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NORTHERN MORaine WASTEWATER RECLAMATION DISTRICT, IL

Annual Financial Report
For the Year Ended April 30, 2017

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Contents

Year Ended April 30, 2017

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NORTHERN MORaine WASTEWATER RECLAMATION DISTRICT
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INDEPENDENT AUDITOR'S REPORT

To the President
and Members of the Board of Trustees
Northern Moraine Wastewater Reclamation District

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 Northern Moraine Wastewater Reclamation District, Illinois as of and for the year ended April 30, 2017, which collectively comprise the District's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, 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 Northern Moraine Wastewater Reclamation District, Illinois as of April 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

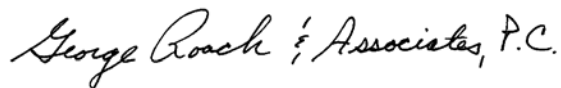
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information 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 purposes of forming opinions on the financial statements that collectively comprise Northern Moraine Wastewater Reclamation District, Illinois' financial statements as a whole. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.



George Roach & Associates, P.C.
Crystal Lake, Illinois
July 27, 2017

REQUIRED SUPPLEMENTARY INFORMATION –
MANAGEMENT DISCUSSION AND ANALYSIS -
UNAUDITED

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

As management of the Northern Moraine Wastewater Reclamation District (District), we offer readers of the District's statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended April 30, 2017.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities and deferred inflows at April 30, 2017 by \$11,033,630 (net position).
- The District's total net position increased by \$428,728.
- At April 30, 2017, the District's governmental funds reported combined ending fund balances of \$347,293, an increase of \$22,246 in comparison with the prior year.
- At April 30, 2017, the fund balance for the General Fund was \$339,375.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position

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

The Statement of Activities

Accrual Basis presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported on the accrual basis.

The government-wide financial statements show functions of the District that are principally supported by taxes, fees, and other revenues (governmental activities). The District does conduct functions intended to recover all or a significant portion of their costs through user fees

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

and charges (business-type activities). The governmental activities of the District include providing general governmental administrative services. The District conducts business-type activities by providing wastewater treatment to residences within their planning area.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet — Modified Accrual Basis and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances — Modified Accrual Basis provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two individual governmental funds. The General Fund is used to account for funds received from general property taxes and other general revenue, and to account for expenditures made for general District purposes. The Audit Fund is used to account for funds received from audit taxes and fees and to account for expenditures made for audit service purposes.

Information is presented separately in the governmental fund Balance Sheet - Modified Accrual Basis and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances — Modified Accrual Basis for the General Fund and the Audit Fund.

Notes to the financial statements

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

NORTHERN MORaine WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in meeting its obligation to provide as fully adequate as possible services to all of its residents.

The District adopts an annual budget and appropriation ordinance that includes both the General Fund and the Audit Fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the adopted budget and appropriation ordinance.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities and deferred inflows by \$11,033,630 at April 30, 2017. The largest portion of the District's net position reflects its investment in capital assets (e.g., land, land improvements, buildings, furniture and equipment, computer equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Net Position		
	Government-wide Activities	
	4/30/2017	4/30/2016
Current and Other Assets	\$ 5,568,115	\$ 5,534,682
Fixed Assets	10,717,722	10,736,945
Total Assets	\$ 16,285,837	\$ 16,271,627
Bonds Payable	\$ 5,065,000	\$ 5,385,000
Bond Discount	(122,213)	(133,324)
Other Liabilities	157,928	261,201
Total Liabilities	5,100,715	5,512,877
Deferred Inflows - property taxes	151,492	153,848
Net Position:		
Net Investment in Capital Assets	5,652,722	5,351,945
Restricted	3,122,654	3,095,140
Unrestricted	2,258,254	2,157,817
Total Net Position	\$ 11,033,630	\$ 10,604,902

Government-wide activities increased the District's net position by \$428,728. The key elements of the increase are as follows:

	Government-wide Activities	
	4/30/2017	4/30/2016
Revenues		
Proprietary activities	\$ 2,418,866	\$ 2,304,173
General Revenues		
Property Taxes	154,680	164,642
Replacement Taxes	1,609	1,532
Other	103	180,174
Interest	17,446	19,469
Total Revenues	2,592,704	2,669,990
Expenses		
General Government	134,146	133,321
Proprietary activities	1,903,428	1,775,235
Debt Service	169,684	171,033
Total Expenses	2,207,258	2,079,589
Increase/(Decrease) in Net Position	385,446	590,401
Net Position - Beginning of Year	10,604,902	9,944,820
Contributed Capital	43,282	69,681
Net Position - End of Year	\$ 11,033,630	\$ 10,604,902

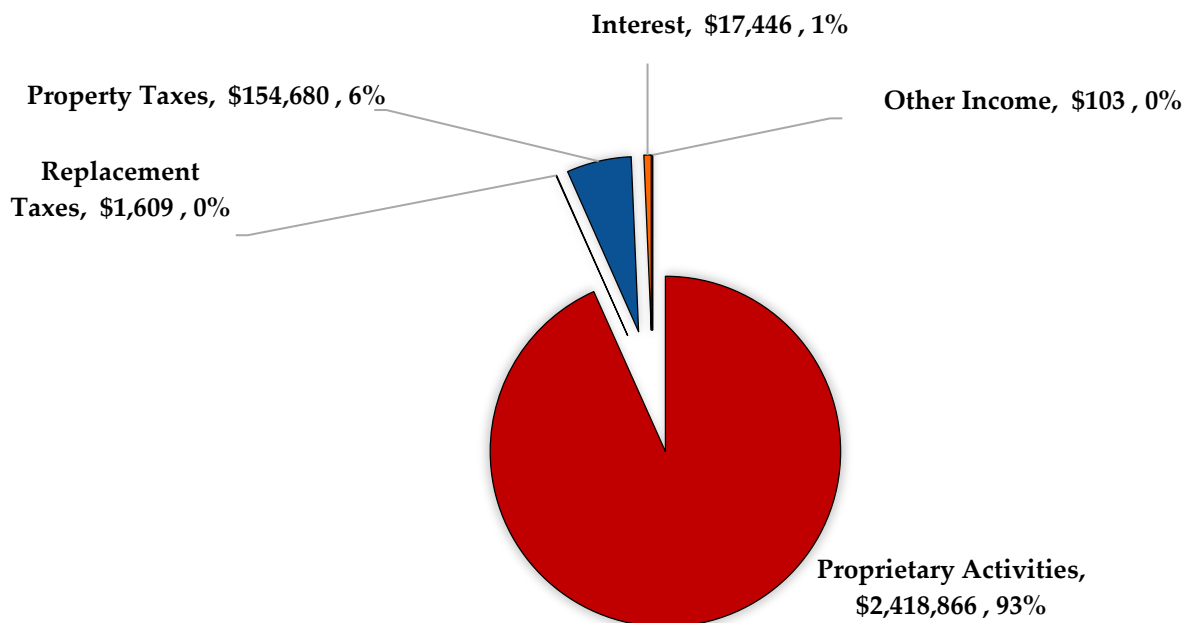
NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

