- governmental, proprietary, and fiduciary- are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as non-major funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement Focus and Basis of Accounting**

***Government-Wide Financial Statements***

The government-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statements of net position, and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Village has reported three categories of program revenue in the statement of activities (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables, payables, and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

***Fund Financial Statements***

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. For this purpose the Village considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

General Fund is the general operating fund of the Village. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

General Obligation Debt Service Fund accounts for the accumulation of resources for, and the payments of, general long-term debt principal, interest and costs.

Bridgeview Stadium Fund accounts for the operating activities related to the operation of the Village's stadium. The main revenue sources are stadium receipts. The revenues from the Stadium are dedicated to paying the costs of the stadium including contractual agreements with promoters and the Chicago Fire.

Bridgeview Finance Corporation accounts for the issuance of debt for the benefit of the Village as well as the receipt of sales tax revenues pledged by the Village in order to pay debt service related to the bond issued.

Harlem Ave TIF #2 accounts for revenues restricted for use within the Harlem Ave TIF #2 district boundaries and the expenditure of those funds within the TIF district.

Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Village reports the following major proprietary funds:

Water Operations Fund accounts for the operating activities of the Village's water utilities services.

Sewer Operations Fund accounts for the operating activities of the Village's sewer utilities services.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the Village's own programs. The Village's fiduciary funds are Pension Trust Funds. These funds report assets held by the Village in a trustee capacity.

Pension Trust Funds account for the Village's Police and Fire Pension Plans.

In addition to the major funds mentioned above the Village reports the following governmental fund types:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Project Funds are used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds.

#### Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered.

These receivables and payables are classified as "Interfund receivables/payables" on the governmental and proprietary fund balance sheets. Any residual balances between the governmental activities and business-type activities are reported in the Village-wide financial statements as "internal balances."

#### Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with a cost of \$5,000 or more and a useful life of more than one year. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

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

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation of all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	50 years
Improvements	20 years
Equipment	8 - 15 years
Infrastructure- Roads	20 years
Infrastructure- Other	30 - 50 years

#### Investments

Investments consist of municipal bonds, government and agency notes, treasury obligations, mutual funds and variable annuities held by broker-dealers for the pension trust funds with original maturities greater than three months. The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Fair values for the Illinois Funds are the same as the values of the pool shares. State statute requires these funds to comply with the Illinois Public Funds Investment Act.

#### Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory is recorded on the basis of a physical count. Immaterial inventories at year-end are not reported on the balance sheet.

#### Claims and Judgments

Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with accounting principles generally accepted in the United States of America.

#### Fund Equity and Net Position

The components of fund balance include the following line items:

- a) Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
- b) Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board is the highest level of decision making. As of December 31, 2018, the Village has not committed fund balance for any purpose.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board. It also includes all remaining amounts that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither classified as restricted or committed.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Negative fund balances in governmental funds other than the general fund are also unassigned.

If there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider committed fund balance to be spent first, then assigned fund balance and finally unassigned fund balance. If there is an expenditure incurred for purposes for which restricted or unrestricted fund balances could be used, then the Village will consider restricted fund balance to be spent first, then unrestricted fund balance.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. If there is an expense incurred for purposes for which restricted or unrestricted net position could be used, the Village will consider restricted net position to be spent first, then unrestricted net position.

#### Property Taxes

Property taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and July 1 and are payable in two installments on or about March 1 and August 1. The county collects the taxes and remits them periodically to the Village. Property tax revenues are recognized when they become both measurable and available, in accordance with the Government Accounting Standards Board. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are due and collectible within the period or soon enough (within 60 days) thereafter to be used to pay liabilities of the current period as defined by the levy. Property taxes levied in the current year which are not collected at year-end and are not used to pay liabilities of the current period do not meet the "available" criterion and are reported as unavailable revenue in the fund financial statements. The Village recorded as a deferred outflow in the government-wide statements all of the 2018 property tax levy due to the levy being intended to fund the next fiscal year's operations.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property taxes receivable are initially recorded at the gross levy less an allowance for uncollectible taxes. Taxes receivable and/or the allowance are adjusted periodically to reflect taxes receivable at their estimated realizable value.

Property taxes receivable which are delinquent more than one year have been fully reserved. The allowance for uncollectible property taxes is equal to 3% of the tax levy as recommended by the County Clerk, except in the case of bond levies for which the allowance is equal to 5% of the tax levy as is recommended by the County Clerk.

#### **Accumulated Unpaid Compensated Absences**

In the event of termination, an employee is reimbursed for accumulated vacation days. The Village has \$1,147,893 in accumulated unpaid vacation at year-end recorded in the government-wide financial statements. The entire amount relates to the governmental-type activities. None of this amount was determined to be funded out of current resources and, as such, the entire amount was labeled a long-term debt and not recorded in the fund financial statements. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, an expenditure is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as “terminal leave” at retirement.

#### **Cash and Cash Equivalents**

Cash and cash equivalents represent cash on hand, cash deposited in interest-bearing and non-interest bearing checking accounts, treasury obligations and investments in certificates of deposit with original maturities of three months or less.

#### **Use of Estimates**

Management has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 2 – CASH AND INVESTMENTS

#### **Cash**

The carrying value of cash, excluding the Pension Trust Funds, was \$14,559,988 at December 31, 2018, while the bank balances were \$15,556,686 and \$25,000 of cash on hand. The deposits are either insured by the Federal Deposit Insurance Company (FDIC) or are collateralized with securities of the U.S. Government. The Village was fully collateralized as of December 31, 2018.

At December 31, 2018, the Pension Trust Funds' carrying amount of cash was \$885,526 while the bank balances were \$887,821. The deposits are either insured by the FDIC for \$250,000, or collateralized with securities of the U.S. Government.

#### **Investments (Excluding Pension Trust Fund)**

Illinois statutes authorize the Village to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper issued by corporations organized in the United States with assets exceeding \$500,000,000, savings accounts and certificates of deposit issued by financial institutions insured by the FDIC, repurchase agreements, short-term discount obligations of the Federal National Mortgage Association, dividend or share accounts of a credit union which accounts are insured, money market mutual funds with portfolios limited to securities guaranteed by the United States and The Illinois Funds. As of December 31, 2018, the Village did not have any investments.

#### ***Interest Rate Risk***

The Village minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market funds or similar investment pools.

#### ***Custodial Credit Risk***

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investments are fully collateralized as of December 31, 2018.

#### ***Concentration of Credit Risk***

The Village does not have a policy to limit concentration credit risk.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 2 – CASH AND INVESTMENTS (Continued)

#### Pension Trust Fund Investments

Illinois statutes authorize the Village to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper issued by corporations organized in the United States with assets exceeding \$500,000,000, savings accounts and certificates of deposit issued by financial institutions insured by the FDIC, repurchase agreements, short-term discount obligations of the Federal National Mortgage Association, dividend or share accounts of a credit union which accounts are insured, money market mutual funds with portfolios limited to securities guaranteed by the United States and The Illinois Funds. In addition, the Fire and Police Pension Funds may invest in various accounts of life insurance companies authorized to do business in Illinois. Investments may be made in general or separate investment accounts. However, the total investment in separate accounts shall not exceed 10% of the aggregate book value of all investments owned by the Fire Pension. The Police Pension investment policy does not specify such a requirement. In addition, the Fire and Police Pension Funds may invest in certain equities, subject to limitations.

The various investments in securities, mutual funds and other investments are exposed to a variety of uncertainties, including interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the value of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the Pension Funds.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension's investments at December 31, 2018.

Investment Type	Investment Maturities				
	Fair Value	Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
Municipal bonds	\$ 1,437,509	\$ 100,944	\$ 741,737	\$ 594,828	\$ -
U.S. government notes	203	-	203	-	-
U.S. agency notes	8,171,592	141,936	2,452,501	5,425,769	151,386
U.S. treasury notes	1,466,402	198,578	1,021,636	246,188	-
	<u>\$11,075,706</u>	<u>\$ 441,458</u>	<u>\$ 4,216,077</u>	<u>\$ 6,266,785</u>	<u>\$ 151,386</u>

The remainder of the Police Pension's investments (\$10,138,147) were invested in mutual funds which do not have maturity dates.



# VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

## NOTE 2 – CASH AND INVESTMENTS (Continued)

The Police Pension has the following recurring fair value measurements as of December 31, 2018:

Investment by Fair Value Level	December 31, 2018	Fair Value Measurements Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasuries	\$ 1,466,402	\$ 1,466,402	\$ -	\$ -
U.S. Agencies	8,171,592	8,171,592	-	-
Municipal Bonds	1,437,509	-	1,437,509	-
Equity Securities				
Equity Mutual Funds	10,138,147	10,138,147	-	-
Government Backed Securities	203	-	-	203
	<u>\$ 21,213,853</u>	<u>\$ 19,776,141</u>	<u>\$ 1,437,509</u>	<u>\$ 203</u>

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Fire Pension's investments at December 31, 2018.

Investment Type	Investment Maturities				
	Fair Value	Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
Municipal bonds	\$ 1,810,343	\$ 99,408	\$ 926,731	\$ 784,204	\$ -
U.S. government notes	31,354	31	1,448	1,760	28,115
U.S. agency notes	8,672,365	118,692	2,470,583	5,931,705	151,385
U.S. treasury notes	985,672	247,359	590,258	148,055	-
	<u>\$11,499,734</u>	<u>\$ 465,490</u>	<u>\$ 3,989,020</u>	<u>\$ 6,865,724</u>	<u>\$ 179,500</u>

The remainder of the Fire Pension's investments were invested in mutual funds (\$10,273,947) and variable annuities (\$517,118) which do not have maturity dates.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 2 – CASH AND INVESTMENTS (Continued)

The Fire Pension has the following recurring fair value measurements as of December 31, 2018:

Investment by Fair Value Level	December 31, 2018	Fair Value Measurements Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasuries	\$ 985,672	\$ 985,672	\$ -	\$ -
U.S. Agencies	8,672,365	8,672,365	-	-
Municipal Bonds	1,810,343	-	1,810,343	-
Equity Securities				
Insurance Company Contracts	517,118	517,118	-	-
Equity Mutual Funds	10,273,947	10,273,947	-	-
Government Backed Securities	31,354	-	-	31,354
	<u>\$ 22,290,799</u>	<u>\$ 20,449,102</u>	<u>\$ 1,810,343</u>	<u>\$ 31,354</u>

### Interest Rate Risk

The Police and Fire Pension Plans have the following guidelines in their formal investment policy that limits investment allocation as a means of managing its exposure to fair value losses arising from increasing interest rates. Equity investments shall be limited to 10% to 30% of fund investments, fixed investments shall be limited to 60% to 80% of fund investments and cash and cash equivalents should not exceed 20% of fund investments.