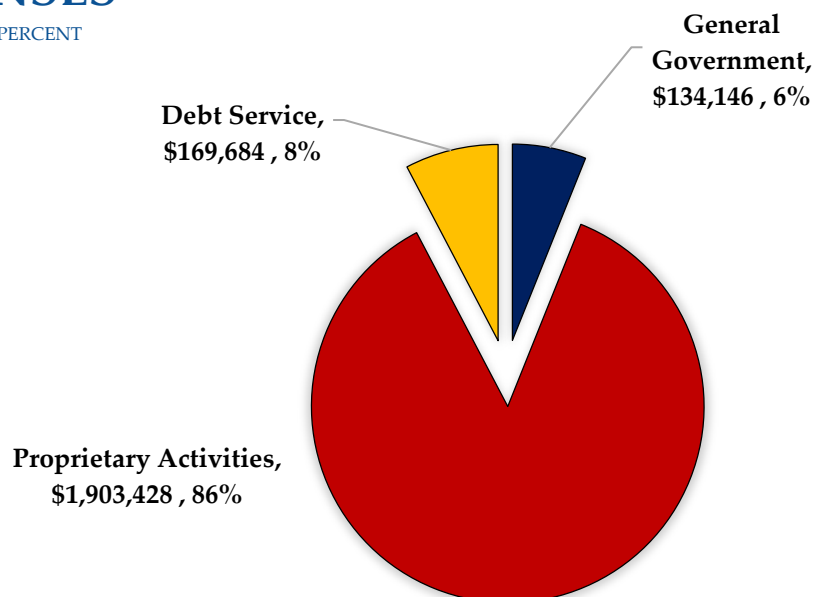
2017 REVENUES

ROUND TO NEAREST PERCENT



2017 EXPENSES

ROUND TO NEAREST PERCENT



NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

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

At April 30, 2017, the District's governmental funds reported combined ending, fund balances of \$347,293, an increase of \$22,246 in comparison with the prior year.

General Fund (Corporate Fund)

The focus of the District's General Fund is to provide information on the revenues and expenditures of the funds that the District receives from its corporate property tax levy and from other unrestricted sources such as personal property replacement taxes, foreign fire insurance taxes, and interest on bank deposits, and associated expenditures.

The General Fund balance at April 30, 2017 was \$317,011, which was an increase of \$22,364 during the year ended April 30, 2017.

Audit Fund

The focus of the District's Audit Fund is to provide information on the revenues and expenditures of the funds that the District receives from its property tax levy, interest on bank deposits, and associated expenditures.

The Audit Fund balance at April 30, 2017 was \$7,918, which was a decrease of \$118 during the year ended April 30, 2017.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District did not amend its budget and appropriations ordinance for the fiscal year ended April 30, 2017, therefore, the amounts shown as original and final appropriations are the same.

NORTHERN MORAINA WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

Proprietary funds

The focus of the District's proprietary fund is to provide the same type of information found in the government-wide financial statements, but in more detail.

At April 30, 2017, the District's proprietary fund reported ending net position of \$10,686,337, an increase of \$406,482 in comparison with the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The District's investment in capital assets for its proprietary activities as of April 30, 2017 amounts to \$10,717,722 net of accumulated depreciation). This investment in capital assets includes land, land improvements, infrastructure, buildings, furniture and equipment, computer equipment, and vehicles. The total increase in the District's investment in capital assets for the year ended April 30, 2017 was \$300,777 attributable to the purchase of various assets offset by depreciation and disposals.

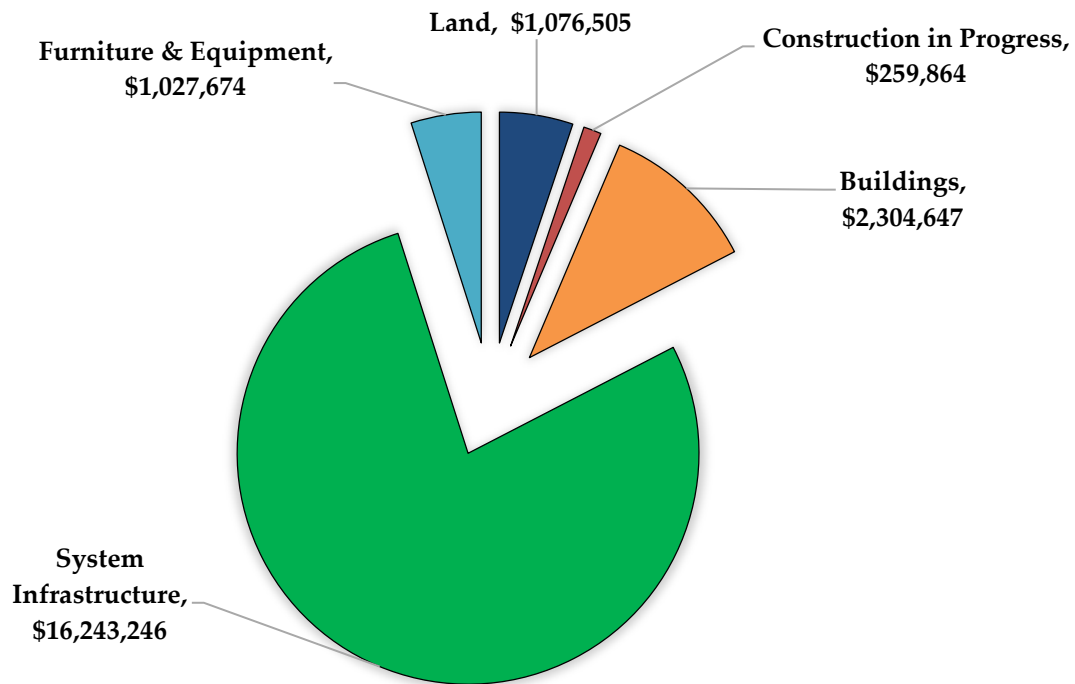
Capital Assets				
	Balance			Balance
Fixed Assets	May 1, 2016	Increases	Decreases	April 30, 2017
Sewerage Operations & Maintenance Fund				
Land	\$ 1,076,505	\$ -	\$ -	\$ 1,076,505
Construction in progress	641,679	-	381,815	259,864
Building & improvements	2,040,032	264,615	-	2,304,647
System infrastructure	15,525,130	723,966	5,850	16,243,246
Furniture & equipment	965,160	62,514	-	1,027,674
Total Fixed Assets	20,248,506	1,051,095	387,665	20,911,936
Less: Accumulated Depreciation	9,511,561	682,653	-	10,194,214
Fixed Assets (Net)	\$ 10,736,945	\$ 368,442	\$ 387,665	10,717,722

NORTHERN MORaine WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

CAPITAL ASSETS (COST)



Long-term debt

At April 30, 2017, the District had one bond issue outstanding consisting of current principal due of \$325,000 and long-term due of \$4,740,000. The bond proceeds are being used to fund additional infrastructure and construction projects.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Trustees of the District considered the following factors in preparing the budget and appropriations ordinance for the District, which was adopted for the 2016-2017 fiscal year:

- The equalized assessed valuation (EAV) for the District for 2016 is \$263,687,836. This represents an increase in EAV of \$20,860,290 in comparison with the prior year.

NORTHERN MORAIN WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

Assessed Valuations and Extensions by Fund

Levy Year County	Property Tax Rates (per \$100 of assessed valuation)					
	2016			2015		
	Lake	McHenry	Total	Lake	McHenry	Total
County Assessed Valuation	<u>\$116,976,246</u>	<u>\$ 146,711,590</u>	<u>\$ 263,687,836</u>	<u>\$ 106,918,151</u>	<u>\$ 135,909,395</u>	<u>\$ 242,827,546</u>
Fund Extension						
General	\$ 25,880	\$ 32,458	\$ 58,338	\$ 23,857	\$ 30,326	\$ 54,183
Audit	3,298	4,136	7,434	3,047	3,872	6,919
Tort Immunity	<u>38,706</u>	<u>48,544</u>	<u>87,250</u>	<u>41,521</u>	<u>52,779</u>	<u>94,300</u>
Total Funds	<u>\$ 67,884</u>	<u>\$ 85,138</u>	<u>\$ 153,022</u>	<u>\$ 68,425</u>	<u>\$ 86,977</u>	<u>\$ 155,402</u>

NORTHERN MORaine WASTEWATER RECLAMATION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

APRIL 30, 2017

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Manager, Northern Moraine Wastewater Reclamation District, P.O. Box 240, Island Lake, Illinois 60042.