### Credit Risk

The Police Pension's investment policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provision of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. Government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality; that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's. The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Credit ratings for the Police Pension investments in debt securities at December 31, 2018 (excluding investments in the U.S. government bonds and mutual funds which are not considered to have credit risk) are as follows:

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 2 – CASH AND INVESTMENTS (Continued)

Investment Type	Aaa	Aa2	Aa3	Aa1	A1	A2	N/R
U.S. Agency Notes	99%	0%	0%	0%	0%	0%	1%
Municipal Bonds	20.84%	7.13%	17.04%	10.21%	8.34%	3.41%	33.03%

The Fire Pension's investment policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. Government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality; that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's. The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Credit ratings for the Fire Pension investments in debt securities at December 31, 2018 (excluding investments in the U.S. government bonds and mutual funds which are not considered to have credit risk) are as follows:

Investment Type	Aaa	Aa3	Aa2	Aa1	A1	A2	N/R
U.S. agency notes	98%	0%	0%	0%	0%	0%	2%
Municipal bonds	2.84%	13.53%	18.11%	8.13%	3.30%	5.42%	48.67%

### ***Custodial Credit Risk***

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police and Fire Pension Funds' investments were fully collateralized as of December 31, 2018.

### ***Concentration of Credit Risk***

The Police and Fire Pension Funds do not have a policy to limit concentration credit risk.

The various investments in securities, mutual funds and other investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could materially affect the amounts reported in the financial statements of the Police and Fire Pensions.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 2 – CASH AND INVESTMENTS (Continued)

At December 31, 2018, the Police Pension has over 5% of plan net position, \$1,086,188, invested in four separate mutual funds. They are as follows:

<b>Mutual Fund</b>	<b>Amount</b>
Vanguard 500 Index Fund	\$ 2,371,124
T Rowe Price Growth Stock	2,277,797
Pioneer Equity Income Fund	1,147,756
LSV Value Equity Fund	1,131,093

At December 31, 2018, the Fire Pension has over 5% of plan net position, \$1,140,137, invested in three separate mutual funds. They are as follows:

<b>Mutual Fund</b>	<b>Amount</b>
Vanguard 500 Index Fund	\$ 2,423,442
T Rowe Price Growth Stock	2,301,174
Pioneer Equity Income Fund	1,161,151

The following is a reconciliation between the notes and basic financial statements:

#### Cash and Investment Note

Carrying amount of Village's cash	\$ 14,559,988
Carrying amount of pension's funds	885,526
Police pension fund investments	21,213,853
Fire pension fund investments	<u>22,290,799</u>
Total cash and investments per note	<u>\$ 58,950,166</u>

#### Basic Financial Statements

Statement of Net Position	
Cash and cash equivalents	\$ 14,559,988
Statement of Fiduciary Net Position	
Cash and cash equivalents	885,526
Investments	<u>43,504,652</u>
Total cash and investments per statements	<u>\$ 58,950,166</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 3 – CAPITAL ASSETS**

Governmental capital assets activity for the year ended December 31, 2018 was as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Construction in Progress	\$ 228,370	\$ -	\$ 228,370	\$ -
Land	37,205,652	140,361	-	37,346,013
Total Capital Assets Not Being Depreciated	37,434,022	140,361	228,370	37,346,013
Capital Assets Being Depreciated				
Infrastructure	50,729,370	-	-	50,729,370
Land improvements	863,444	50,522	-	913,966
Buildings	132,574,062	35,958	-	132,610,020
Equipment	9,178,582	397,077	-	9,575,659
Total Capital Assets Being Depreciated	193,345,458	483,557	-	193,829,015
Accumulated Depreciation	63,424,939	4,522,754	-	67,947,693
Total Capital Assets Being Depreciated, Net	129,920,519	(4,039,197)	-	125,881,322
Governmental Activities				
Capital Assets, Net	<u>\$167,354,541</u>	<u>\$(3,898,836)</u>	<u>\$ 228,370</u>	<u>\$ 163,227,335</u>

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

General Government	\$ 1,487,014
Public Safety	187,186
Public Works	42,071
Culture and Recreation	2,801,758
Other	4,725
Total	<u>\$ 4,522,754</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 3 – CAPITAL ASSETS (Continued)**

Business-type capital assets activity for the year ended December 31, 2018 was as follows:

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Capital Assets Being Depreciated				
Infrastructure	24,202,368	-	-	24,202,368
Land Improvements	552,515	-	-	552,515
Buildings	1,331,498	-	-	1,331,498
Equipment	3,055,568	-	-	3,055,568
Total Capital Assets Being Depreciated	29,141,949	-	-	29,141,949
Accumulated Depreciation	14,746,132	629,904	-	15,376,036
Total Capital Assets Being Depreciated, Net	14,395,817	(629,904)	-	13,765,913
Business-Type Activities				
Capital Assets, Net	\$ 14,395,817	\$ (629,904)	\$ -	\$ 13,765,913

Depreciation expense was charged to business-type functions/programs of the Village as follows:

Water	\$ 396,573
Sewer	<u>233,331</u>
Total	<u>\$ 629,904</u>

Included in governmental capital assets at December 31, 2018 is \$553,333 of public safety equipment and \$163,000 of public works equipment under capital leases. Amortization is included in depreciation expense and accumulated depreciation related to these assets is \$287,083 and \$8,150, respectively. Included in business type activities is water equipment of \$156,141 under capital leases with accumulated depreciation thereon of \$146,382.

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**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

**NOTE 4 – LONG TERM DEBT****Long-Term Debt Summary**

The changes in the Village's governmental activities long-term debt are summarized as follows:

Governmental Activities	Beginning Balances (Restated)	Additions	Reductions	Ending Balances	Due Within One Year
General obligation bonds					
Series 2003	\$ 370,000	\$ -	\$ 370,000	\$ -	\$ -
Series 2005	113,915,000	-	3,180,000	110,735,000	3,335,000
Series 2011A	1,875,000	-	185,000	1,690,000	195,000
Series 2012	27,215,000	-	-	27,215,000	-
Series 2013A	23,965,000	-	-	23,965,000	-
Series 2014A	27,475,000	-	-	27,475,000	-
Series 2014C	1,250,000	-	600,000	650,000	650,000
Series 2015A	16,000,000	-	-	16,000,000	-
Series 2017A	27,155,000	-	-	27,155,000	-
Series 2017B	20,285,000	-	-	20,285,000	-
Bond premium	2,977,954	-	122,215	2,855,739	-
Bond discount	(761,842)	-	(33,365)	(728,477)	-
	<u>261,721,112</u>	<u>-</u>	<u>4,423,850</u>	<u>257,297,262</u>	<u>4,180,000</u>
SSA tax bonds					
SSA5 tax bonds	110,000	-	110,000	-	-
Bond discount	(1,360)	-	(1,360)	-	-
	<u>108,640</u>	<u>-</u>	<u>108,640</u>	<u>-</u>	<u>-</u>
Notes payable					
Pumper lease	191,277	-	52,224	139,053	54,130
Ford ambulance	111,811	-	32,343	79,468	33,350
Due to Bedford Park	50,000	-	50,000	-	-
Excavator lease	-	163,000	18,181	144,819	14,540
	<u>353,088</u>	<u>163,000</u>	<u>152,748</u>	<u>363,340</u>	<u>102,020</u>
Compensated absences	1,122,165	25,728	-	1,147,893	-
Net pension liability	50,386,170	3,760,947	-	54,147,117	-
Total OPEB Liability	<u>6,570,449</u>	<u>-</u>	<u>177,522</u>	<u>6,392,927</u>	<u>-</u>
	<u>\$ 297,746,622</u>	<u>\$ 3,949,675</u>	<u>\$ 4,862,760</u>	<u>\$ 319,348,539</u>	<u>\$ 4,282,020</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 4 – LONG TERM DEBT (Continued)**

The changes in the Village's business-type activities long-term debt are summarized as follows:

Business-Type Activities	Beginning Balances (Restated)	Additions	Reductions	Ending Balances	Due Within One Year
Notes payable					
IEPA Loan	\$ 536,726	\$ 67,132	\$ 25,907	\$ 577,951	\$ 29,899
	536,726	67,132	25,907	577,951	29,899
Net pension liability (asset)	701,506	-	755,161	(53,655)	-
Total OPEB Liability	929,782	-	25,122	904,660	-
	\$ 1,305,901	\$ 67,132	\$ 781,068	\$ 524,296	\$ 29,899

Aggregate principal and interest requirements to maturity for the General Obligation Bonds by year for the Village are as follows:

Fiscal Year	General Obligation Bonds		
	Principal	Interest	Total
2019	\$ 4,180,000	\$ 13,184,773	\$ 17,364,773
2020	3,710,000	12,990,133	16,700,133
2021	5,110,000	12,803,408	17,913,408
2022	5,365,000	12,550,273	17,915,273
2023	6,460,000	12,281,225	18,741,225
2024-2028	38,695,000	56,063,371	94,758,371
2029-2033	50,690,000	44,761,991	95,451,991
2034-2038	57,200,000	30,291,455	87,491,455
2039-2043	71,165,000	14,255,775	85,420,775
2044-2048	12,595,000	645,496	13,240,496
	<u>\$ 255,170,000</u>	<u>\$ 209,827,900</u>	<u>\$ 464,997,900</u>



## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 4 – LONG TERM DEBT (Continued)

Aggregate principal and interest requirements to maturity for the Notes Payable by year for the Village are as follows:

Fiscal Year	Notes Payable		
	Principal	Interest	Total
2019	\$ 131,910	\$ 21,102	\$ 153,012
2020	135,898	17,122	153,020
2021	86,914	13,450	100,364
2022	47,398	12,064	59,462
2023	48,428	11,034	59,462
2024-2028	240,222	38,906	279,128
2029-2033	189,783	16,622	206,405
2034-2038	60,706	1,215	61,921
	<u>\$ 941,259</u>	<u>\$ 131,515</u>	<u>\$ 1,072,774</u>

The Village has entered into an intergovernmental agreement with the Village of Bedford Park for land annexation payable in the amount of \$50,000 per year over 10 years. There is no interest associated with these payments. The agreement was paid off during the fiscal year.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 4 – LONG TERM DEBT (Continued)

A brief summary of the debt instruments utilized by the Village is below.

General Obligation Bonds, Series 2003: On June 4, 2003, the Village issued General Obligation Bonds Series 2003 for \$4,000,000 the proceeds of which were used to pay for redevelopment project costs in the Harlem Avenue TIF 1. The interest rates range from 2.5%- 3.6% with final maturity on December 1, 2018. In January of 2018, the bonds were paid off prior to final maturity with proceeds from the 2017A bond issue.

General Obligation Bonds, Series 2005: On September 7, 2005, the Village issued General Obligation Bond Series 2005 for \$134,600,000 the proceeds of which were used to pay for stadium and other Village redevelopment project costs. The bonds have interest rates ranging from 4.5%- 5.1%. Final maturity is December 1, 2036.

Special Service Area No.5, Series 2008A: On May 29, 2008, the Village issued General Obligation Covenant Bonds, Series 2008 for \$840,000, the proceeds of which were used for Special Service Area No.5. The interest rate is 4.8% and the bonds were paid off during the fiscal year.

General Obligation Bonds, Series 2011A: On June 7, 2011, the Village issued General Obligation Bonds Series 2011A for \$2,500,000. The proceeds were used to refund the Series 2005 debt service payment. The interest rate on the bonds is 6.75% with final maturity on December 1, 2025.

General Obligation Bonds, Series 2012: On December 3, 2012, the Village issued General Obligation Bonds Series 2012 for \$27,215,000. The proceeds of the bonds were used to currently refund \$605,000 of the 1999A Bonds, \$11,035,000 of the 2002 Bonds, \$915,000 of the 2003A Bonds, \$4,905,000 of the 2005 Bonds and a portion of the 2011 interest payment. The interest rate on the bonds ranges from 4.125% to 5.00% with final maturity on December 1, 2042.

General Obligation Bonds, Series 2013A: On April 9, 2013, the Village issued General Obligation Bonds Series 2013A for \$23,965,000. The proceeds of the bonds were used to currently refund \$20,000,000 of the 2011 Bonds, \$3,600,000 of a call premium, and \$375,000 of accrued interest for the 2013 interest payment. The interest rate on the bonds ranges from 4.5% to 5.5% with final maturity on December 1, 2043.

General Obligation Bonds, Series 2014A: On June 9, 2014, the Village issued General Obligation Bonds Series 2014A for \$27,475,000. The proceeds of the bonds were used to currently refund and restructure outstanding Village obligations related to \$17,500,000 of the outstanding General Obligation Variable Rate Demand Project and Refunding Bonds, Subseries 2008 A-1 and \$7,500,000 of the outstanding General Obligation Variable Rate Demand Project and Refunding Bonds, Subseries 2008 A-2 Bonds maturing December 1, 2038. The interest rate on the bonds is 5.125% to 5.50% with a final maturity on December 1, 2044.

Series 2014B Senior Lien Refunding Bonds: During fiscal year 2014, the Village issued Series 2014B Senior Lien Refunding Bonds to refund a portion of Series 2004 Senior Lien Revenue Bonds held by FDIC in the amount of

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 4 – LONG TERM DEBT (Continued)

\$1,190,575. The bonds refunded were not general obligation bonds and were not recorded on the Statement of Net Position. Likewise, the current issuance used to refund the previous issuance is also not general obligation bonds and will not be recorded on the Statement of Net Position. The current issuance was sold entirely to Devon Bank. The bonds mature on December 31, 2019 with an interest rate of 5.0% in effect until maturity. Property tax increment received in the 103<sup>rd</sup> St. and 76<sup>th</sup> Ave. TIF Fund will be used to repay bond principal and associated interest.

General Obligation Bonds, Series 2014C: On December 12, 2014, the Village issued General Obligation Senior Lien Revenue Refunding Bonds, Series 2014C for \$2,860,000. The proceeds of the bonds were used to currently refund the Village's outstanding Senior Lien Revenue Bonds, Series 2004 for economic savings. The interest rate on the bonds ranges from 2.4% to 5.0% with final maturity on December 1, 2019.

General Obligation Bonds, Series 2015A: On June 30, 2015, the Village issued General Obligation Bonds, Series 2015A for \$16,000,000. The proceeds of the bonds were used to refund a portion of the Village's outstanding bonds related to Series 2005, Series 2011A, Series 2012 and Series 2013 in order to restructure future debt service and pay certain costs associated with the issuance of the bonds. The bonds mature on December 1, 2041, but are subject to redemption on December 1, 2025 at par. The interest rates on the bonds ranges from 5.0% to 5.75%.

Sales Tax Securitized Bonds, Series 2017A and 2017B: On December 29, 2017, the Bridgeview Finance Corporation ("BFC") issued Sales Tax Securitized Bonds, Series 2017A for \$27,155,000 and Taxable Sales Tax Securitized Bonds, Series 2017B for \$20,285,000 for the benefit of the Village. Repayment of the bonds will be made with future sales tax revenue streams, which were sold by the Village to the BFC. The BFC will receive such revenues directly and will make all necessary debt service payments. The proceeds of the 2017A bonds were used to fund projects related to a new hotel, construction of the new sports dome, and construction related to Bridgeview Court. Additionally, proceeds were used to refund debt payments related to Series 2003, 2005, and 2008A bonds. The 2017A bonds mature on December 1, 2042 and the interest rate on the bonds is 5.0%. The proceeds of the 2017B bonds were used to fund projects related to construction of the new sports dome, construction related to Bridgeview Court, and other costs associated with the 71<sup>st</sup> Street TIF District. Additionally, proceeds were used to refund debt payments related to Series 2008B bonds. The 2017B bonds mature on December 1, 2033 and the interest rates on the bonds range from 4.30% to 5.70%.

Pumper Lease: On July 16, 2014, the Village entered into a \$360,000 lease agreement with Tax Exempt Leasing Corp. to finance the purchase of a 2014 E-One Stainless Steel Rescue Pumper on a Typhoon Chassis. The lease payments include the cost of the vehicle and a calculated interest rate of 3.59% through July 2021. The outstanding balance as of December 31, 2018 was \$139,053.

2015 Ambulance Lease: On April 15, 2015, the Village entered into a \$211,932 lease agreement with Tax Exempt Leasing Corp. to finance the purchase of an ambulance. The lease payments include the costs of the vehicle and calculated interest rate of 3.07% through April 2021. The outstanding principal balance as of December 31, 2018 was \$79,468.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 4 – LONG TERM DEBT (Continued)

2018 Excavator Lease: On August 13, 2018, the Village entered into a \$181,807 lease agreement with Wells Fargo Bank to finance the purchase of an excavator. The lease payments include the costs of the vehicle and calculated interest rate of 5.03% through February 2023. The outstanding principal balance as of December 31, 2018 was \$144,819.

Illinois Environmental Protection Agency (IEPA) Loan: During fiscal year 2014, the Village entered into a loan agreement with the IEPA at a 1.995% interest rate. The Village pays \$41,281 annually until maturity in 2035. The outstanding principal balance as of December 31, 2018 was \$577,951.

Second Star Agreement: In August 2012, the Village entered into an agreement with the Chicago Fire Soccer, LLC (Chicago Fire) to convert eight stadium suites and additional space in the Stadium to build a new exclusive Second Star Club. The Chicago Fire paid for the project and the Village will provide repayment from the funds received from the sale of memberships and sponsorships. Interest will accrue at a rate of 5%. If as of December 31, 2021 the aggregate revenues do not match the outstanding obligation, the Village will not be obligated to pay the Chicago Fire for any additional remaining amounts. The total amount outstanding related to the agreement at December 31, 2018, was \$2,190,275 for the principal and \$109,514 in interest. These amounts have not been recorded as a liability, as it is contingent on the revenues being received.

Spectra Agreement: On January 19, 2018, the Village entered into an agreement with Ovations Food Services, LP doing business as Spectra Food Services and Hospitality ("Spectra"). The agreement has an initial term of ten years with a Village option to extend the initial term for an additional five years. The agreement provides for the Investment by Spectra of up to \$1,950,000 in the Stadium over the course of the term of the agreement. As of December 31, 2018, Spectra has invested \$300,000 of this amount. Upon termination of the agreement, the Village will pay Spectra the unamortized amount of the Investment. The unamortized amount of the Investment at December 31, 2018 is \$275,000 and is included as unearned revenue.

Supplemental Agreement: On September 1, 2005, the Village entered into a supplemental agreement to the Team Permit agreement whereby certain revenues owed by the Village to the Chicago Fire will be deferred until and if cumulative net profits of the stadium exceed \$1 million (Deferred COI). Deferred COI will bear interest at the rate of 8% per annum (not compounded). The obligation to repay Deferred COI shall not constitute an indebtedness of the Village. As a result, no liability has been recorded for these amounts.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 5 – SHORT TERM DEBT

#### *Line of Credit*

During the prior year, the Village entered into an agreement on August 16, 2017 with Bridgeview Bank for a \$3 million line of credit. The bank would allow the Village to immediately draw up to \$1.5 million for liquidity needs resulting from capital project spending in addition to a liquidity reserve based on outstanding debt. This draw had an initial maturity date of November 1, 2018 unless extended. During 2018, the line of credit was modified with the principal amount changed to \$2 million available, and the agreement was renewed with a new maturity date of October 31, 2019. Further, the Village has committed to freeze any additional drawings and to levy a general obligation 2018 property tax by February 15, 2019 for any balances drawn and unpaid. No outstanding balance is owed as of yearend.

### NOTE 6 – INTERFUND DISCLOSURES

#### **Interfund Receivables and Payables**

All interfund balances are expected to be repaid in the next fiscal year. The interfunds are primarily a result of amounts owed to the general fund as a result of minor cash flow needs.

Fund	Due From	Due To
General:		
Stadium	\$ 409,102	\$ -
General Obligation Debt Service	121,833	-
Harlem Ave TIF #2	700,000	-
Drug Enforcement	-	-
Motor Fuel Tax	-	-
Non-major governmental		
BV Court TIF	485,320	-
Drug Enforcement	1,725	-
BV Dome TIF	5,000	-
78th Avenue TIF #2	10,000	-
Water	-	240,157
Subtotal	1,732,980	240,157

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 6 – INTERFUND DISCLOSURES (Continued)**

Fund	Due From	Due To
General Obligation Debt Service		
General	-	121,833
Harlem Ave TIF #2		
General	-	700,000
Non-major governmental		
TIF #1 Harlem Ave	700,000	-
Subtotal	700,000	700,000
Bridgeview Stadium		
General	-	409,102
Non-major governmental		
Motor Fuel Tax	3,289	-
Subtotal	3,289	409,102
Non-major governmental:		
Drug Enforcement		
General	-	1,725
BV Court TIF		
General	-	485,320
TIF #1 Harlem Ave	-	700,000
BV Dome TIF		
General	-	5,000
TIF #1 Harlem Ave		
BV Court TIF	700,000	-
Harlem Ave TIF #2	-	700,000
Motor Fuel Tax		
Bridgeview Stadium	-	3,289
78th Avenue TIF #2		
General	-	10,000
Subtotal	700,000	1,905,334
Fire Pension		
Insurance	234	-
Police Pension		
Insurance	363	-
Water:		
General	240,157	-
Insurance:		
Fire Pension	-	234
Police Pension	-	363
Total	\$ 3,377,023	\$ 3,377,023

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 6 – INTERFUND DISCLOSURES (Continued)

#### Advances

Advances represent long term borrowing between funds. In accordance with GASB pronouncements, the following advances represent deferred inflows of resources and deferred outflows of resources resulting from intra-entity sales of future revenues (sales taxes) as more fully described in notes 4 and 14. The amounts are being recognized as revenue and expenditures over the life of the sales agreement between the Village and the BFC.

Fund	Advance to	Advance from
Bridgeview Finance Corporation		
General Obligation Bond Fund	\$ 31,570,629	\$ -
Harlem Ave TIF #2	7,264,098	-
Non-major governmental		
BV Court TIF	1,886,852	-
Subtotal	40,721,579	-
General Obligation Bond Fund		
Bridgeview Finance Corporation	-	31,570,629
Harlem Ave TIF #2		
Bridgeview Finance Corporation	-	7,264,098
Non-major governmental:		
BV Court TIF		
Bridgeview Finance Corporation	-	1,886,852
Total	\$ 40,721,579	\$ 40,721,579

#### Interfund Transfers

Multiple transfers were made during the fiscal year between the Village's funds. Transfers include transfers of residual sales taxes from Bridgeview Finance Corporation to the Village, amortization of the deferred charge (shown as advances) related to the Bridgeview Finance Corporation bond proceeds, expense reimbursement, and fund profits.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 6 – INTERFUND DISCLOSURES (Continued)**

Fund	Transfer In	Transfer Out
General:		
Non-major governmental	\$ 965,183	\$ -
Bridgeview Finance Corporation	8,070,746	-
Harlem Ave TIF #2	950,000	-
Stadium	1,412,988	-
Subtotal	<u>11,398,917</u>	<u>-</u>
Debt Service:		
Bridgeview Finance Corporation	1,315,443	-
Non-major governmental	-	372,200
Subtotal	<u>1,315,443</u>	<u>372,200</u>
Bridgeview Finance Corporation:		
General	-	8,070,746
Debt Service	-	1,315,443
Harlem Ave TIF #2	-	302,671
Non-major governmental	-	78,619
Subtotal	-	<u>9,767,479</u>
Stadium:		
General	-	<u>1,412,988</u>
Harlem Ave TIF #2:		
General	-	950,000
Bridgeview Finance Corporation	302,671	-
Non-major governmental	<u>700,000</u>	-
Subtotal	<u>1,002,671</u>	<u>950,000</u>
Non-major governmental:		
General	-	965,183
Debt Service	372,200	-
Harlem Ave TIF #2	-	700,000
Non-major governmental	<u>778,619</u>	<u>700,000</u>
Subtotal	<u>1,150,819</u>	<u>2,365,183</u>
Water:		
Sewer	-	<u>90,778</u>
Sewer:		
Water	<u>90,778</u>	-
Total	<u>\$ 14,958,628</u>	<u>\$ 14,958,628</u>



## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN

#### A. Defined Benefit Pension Plans

Plan Descriptions: The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police and Firefighters' Pension Plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans issue separate reports on the pension plans and are available for inspection at Village Hall. IMRF benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at [www.imrf.org](http://www.imrf.org).

Below is aggregate information related to all of the pension plans in total reported by the Village as of and for the year ended December 31, 2018:

Total Pension Liability	\$ 116,883,848
Plan Fiduciary Net Position	<u>62,790,386</u>
Village's net pension liability	<u><u>54,093,462</u></u>
Deferred Inflows of Resources	\$ (4,663,844)
Deferred Outflows of Resources	10,557,146
Pension Expense	6,081,447

#### **Illinois Municipal Retirement Fund (IMRF)**

##### General Information about the Pension Plan

All employees (other than those covered by the Police or Firefighters' Pension Plans) 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.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2018 was 10.84% of covered payroll. The employer annual required contribution rate for calendar year 2017 was 11.84%.

At December 31, 2017, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries	90
Inactive, Non-retired Members	40
Active Members	<u>68</u>
Total	198

#### Net Pension Liability

The Village's net pension liability for the IMRF plan was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Price Inflation:	2.50%
Salary Increases:	3.39% to 14.25%
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

developed from the RP-2014 Employee Morality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

**Long Term Expected Rate of Return:** The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	2.50-8.50%
Cash Equivalents	1%	2.50%
	<u>100%</u>	

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 7 – DEFINED BENEFIT PLAN (Continued)**Changes in the Net Pension Liability

IMRF:

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability(Asset) (A) - (B)
<b>Balances at December 31, 2016</b>	<b>\$ 19,892,707</b>	<b>\$ 17,549,972</b>	<b>\$ 2,342,735</b>
<b>Changes for the year:</b>			
Service Cost	422,301	-	422,301
Interest on the Total Pension Liability	1,471,943	-	1,471,943
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	(275,816)	-	(275,816)
Changes of Assumptions	(683,395)	-	(683,395)
Contributions - Employer	-	487,756	(487,756)
Contributions - Employees	-	188,141	(188,141)
Net Investment Income	-	3,064,946	(3,064,946)
Benefit Payments, including Refunds			
of Employee Contributions	(955,896)	(955,896)	-
Other (Net Transfer)	-	(292,219)	292,219
Net Changes	(20,863)	2,492,728	(2,513,591)
Balances at December 31, 2017	19,871,844	20,042,700	(170,856)
Less: Bridgeview Public Library Portion	(1,766,813)	(1,778,807)	11,994
<b>Village Balances at December 31, 2017</b>	<b>\$ 18,105,031</b>	<b>\$ 18,263,893</b>	<b>\$ (158,862)</b>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 7 – DEFINED BENEFIT PLAN (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension (asset), calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
IMRF Net Pension Liability/(Asset)	\$ 2,215,811	\$ (158,862)	\$ (2,092,509)

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

For the year ended December 31, 2018, the Village recognized pension expense of \$504,607 related to IMRF. At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (249,469)
Changes of assumptions	7,680	(494,803)
Net difference between projected and actual earnings on pension plan investments	-	(791,591)
Total Deferred Amounts to be recognized in pension expense in future periods	7,680	(1,535,863)
Pension Contributions made subsequent to the Measurement Date	388,108	-
Total Deferred Amounts Related to Pensions	<u>\$ 395,788</u>	<u>\$ (1,535,863)</u>

Pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year.

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## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

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

Year Ended December 31	
2019	\$ (355,589)
2020	(325,020)
2021	(525,456)
2022	(368,767)
2023	-
Thereafter	-

#### **Police Pension Plan**

##### General Information about the Pension Plan

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

As provided for in the Illinois State Statutes, the Police Pension provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

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 3.0% of the original pension and 3.0% 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 shall not exceed \$106,800 however, that amount shall increase annually by the lesser of 1/2 of the annual change in the Consumer Price Index or 3.0%

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% 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 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

At December 31, 2018, the Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	34
Inactive employees entitled to but not yet receiving benefits	4
Current employees (vested and nonvested)	<u>33</u>
Total	71

### Net Pension Liability

The Village's net pension liability for the Police Pension Plan 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 as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2018 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	6.70%	6.70%
Discount Rate	6.70%	6.70%
Salary Increases	3.50%-11.00%	3.50%-11.00%
Projected Increase in Payroll	3.50%	3.50%
Inflation	2.50%	2.50%

Long Term Expected Rate of Return: The long term expected rate of return on the Plan's investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Large Cap Domestic Equity	35%	6.60%
Small Cap Domestic Equity	10%	8.50%
Fixed Income	50%	1.40%
International Equity	5%	6.40%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 6.70% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The longer term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (for the future benefit payments that are not covered by the plan's projected net position).

For the purpose of the most recent valuation, the expected rate of return on plan investments of 6.70% was used as the discount rate as it was determined that the long-term expected rate of return on pension plan investments should be sufficient to finance the payment of benefits for current plan participants. Such a methodology does not deem the use of the High Quality 20 Year Tax Exempt G.O. Bond rate to form the discount rate as necessary.



# VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

## NOTE 7 – DEFINED BENEFIT PLAN (Continued)

### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<b>Balances at December 31, 2017</b>	<u>\$ 46,923,522</u>	<u>\$ 22,857,994</u>	<u>\$ 24,065,528</u>
<b>Changes for the year:</b>			
Service Cost	566,676	-	566,676
Interest on the Total Pension Liability	3,068,337	-	3,068,337
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(388,371)	-	(388,371)
Changes of Assumptions	(7,593)	-	(7,593)
Contributions - Employer	-	1,405,000	(1,405,000)
Contributions - Employees	-	297,187	(297,187)
Net Investment Income	-	(669,371)	669,371
Benefit Payments, including Refunds of Employee Contributions	(2,081,455)	(2,081,455)	-
Other (Net Transfer)	-	(85,604)	85,604
Net Changes	<u>1,157,594</u>	<u>(1,134,243)</u>	<u>2,291,837</u>
<b>Balances at December 31, 2018</b>	<u><u>\$ 48,081,116</u></u>	<u><u>\$ 21,723,751</u></u>	<u><u>\$ 26,357,365</u></u>

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

The following presents the net pension liability related to the police pension plan of the Village calculated using the discount rate of 6.70% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
Net Pension Liability	\$ 33,163,981	\$ 26,357,365	\$ 20,791,895

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Police Pension Fund report.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**

Notes to financial statements  
December 31, 2018

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**NOTE 7 – DEFINED BENEFIT PLAN (Continued)****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2018, the Village recognized pension expense of \$2,717,812 related to the police pension plan. At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 100,994	\$ (906,783)
Changes of assumptions	2,420,296	(61,261)
Net difference between projected and actual earnings on pension plan investments	<u>1,693,648</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 4,214,938</u></u>	<u><u>\$ (968,044)</u></u>

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

<u>Year Ended December 31</u>	
2019	\$ 820,304
2020	587,686
2021	520,233
2022	728,271
2023	329,228
Thereafter	261,172

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

#### Firefighters' Pension Plan

##### General Information about the Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended by the Illinois legislature. The Village of Bridgeview accounts for the plan as a pension trust fund.

As provided for in the Illinois State Statutes, the Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten 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 covered employee 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 3.0% of the original pension and 3.0% 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 firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% 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 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter 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 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

At December 31, 2018, the Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	39
Inactive employees entitled to but not yet receiving benefits	8
Current employees (vested and nonvested)	<u>26</u>
Total	73

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## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

#### Net Pension Liability

The Village's net pension liability for the Firefighters' Pension Plan 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 as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2018 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	6.70%	6.70%
Discount Rate	6.70%	6.70%
Salary Increases	3.50%-12.50%	3.50%-12.50%
Projected Increase in Payroll	3.50%	3.50%
Inflation	3.00%	2.50%

Long Term Expected Rate of Return: The long term expected rate of return on the Plan's investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Large Cap Domestic Equity	35%	6.60%
Small Cap Domestic Equity	10%	8.50%
Fixed Income	50%	1.40%
International Equity	5%	6.40%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 6.70% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at

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## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The longer term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (for the future benefit payments that are not covered by the plan's projected net position).

For the purpose of the most recent valuation, the expected rate of return on plan investments of 6.70% was used as the discount rate as it was determined that the long-term expected rate of return on pension plan investments should be sufficient to finance the payment of benefits for current plan participants. Such a methodology does not deem the use of the High Quality 20 Year Tax Exempt G.O. Bond rate to form the discount rate as necessary.

#### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<b>Balances at December 31, 2017</b>	<b>\$ 49,094,098</b>	<b>\$ 24,211,636</b>	<b>\$ 24,882,462</b>
<b>Changes for the year:</b>			
Service Cost	693,277	-	693,277
Interest on the Total Pension Liability	3,201,143	-	3,201,143
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	225,388	-	225,388
Changes of Assumptions	13,833	-	13,833
Contributions - Employer	-	1,598,000	(1,598,000)
Contributions - Employees	-	258,733	(258,733)
Net Investment Income	-	(735,589)	735,589
Benefit Payments, including Refunds			-
of Employee Contributions	(2,429,251)	(2,429,251)	-
Other (Net Transfer)	(100,787)	(100,787)	-
Net Changes	1,603,603	(1,408,894)	3,012,497
<b>Balances at December 31, 2018</b>	<b>\$ 50,697,701</b>	<b>\$ 22,802,742</b>	<b>\$ 27,894,959</b>

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

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

The following presents the net pension liability related to the firefighters' pension plan of the Village calculated using the discount rate of 6.70% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	<b>1% Decrease (5.70%)</b>	<b>Current Discount Rate (6.70%)</b>	<b>1% Increase (7.70%)</b>
Net Pension Liability	\$ 34,454,900	\$ 27,894,959	\$ 22,463,688

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Firefighters' Pension Fund report.

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

For the year ended December 31, 2018, the Village recognized pension expense of \$2,859,028 related to the firefighters' pension plan. At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 163,830	\$ (2,129,131)
Changes of assumptions	3,995,718	(30,806)
Net difference between projected and actual earnings on pension plan investments	<u>1,786,872</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 5,946,420</u>	<u>\$ (2,159,937)</u>

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## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 7 – DEFINED BENEFIT PLAN (Continued)

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

Year Ended December 31	
2019	\$ 822,965
2020	602,962
2021	762,363
2022	874,926
2023	407,886
Thereafter	315,369

### NOTE 8 – POST EMPLOYMENT BENEFITS

#### Plan Description

The Village provides other post-employment benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

To be eligible for benefits, an employee must qualify for retirement under the Village's retirement plan or meet COBRA requirements.

All health benefits are provided through the Village's health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; and prescriptions. Eligibility in Village sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits.

Municipal employees who retire after age 55 with at least 20 years of service and Police and Fire department employees who retire after age 50 with at least 20 years of service pay 50% of the cost (blended) of coverage. Police and Fire department supervisory personnel and Fire Lieutenants pay 45% of the cost of coverage.

All other retirees pay 100% of the cost of coverage. The Village pays 100% of the cost of coverage for disabled officers.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 8 – POST EMPLOYMENT BENEFITS (Continued)

As of December 31, 2018 membership consisted of:

Active employees fully eligible	110
Retired participants	19
Duty Disabled Participants	6
Total	<u>135</u>

The Village does not have a funding policy.

#### Actuarial Assumptions and Methods

Actuarial Valuation Date	December 31st, 2018
Actuarial Cost Method	Entry Age Normal
Assumptions	
Discount Rate	4.10%
Long-Term Expected Rate of Return on Plan Assets	N/A
Total Payroll Increases	3.50%
Healthcare Cost Trend Rates	8.50% in fiscal year 2018, trending to 6.50% in fiscal year 2023, and an ultimate trend rate of 4.50%
Asset Valuation Method	N/A



## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 8 – POST EMPLOYMENT BENEFITS (Continued)

Mortality rates for participants were in accordance with RP-2014 Blue Collar base rates projected to 2018 using scale MP-2018 for Police and Fire department participants. For all others, the RP-2014 base rates projected to 2018 using scale MP-2018 were used. No additional provisions were included for mortality improvements beyond 2018.

Retirement, termination, and disability rates were updated to reflect the most recent studies from the Illinois Department of Insurance and IMRF.

The mortality assumption for Police and Fire department employees was changed to RP-2014 base rates with Blue Collar adjustment projected to 2018 using scale MP-2018.

*Discount Rate* The discount rate used to measure the total OPEB liability as of December 31, 2018 was 4.10%, which was a change from the discount rate of 3.44% that was used as of December 31, 2017. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax exempt municipal bond index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

#### *Changes in the Total OPEB Liability*

	<b>Total OPEB Liability (a)</b>
Balances at January 1, 2018	\$ 7,500,231
Service cost	281,170
Interest on total OPEB liability	253,227
Differences between expected and actual experience of the total OPEB liability	-
Change of assumptions	(459,075)
Plan changes	-
Benefit payments, including refunds of employee contributions	(277,966)
Other (net transfer)	-
	<hr/>
Balances at December 31, 2018	<u><u>\$ 7,297,587</u></u>

*Sensitivity of the Village's net OPEB liability to changes in the discount rate.* The following presents the Village's net OPEB liability, as well as what the Village's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10 percent) or 1-percentage-point higher (5.10 percent) than the current discount rate:

# VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

## NOTE 8 – POST EMPLOYMENT BENEFITS (Continued)

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 8,006,208	\$ 7,297,588	\$ 6,662,073

*Sensitivity of the Village's net OPEB liability to changes in the healthcare cost trend rates.* The following presents the Village's net OPEB liability, as well as what the Village's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.50 percent decreasing to 3.50 percent) or 1-percentage-point higher (9.50 percent decreasing to 5.50 percent) than the current discount rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$6,529,159	\$ 7,297,588	\$8,196,134

*OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB.* For the year ended December 31, 2018, the Village recognized OPEB expense of \$484,316. At December 31, 2018, the Village reported the following deferred outflows of resources and deferred inflows related to OPEB.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	(408,994)
Total Deferred Amounts Related to OPEB	<u>\$ -</u>	<u>\$ (408,994)</u>

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

Fiscal Year	Amount
2019	\$ (50,081)
2020	(50,081)
2021	(50,081)
2022	(50,081)
2023	(50,081)
Thereafter	(158,589)

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 9 – RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions, natural disasters; and injuries to the Village's employees. The Village maintains commercial insurance for its general liability, property and casualty, and all-risk coverages. The policies are subject to various deductibles. For all programs, there has been no significant reduction in insurance coverage from coverage in the prior year. Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years. The Village is self-insured for its dental insurance, the amount of claims incurred related to the plan is not material. Effective December 1, 2012, the Village is semi-self-insured for its workers' compensation where the Village is responsible to pay the amount of claims up to \$250,000 per incident with excess coverage taking effect after that. Claims incurred at year-end, but not reported are estimated by third party administrators for the plan. At year-end, the claims liability for the self-insurance workers' compensation plan is \$395,731.

	<u>2018</u>	<u>2017</u>
Claims incurred but not paid		
Balance beginning of year	\$ 352,563	\$ 581,372
Claims incurred	1,273,650	981,320
Claims paid	<u>(1,230,482)</u>	<u>(1,210,129)</u>
Balance end of year	<u>\$ 395,731</u>	<u>\$ 352,563</u>

### NOTE 10 – NOTES RECEIVABLE

On March 1, 2002, the Village sold a parcel of property in the amount of \$225,000 in which the purchaser of the property entered into a financing agreement with the Village to pay the purchase price for the land. The agreement was refinanced on March 4, 2009 for a 4.5% interest rate, and requires the purchaser to make equal monthly payments of \$1,158 from March 1, 2009 through February 1, 2024. Effective October 1, 2010, the land parcel agreement was amended to lower the interest rate to 3% and suspend principal payments until December 31, 2012. An agreement with new terms has not been signed. Without current information a payment schedule cannot be presented, thus the remaining balance as of September 1, 2010 will be presented.

### NOTE 11 – NEW PRONOUNCEMENTS

GASB Statement No. 83 – *Certain Asset Retirement Obligations* will be effective for the Village with its fiscal year ending December 31, 2019. The objective of this Statement is to address accounting and financial reporting (including liability recognition) when a government has a legal obligation to perform future asset retirement activities related to its tangible capital assets (ARO).

GASB Statement No. 84 – *Fiduciary Activities* will be effective for the Village beginning with its year ending December 31, 2019. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

**NOTE 11 - NEW PRONOUNCEMENTS (Continued)**

GASB Statement No. 87 – *Leases* will be effective for the Village beginning with its year ending December 31, 2020. This Statement requires recognition of certain lease assets and liabilities for leases previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provision of the contract.

GASB Statement No. 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements* is effective for the Village's fiscal year ended December 31, 2019. This Statement requires additional note disclosure related to debt including unused lines of credit, assets pledged as collateral for the debt, and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. It also requires that information be provided for direct borrowings and direct placements of debt separately from other debt.

GASB Statement No. 89 – *Accounting for Interest Cost Incurred Before the End of a Construction Period* is effective for the Village's fiscal year ended December 31, 2020. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense/expenditure in the period in which the cost is incurred. As a result, such interest costs will not be included in the historical cost of capital assets.

GASB Statement No. 90 – *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61* is effective for the Village's fiscal year ended December 31, 2019. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

GASB Statement No. 91 – *Conduit Debt Obligations* is effective for the Village beginning with its year ending December 31, 2021. The Statement clarifies the existing definition of a conduit debt obligation, establishes that a conduit debt obligation is not a liability of the issuer, and establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations. The Statement also requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognized liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

Management has not determined what impact, if any, these GASB statements may have on its financial statements.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 12 – FUND DISCLOSURES

The following funds had deficit fund balances/net position at December 31, 2018:

Funds	Deficit
BV Court TIF	\$ 1,801,508
General Obligation Debt Service	31,591,850
Harlem Ave TIF #2	7,029,008
BV Dome TIF	2,959
78th Avenue TIF	6,350

The primary cause of the deficits in these funds is related to the accounting for bond proceeds received by these funds in connection with the sale to the BFC of future sales tax revenues. The proceeds are reflected as advances from other funds and are recognized as income over the life of the sales agreement. Therefore, the deficits will be reduced over time as the income is recognized.

### NOTE 13 – TAX ABATEMENTS

The Village has entered into sales tax rebate agreements in order to attract new retailers and restaurants. The agreements are pursuant to Section 8-11-20 of the Illinois Municipal Code (65 ILCS 5/8-11-20) and have been approved by the Village Board

To be eligible for the rebate, the businesses must open locations within the Village's boundaries and submit sales tax information to the Village. The specific terms of the agreements vary; however, in general they provide for the Village to rebate 25-75% of the sales tax generated by the locations within Bridgeview back to the businesses. As of December 31, 2018, total tax abatements were \$1,666,878.

The largest abatement agreement states the rebates received from the Village are to be used solely for capital asset expenditures in order to create and retain job opportunities within the Village. The rebate is calculated on both the Village's local share of the state Sales Tax and the Village Home Rule Municipal Retailers' Occupation Tax less the base period amount (actual sales tax reported during 2006 increased annually by the greater of 3% or the annual percentage change in CPI). The agreement provides for the Village to rebate the sales tax generated by the project at 70% for the first 10 years and at 50% for the following 10 years. At December 31, 2018, sales tax rebates under this agreement totaled \$1,290,366 for the year.

### NOTE 14 – REVENUES AND RECEIVABLES PLEDGED IN CONNECTION WITH COMPONENT UNIT DEBT

In 2017 the Village irrevocably sold and conveyed to the BFC the Village's future home rule sales tax revenues and local share sales tax revenues. In addition, receivables for the fourth quarter 2017 home rule and local share sales tax revenues have also been sold to the BFC. As discussed previously, this was done in order to provide for debt service payments on bonds issued by the BFC. All sales tax revenues will be deposited directly in trust by the Illinois State Comptroller. The Village is the holder of a Residual Certificate allowing for residual funds as defined in the Master Indenture to be paid to the Village. For the current year, no principal

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to financial statements  
December 31, 2018

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### NOTE 14 – REVENUES AND RECEIVABLES PLEDGED IN CONNECTION WITH COMPONENT UNIT DEBT (Continued)

payments were made on the bonds by the BFC. Sales tax revenues recognized by the BFC in 2018 totaled \$10,477,536, with a residual payment of \$8,070,746 made to the Village. The total sales tax sold is estimated to be \$272,819,526 and anticipated residuals are \$189,713,480. The estimated present value of the sales tax sold, net of the expected residuals, assuming a 5.08% percent interest rate, at the time of the sale was \$46,128,794.

### NOTE 15 – PRIOR PERIOD ADJUSTMENT

During the current year, the Village implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. As a result of the conversion, the Village reported prior period adjustments related to the elimination of net OPEB obligation balances as of the prior year-end and the establishment of total OPEB liability balances. The schedule below details the effects of the prior period adjustments in the government-wide financial statements:

	Governmental Activities	Business-type Activities
Net Position as Previously Reported, December 31, 2017	\$ (121,266,109)	\$ 14,982,712
Elimination of Beginning Net OPEB Obligation	1,348,100	-
Establishment of Beginning Total OPEB Liability	(6,570,449)	(929,782)
Restated Net Position, December 31, 2017	<u>\$ (126,488,458)</u>	<u>\$ 14,052,930</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**



**BRIDGEVIEW, ILLINOIS**

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
<b>Revenues</b>			
Property taxes	\$ 4,303,925	\$ 2,441,573	\$ (1,862,352)
Replacement taxes	211,500	194,976	(16,524)
Sales tax	10,750,000	476,302	(10,273,698)
Income tax	1,510,000	1,586,444	76,444
Other intergovernmental	2,200,225	2,290,109	89,884
Licenses, fees and permits	861,700	922,408	60,708
Fines and forfeitures	607,500	474,467	(133,033)
Charges for services	2,436,800	2,389,193	(47,607)
Interest	4,500	6,372	1,872
Miscellaneous	902,000	785,964	(116,036)
Total revenues	<u>23,788,150</u>	<u>11,567,808</u>	<u>(12,220,342)</u>
<b>Expenditures</b>			
Current			
Administrative	11,957,389	11,890,875	(66,514)
Police department	3,631,710	3,586,013	(45,697)
Fire department	3,994,229	4,064,507	70,278
Public works	1,820,650	1,600,447	(220,203)
Culture and recreation	397,235	408,561	11,326
All other departments	1,117,150	1,123,218	6,068
Capital outlays	888,104	347,422	(540,682)
Debt service - principal	-	102,748	102,748
Debt service - interest and fees	161,560	77,018	(84,542)
Total expenditures	<u>23,968,027</u>	<u>23,200,809</u>	<u>(767,218)</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(179,877)</u>	<u>(11,633,001)</u>	<u>(11,453,124)</u>
<b>Other Financing Sources (Uses)</b>			
Debt issuances	-	163,000	163,000
Transfers in	2,421,225	11,398,917	8,977,692
Transfers (out)	(2,241,348)	-	2,241,348
Total other financing sources (uses)	<u>179,877</u>	<u>11,561,917</u>	<u>11,382,040</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>(71,084)</u>	<u>\$ (71,084)</u>
<b>Fund Balance - Beginning of Year</b>		<u>4,442,655</u>	
<b>Fund Balance - End of Year</b>		<u>\$ 4,371,571</u>	



**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**BRIDGEVIEW STADIUM**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
<b>Revenues</b>			
Stadium event revenue	\$ 1,731,500	\$ 1,752,642	\$ 21,142
Stadium sponsorship	1,000,000	959,964	(40,036)
Stadium rental revenue	1,262,960	958,884	(304,076)
Other revenue	154,000	152,901	(1,099)
Investment income	250	533	283
Total revenues	<u>4,148,710</u>	<u>3,824,924</u>	<u>(323,786)</u>
<b>Expenditures</b>			
Current			
Culture and recreation	2,392,485	2,407,935	15,450
Debt service - principal	50,000	50,000	-
Capital outlay	-	-	-
Total expenditures	<u>2,442,485</u>	<u>2,457,935</u>	<u>15,450</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>1,706,225</u>	<u>1,366,989</u>	<u>(339,236)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers (out)	<u>(1,706,225)</u>	<u>(1,412,988)</u>	<u>(293,237)</u>
Total other financing sources (uses)	<u>(1,706,225)</u>	<u>(1,412,988)</u>	<u>(293,237)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>(45,999)</u>	<u>\$ (45,999)</u>
<b>Fund Balance - Beginning of Year</b>		<u>292,450</u>	
<b>Fund Balance - End of Year</b>		<u>\$ 246,451</u>	

See accompanying notes to required supplementary information

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2018**

Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Total Pension Liability</b>										
Service Cost	\$ 422,301	\$ 376,371	\$ 391,685	\$ 416,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	1,471,943	1,407,233	1,349,296	1,240,216	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(275,816)	(52,474)	(137,650)	(44,919)	-	-	-	-	-	-
Changes of Assumptions	(683,395)	(24,928)	23,715	636,078	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(955,896)	(826,944)	(816,730)	(745,328)	-	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<b>(20,863)</b>	<b>879,258</b>	<b>810,316</b>	<b>1,502,472</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Beginning</b>	<b>19,892,707</b>	<b>19,013,449</b>	<b>18,203,133</b>	<b>16,700,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 19,871,844</b>	<b>\$ 19,892,707</b>	<b>\$ 19,013,449</b>	<b>\$ 18,203,133</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 487,756	\$ 440,052	\$ 419,547	\$ 444,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Member	188,141	177,932	157,646	172,325	-	-	-	-	-	-
Net Investment Income	3,064,946	1,144,757	83,586	969,722	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(955,896)	(826,944)	(816,730)	(745,328)	-	-	-	-	-	-
Other	(292,219)	84,328	(151,116)	34,448	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>\$ 2,492,728</b>	<b>\$ 1,020,125</b>	<b>\$ (307,067)</b>	<b>\$ 875,484</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>17,549,972</b>	<b>16,529,847</b>	<b>16,836,914</b>	<b>15,961,430</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 20,042,700</b>	<b>\$ 17,549,972</b>	<b>\$ 16,529,847</b>	<b>\$ 16,836,914</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Pension Liability - Ending (a)-(b)</b>	<b>\$ (170,856)</b>	<b>\$ 2,342,735</b>	<b>\$ 2,483,602</b>	<b>\$ 1,366,219</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	100.86%	88.22%	86.94%	92.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Covered Payroll</b>	4,121,166	3,648,856	3,501,722	\$ 3,600,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	-4.15%	64.20%	70.93%	37.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**VILLAGE OF BRIDGEVIEW, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE VILLAGE CONTRIBUTIONS  
DECEMBER 31, 2018**

**Last 10 Fiscal Years**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Actuarially Determined Contribution	\$ 417,635	\$ 487,946	\$ 440,052	\$ 419,512	\$ 432,984	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	417,635	487,756	440,052	419,547	444,317	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ 190	\$ -	\$ (35)	\$ (11,333)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 3,852,718	\$ 4,121,166	\$ 3,648,856	\$ 3,501,772	\$ 3,508,781	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered-Employee Payroll	10.84%	11.84%	12.06%	11.98%	12.66%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Pay, Closed
Remaining Amortization Period	26 year closed period
Asset Valuation Method	5-Year Smoothed Market, 20% Corridor
Inflation	2.75%
Salary increases	3.75%-14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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-2014 (base year 2012). 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-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**POLICE PENSION FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2018**

Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Total Pension Liability</b>										
Service Cost	\$ 566,676	\$ 531,758	\$ 483,669	\$ 625,024	\$ 664,589	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	3,068,337	2,982,179	3,065,225	2,830,424	2,705,774	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(388,371)	13,567	(894,844)	163,540	(644,582)	-	-	-	-	-
Changes of Assumptions	(7,593)	(96,408)	2,405,149	1,387,983	637,738	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,081,455)	(2,035,422)	(1,906,620)	(1,761,348)	(1,596,766)	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<b>1,157,594</b>	<b>1,395,674</b>	<b>3,152,579</b>	<b>3,245,623</b>	<b>1,766,753</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Beginning</b>	<b>46,923,522</b>	<b>45,527,848</b>	<b>42,375,269</b>	<b>39,129,646</b>	<b>37,362,893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 48,081,116</b>	<b>\$ 46,923,522</b>	<b>\$ 45,527,848</b>	<b>\$ 42,375,269</b>	<b>\$ 39,129,646</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 1,405,000	\$ 1,320,200	\$ 1,365,392	\$ 1,335,459	\$ 1,168,821	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Member	297,187	308,600	267,127	277,372	269,336	-	-	-	-	-
Net Investment Income	(669,371)	2,124,742	998,258	283,590	1,296,886	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,081,455)	(2,035,422)	(1,906,620)	(1,761,346)	(1,596,766)	-	-	-	-	-
Administrative Expense	(85,605)	(25,790)	(46,486)	(19,958)	(74,850)	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>\$ (1,134,244)</b>	<b>\$ 1,692,330</b>	<b>\$ 677,671</b>	<b>\$ 115,117</b>	<b>\$ 1,063,427</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>22,857,995</b>	<b>21,165,664</b>	<b>20,487,992</b>	<b>20,372,875</b>	<b>19,309,448</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 21,723,752</b>	<b>\$ 22,857,995</b>	<b>\$ 21,165,664</b>	<b>\$ 20,487,992</b>	<b>\$ 20,372,875</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Pension Liability - Ending (a)-(b)</b>	<b>\$ 26,357,364</b>	<b>\$ 24,065,527</b>	<b>\$ 24,362,184</b>	<b>\$ 21,887,277</b>	<b>\$ 18,756,771</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>45.18%</b>	<b>48.71%</b>	<b>46.49%</b>	<b>48.35%</b>	<b>52.07%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Covered Payroll</b>	<b>\$ 2,812,596</b>	<b>\$ 2,655,168</b>	<b>\$ 2,528,201</b>	<b>\$ 2,687,703</b>	<b>\$ 2,694,499</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>937.12%</b>	<b>906.37%</b>	<b>963.62%</b>	<b>814.35%</b>	<b>696.11%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

**VILLAGE OF BRIDGEVIEW, ILLINOIS  
POLICE PENSION FUND  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE VILLAGE CONTRIBUTIONS  
DECEMBER 31, 2018**

**Last 10 Fiscal Years**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Actuarially Determined Contribution	\$ 1,402,478	\$ 1,677,254	\$ 1,396,718	\$ 1,209,596	\$ 1,140,078	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	<u>1,405,000</u>	<u>1,320,200</u>	<u>1,365,392</u>	<u>1,335,459</u>	<u>1,168,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	\$ (2,522)	\$ 357,054	\$ 31,326	\$ (125,863)	\$ (28,743)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,812,596	\$ 2,655,168	\$ 2,528,201	\$ 2,687,703	\$ 2,694,499	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	49.95%	49.72%	54.01%	49.69%	43.38%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Pay
Remaining Amortization Period	22 years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary increases	Graded by years of service
Investment Rate of Return	6.70%
Retirement Age	Graded by age (15% at 50 to 100% at age 65)
Mortality	RP 2014 Base Rates with Blue Collar Adjustment Projected to 2019 with Scale MP2018

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**FIREFIGHTERS' PENSION FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2018**

Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Total Pension Liability</b>										
Service Cost	\$ 693,277	\$ 553,356	\$ 495,387	\$ 633,630	\$ 730,087	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	3,201,143	3,187,330	3,297,762	2,928,563	2,798,332	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	225,388	(1,022,708)	(722,597)	(1,982,545)	(684,812)	-	-	-	-	-
Changes of Assumptions	13,833	(63,234)	2,152,746	4,386,604	892,748	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,429,251)	(2,265,476)	(2,165,640)	(1,987,125)	(1,868,066)	-	-	-	-	-
Administrative Expense	(100,787)	-	-	-	-	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<b>\$ 1,603,603</b>	<b>\$ 389,268</b>	<b>\$ 3,057,658</b>	<b>3,979,127</b>	<b>1,868,289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Beginning</b>	<b>49,094,098</b>	<b>48,704,830</b>	<b>45,647,172</b>	<b>41,668,045</b>	<b>39,799,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 50,697,701</b>	<b>\$ 49,094,098</b>	<b>\$ 48,704,830</b>	<b>\$ 45,647,172</b>	<b>\$ 41,668,045</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	1,598,000	1,400,497	1,406,913	\$ 1,447,474	\$ 1,310,298	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Member	258,733	233,284	261,885	307,462	223,164	-	-	-	-	-
Net Investment Income	(735,589)	2,271,033	1,113,630	319,215	1,437,783	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,429,251)	(2,265,476)	(2,165,640)	(1,987,124)	(1,868,067)	-	-	-	-	-
Administrative Expense	(100,787)	(28,476)	(89,587)	(21,534)	(86,628)	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>\$ (1,408,894)</b>	<b>\$ 1,610,862</b>	<b>\$ 527,201</b>	<b>\$ 65,493</b>	<b>\$ 1,016,550</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>24,211,637</b>	<b>22,600,775</b>	<b>22,073,574</b>	<b>22,008,081</b>	<b>20,991,531</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 22,802,743</b>	<b>\$ 24,211,637</b>	<b>\$ 22,600,775</b>	<b>\$ 22,073,574</b>	<b>\$ 22,008,081</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Pension Liability - Ending (a)-(b)</b>	<b>\$ 27,894,959</b>	<b>\$ 24,882,462</b>	<b>\$ 26,104,056</b>	<b>\$ 23,573,598</b>	<b>\$ 19,659,964</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>44.98%</b>	<b>49.32%</b>	<b>46.40%</b>	<b>48.36%</b>	<b>52.82%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Covered Payroll</b>	<b>\$ 2,540,282</b>	<b>\$ 2,511,751</b>	<b>\$ 2,380,312</b>	<b>\$ 2,441,884</b>	<b>\$ 2,260,558</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>1098.10%</b>	<b>990.64%</b>	<b>1096.67%</b>	<b>965.39%</b>	<b>869.70%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

**VILLAGE OF BRIDGEVIEW, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF VILLAGE CONTRIBUTIONS  
DECEMBER 31, 2018**

**Last 10 Fiscal Years**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Actuarially Determined Contribution	\$ 1,582,108	\$ 1,442,587	\$ 1,442,587	\$ 1,377,949	\$ 1,351,696	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	1,598,000	1,400,497	1,406,913	1,447,474	1,310,298	-	-	-	-
Contribution Deficiency (Excess)	(15,892)	42,090	35,674	(69,525)	41,398	-	-	-	-
Covered Payroll	2,540,282	2,511,751	2,380,312	2,441,844	2,260,558	-	-	-	-
Contributions as a Percentage of Covered Payroll	62.91%	55.76%	59.11%	59.28%	57.96%	0.00%	0.00%	0.00%	0.00%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Pay
Remaining Amortization Period	22 years
Asset Valuation Method	Market Value
Inflation	3.00%
Salary increases	Graded by years of service
Investment Rate of Return	6.70%
Retirement Age	Graded by ages (14% at 50 to 100% at age 65)
Mortality	RP2014 Base Rates with Blue Collar Adjustment projected to the valuation date with Scale MP2018

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY**  
**DECEMBER 31, 2018**

	Last 10 Fiscal Years									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Total OPEB Liability</b>										
Service cost	\$ 281,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	253,227	-	-	-	-	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-	-	-	-	-
Changes of assumptions	(459,075)	-	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(277,966)	-	-	-	-	-	-	-	-	-
<b>Net Change in Total OPEB Liability</b>	<b>(202,644)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total OPEB Liability - Beginning</b>	<b>7,500,231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 7,297,587</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	\$ 277,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefit payments, including refunds of member contributions	(277,966)	-	-	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total OPEB Liability - Ending (a)-(b)</b>	<b>\$ 7,297,587</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OPEB Plan Net Position as a Percentage of the Total OPEB Liability</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Covered Payroll</b>	<b>\$ 8,207,153</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Employer Total OPEB Liability as a Percentage of Covered Payroll</b>	<b>88.92%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Information is presented for those years for which it is available



**VILLAGE OF BRIDGEVIEW, ILLINOIS  
OTHER POST-EMPLOYMENT BENEFIT PLAN  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF VILLAGE CONTRIBUTIONS  
DECEMBER 31, 2018**

**Last 10 Fiscal Years**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to the Actuarially Determined Contribution	-	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 8,207,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered- Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

There is no Actuarially Determined Contribution or employer contribution in relation to the Actuarially Determined Contribution, as there is no Trust that exists for funding the OPEB liabilities. The Village did make contributions from other Village resources in the current year in the amount of \$277,966.

Information is presented for those years for which it is available.

## VILLAGE OF BRIDGEVIEW, ILLINOIS

Notes to the required supplementary information  
December 31, 2018

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### NOTE – BUDGET AND BUDGETARY ACCOUNTING

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

- The finance department submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- Budget hearings are held.
- The budget is legally enacted through passage of an ordinance.
- The budget may be amended by the Board of Trustees. The budget was not amended this year.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for enterprise funds which do not budget for depreciation.

The level of control (level at which expenditures may not exceed budget/appropriations) is the Fund. Budget/appropriations lapse at year-end.

The Village legally adopts budgets for all funds except the Community Development Block Grant and the Bridgeview Finance Corporation. The following funds had an excess of actual expenditures over related budgeted expenditures, not including depreciation for the year ended December 31, 2018.

Stadium	\$ 15,450
Debt Service	3,498
78 <sup>th</sup> Avenue TIF	16,350
BV Dome	3,242
103 <sup>rd</sup> St. and 76 <sup>th</sup> Avenue TIF	5,339
BV Court	132,626
Water	275,461
Sewer	246,943

## COMBINING SCHEDULES



**BRIDGEVIEW, ILLINOIS**

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2018**

	<b>Community Development Block Grant</b>	<b>BV Dome TIF</b>	<b>Motor Fuel Tax</b>
<b>Assets</b>			
Cash and investments	\$ 923	\$ 3,241	\$ 233,627
Property tax receivable	-	1,777	-
Due from other governments	-	-	71,401
Interfund receivable	-	-	-
Total assets	<u>\$ 923</u>	<u>\$ 5,018</u>	<u>\$ 305,028</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 1,200	\$ 4,654
Interfund payables	-	5,000	3,289
Advance from other funds	-	-	-
Unearned revenue	-	-	-
Other payables	-	-	-
Total liabilities	<u>-</u>	<u>6,200</u>	<u>7,943</u>
<b>Deferred Inflows</b>			
Unavailable revenue - property taxes	-	1,777	-
Total deferred inflows	<u>-</u>	<u>1,777</u>	<u>-</u>
<b>Fund Balances</b>			
Restricted			
Law enforcement	-	-	-
Street improvements	923	-	297,085
TIF redevelopment	-	-	-
Unassigned	-	(2,959)	-
Total fund balances	<u>923</u>	<u>(2,959)</u>	<u>297,085</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 923</u>	<u>\$ 5,018</u>	<u>\$ 305,028</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2018**

	<b>Drug Enforcement</b>	<b>Harlem Ave TIF #1</b>	<b>103rd St &amp; 76th Ave TIF</b>
<b>Assets</b>			
Cash and investments	\$ 555,438	\$ 68,323	\$ 399,606
Property tax receivable	-	17,848	14,557
Due from other governments	-	-	-
Interfund receivable	-	700,000	-
Total assets	<u>\$ 555,438</u>	<u>\$ 786,171</u>	<u>\$ 414,163</u>
<b>Liabilities</b>			
Accounts payable	\$ 9,262	\$ -	\$ 2,465
Interfund payables	1,725	700,000	-
Advance from other funds	-	-	-
Unearned revenue	-	-	-
Other payables	-	42,318	1,766
Total liabilities	<u>10,987</u>	<u>742,318</u>	<u>4,231</u>
<b>Deferred Inflows</b>			
Unavailable revenue - property taxes	-	17,848	11,620
Total deferred inflows	<u>-</u>	<u>17,848</u>	<u>11,620</u>
<b>Fund Balances</b>			
Restricted			
Law enforcement	544,451	-	-
Street improvements	-	-	-
TIF redevelopment	-	26,005	398,312
Unassigned	-	-	-
Total fund balances	<u>544,451</u>	<u>26,005</u>	<u>398,312</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 555,438</u>	<u>\$ 786,171</u>	<u>\$ 414,163</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2018**

	BV Court TIF	78th Avenue TIF	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 1,325,680	\$ 3,650	\$ 2,590,488
Property tax receivable	-	-	34,182
Due from other governments	-	-	71,401
Interfund receivable	-	-	700,000
Total assets	<u>\$ 1,325,680</u>	<u>\$ 3,650</u>	<u>\$ 3,396,071</u>
<b>Liabilities</b>			
Accounts payable	\$ 55,016	\$ -	\$ 72,597
Interfund payables	1,185,320	10,000	1,905,334
Advance from other funds	1,886,852	-	1,886,852
Unearned revenue	-	-	-
Other payables	-	-	44,084
Total liabilities	<u>3,127,188</u>	<u>10,000</u>	<u>3,908,867</u>
<b>Deferred Inflows</b>			
Unavailable revenue - property taxes	-	-	31,245
Total deferred inflows	<u>-</u>	<u>-</u>	<u>31,245</u>
<b>Fund Balances</b>			
Restricted			
Law enforcement	-	-	544,451
Street improvements	-	-	298,008
TIF redevelopment	-	-	424,317
Unassigned	<u>(1,801,508)</u>	<u>(6,350)</u>	<u>(1,810,817)</u>
Total fund balances	<u>(1,801,508)</u>	<u>(6,350)</u>	<u>(544,041)</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,325,680</u>	<u>\$ 3,650</u>	<u>\$ 3,396,071</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Community Development Block Grant	BV Dome TIF	Motor Fuel Tax
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
Motor fuel tax allotments	-	-	438,650
Other intergovernmental	-	-	-
Fines and forfeitures	-	-	-
Investment income	-	-	-
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>438,650</u>
<b>Expenditures</b>			
Current			
Administration	8	9,242	-
Police department	-	-	-
Public works	-	-	276,800
All other departments	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and fees	-	-	-
Total expenditures	<u>8</u>	<u>9,242</u>	<u>276,800</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(8)</u>	<u>(9,242)</u>	<u>161,850</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(8)</u>	<u>(9,242)</u>	<u>161,850</u>
<b>Fund Balances - Beginning of Year</b>	<u>931</u>	<u>6,283</u>	<u>135,235</u>
<b>Fund Balances - End of Year</b>	<u>\$ 923</u>	<u>\$ (2,959)</u>	<u>\$ 297,085</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Drug Enforcement	Harlem Ave TIF #1	103rd St & 76th Ave TIF
<b>Revenues</b>			
Property taxes	\$ -	\$ 256,650	\$ 1,169,640
Motor fuel tax allotments	-	-	-
Other intergovernmental	-	-	-
Fines and forfeitures	110,942	-	-
Investment income	60	70	182
Other revenue	-	-	-
Total revenues	<u>111,002</u>	<u>256,720</u>	<u>1,169,822</u>
<b>Expenditures</b>			
Current			
Administration	-	5,685	404,026
Police department	67,380	-	-
Public works	-	-	-
All other departments	-	-	-
Capital outlay	162,617	-	-
Debt service			
Principal	-	370,000	800,000
Interest and fees	-	1,961	51,313
Total expenditures	<u>229,997</u>	<u>377,646</u>	<u>1,255,339</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(118,995)</u>	<u>(120,926)</u>	<u>(85,517)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	1,072,200	-
Transfers (out)	-	(950,000)	-
Total other financing sources (uses)	<u>-</u>	<u>122,200</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(118,995)</u>	<u>1,274</u>	<u>(85,517)</u>
<b>Fund Balances - Beginning of Year</b>	<u>663,446</u>	<u>24,731</u>	<u>483,829</u>
<b>Fund Balances - End of Year</b>	<u>\$ 544,451</u>	<u>\$ 26,005</u>	<u>\$ 398,312</u>



**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	BV Court TIF	78th Avenue TIF	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 1,918,562	\$ -	\$ 3,344,852
Motor fuel tax allotments	-	-	438,650
Other intergovernmental	-	-	-
Fines and forfeitures	-	-	110,942
Investment income	245	-	557
Other revenue	22,687	-	22,687
Total revenues	<u>1,941,494</u>	<u>-</u>	<u>3,917,688</u>
<b>Expenditures</b>			
Current			
Administration	144,805	22,350	586,116
Police department	-	-	67,380
Public works	-	-	276,800
All other departments	424,821	-	424,821
Capital outlay	-	-	162,617
Debt service			
Principal	-	-	1,170,000
Interest and fees	-	-	53,274
Total expenditures	<u>569,626</u>	<u>22,350</u>	<u>2,741,008</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>1,371,868</u>	<u>(22,350)</u>	<u>1,176,680</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	78,619	-	1,150,819
Transfers (out)	(1,415,183)	-	(2,365,183)
Total other financing sources (uses)	<u>(1,336,564)</u>	<u>-</u>	<u>(1,214,364)</u>
<b>Net Change in Fund Balances</b>	<u>35,304</u>	<u>(22,350)</u>	<u>(37,684)</u>
<b>Fund Balances - Beginning of Year</b>	<u>(1,836,812)</u>	<u>16,000</u>	<u>(506,357)</u>
<b>Fund Balances - End of Year</b>	<u>\$ (1,801,508)</u>	<u>\$ (6,350)</u>	<u>\$ (544,041)</u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING STATEMENT OF PLAN NET POSITION**  
**PENSION TRUST FUNDS**  
**DECEMBER 31, 2018**

	<b>Police Pension</b>	<b>Fire Pension</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 446,609	\$ 438,917	\$ 885,526
Investments	21,213,853	22,290,793	43,504,646
Accrued interest	65,547	76,343	141,890
Due from Primary Government	363	234	597
Contributions due from members	219	20	239
Total assets	<u>21,726,591</u>	<u>22,806,307</u>	<u>44,532,898</u>
<b>Liabilities</b>			
Other liabilities	<u>2,841</u>	<u>3,572</u>	<u>6,413</u>
Total liabilities	<u>2,841</u>	<u>3,572</u>	<u>6,413</u>
<b>Net Position Held in Trust for Pension Benefits</b>			
	<u><u>\$ 21,723,750</u></u>	<u><u>\$ 22,802,735</u></u>	<u><u>\$ 44,526,485</u></u>

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**COMBINING STATEMENT OF CHANGES IN NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>Police Pension Fund</b>	<b>Fire Pension Fund</b>	<b>Total</b>
<b>Additions</b>			
Contributions			
Employer	\$ 1,405,000	\$ 1,598,000	\$ 3,003,000
Plan members	297,187	258,733	555,920
Total contributions	<u>1,702,187</u>	<u>1,856,733</u>	<u>3,558,920</u>
Investment earnings			
Interest and dividends earned	899,150	936,195	1,835,345
Net increase (decrease) in fair value	<u>(1,568,522)</u>	<u>(1,671,789)</u>	<u>(3,240,311)</u>
Total investment income	(669,372)	(735,594)	(1,404,966)
Less investment expense	<u>(61,194)</u>	<u>(65,977)</u>	<u>(127,171)</u>
Net investment earnings	<u>(730,566)</u>	<u>(801,571)</u>	<u>(1,532,137)</u>
Total additions	<u>971,621</u>	<u>1,055,162</u>	<u>2,026,783</u>
<b>Deductions</b>			
Benefits	2,046,834	2,429,252	4,476,086
Administrative expenses	<u>59,032</u>	<u>34,809</u>	<u>93,841</u>
Total deductions	<u>2,105,866</u>	<u>2,464,061</u>	<u>4,569,927</u>
<b>Change in Net Position</b>	<u>(1,134,245)</u>	<u>(1,408,899)</u>	<u>(2,543,144)</u>
<b>Net Position Held in Trust for Pension Benefits</b>			
Beginning of Year	<u>22,857,995</u>	<u>24,211,634</u>	<u>47,069,629</u>
End of Year	<u>\$ 21,723,750</u>	<u>\$ 22,802,735</u>	<u>\$ 44,526,485</u>