BASIC FINANCIAL STATEMENTS

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Government-wide - Statement of Net Position

Year Ended April 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 348,361	\$ 4,406,639	\$ 4,755,000
Accounts receivable	-	255,103	255,103
Property tax receivable	151,493	-	151,493
Deposit with paying agent	-	406,519	406,519
Fixed Assets	-	10,717,722	10,717,722
Total Assets	\$ 499,854	\$ 15,785,983	\$ 16,285,837
Current Liabilities			
Accounts payable	\$ 1,069	\$ 33,369	\$ 34,438
Accrued payroll	-	18,194	18,194
Accrued interest	-	81,519	81,519
Revenue Bonds	-	325,000	325,000
Total Current Liabilities	1,069	458,082	459,151
Noncurrent Liabilities			
Deferred compensation	-	23,777	23,777
Revenue bonds payable	-	4,740,000	4,740,000
Revenue bond discount	-	(122,213)	(122,213)
Total Noncurrent Liabilities	-	4,641,564	4,641,564
Total Liabilities	1,069	5,099,646	5,100,715
Deferred Inflow - Property taxes	151,492	-	151,492
Net Position			
Net Investment in capital assets	-	5,652,722	5,652,722
Restricted	7,918	3,114,736	3,122,654
Unrestricted	339,375	1,918,879	2,258,254
Total Net Position	\$ 347,293	\$ 10,686,337	\$ 11,033,630

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Government-wide - Statement of Activities and Changes in Net Position

Year Ended April 30, 2017

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Governmental Activities							
General Government	\$ 134,146	\$ -	\$ -	\$ -	\$ 134,146	\$ -	\$ 134,146
Total Governmental Activities	134,146	-	-	-	134,146	-	134,146
Business-Type Activities							
Proprietary Activities	1,903,428	2,418,866	-	-	-	515,438	515,438
Interest and fees on Long-term debt	169,684	-	-	-	-	(169,684)	(169,684)
Total Business-Type Activities	2,073,112	2,418,866	-	-	-	345,754	345,754
Total Primary Government	\$ 2,207,258	\$ 2,418,866	\$ -	\$ -	134,146	345,754	479,900
General Revenues:							
Property Taxes					154,680	-	154,680
Replacement tax					1,609	-	1,609
Miscellaneous revenue					103	-	103
Market gains					-	-	-
Investment Income					-	17,446	17,446
Total Revenues					156,392	17,446	173,838
Change in Net Position					22,246	363,200	385,446
Net Position, Beginning					325,047	10,279,855	10,604,902
Capital Contributions					-	43,282	43,282
Total Net Position, Ending					\$ 347,293	\$ 10,686,337	\$ 11,033,630

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT*Governmental Funds - Balance Sheet**Year Ended April 30, 2017*

	General Fund	Audit Fund	Total
Assets			
Cash	\$ 340,443	\$ 7,918	\$ 348,361
Property tax receivable	144,133	7,360	151,493
Total Assets	<u>\$ 484,576</u>	<u>\$ 15,278</u>	<u>\$ 499,854</u>
Liabilities			
Accounts payable/accruals	\$ 1,069	\$ -	\$ 1,069
Total Liabilities	1,069	-	1,069
Deferred Inflows - Property taxes	<u>144,132</u>	<u>7,360</u>	<u>151,492</u>
Total Liabilities and Deferred Inflows	<u>145,201</u>	<u>7,360</u>	<u>152,561</u>
Fund Balance			
Nonspendable	-	-	-
Restricted	-	7,918	7,918
Committed	-	-	-
Assigned - capital improvements	-	-	-
Unassigned	339,375	-	339,375
Total Fund Balance	<u>339,375</u>	<u>7,918</u>	<u>347,293</u>
Total Liabilities, Deferred Inflows, and Fund Balance	<u>\$ 484,576</u>	<u>\$ 15,278</u>	<u>\$ 499,854</u>

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT*Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balance**Year Ended April 30, 2017*

	Governmental Fund Types		
	General	Audit	Total
Revenues			
Property taxes	\$ 147,798	\$ 6,882	\$ 154,680
Replacement taxes	1,609	-	1,609
Other income	103	-	103
Total Revenue	149,510	6,882	156,392
Expenditures			
Personal services	13,000	-	13,000
Contractual services	108,798	7,000	115,798
Commodities	3,783	-	3,783
Other	1,565	-	1,565
Total Expenditures	127,146	7,000	134,146
Net Change in Fund Balance	22,364	(118)	22,246
Fund Balance			
Fund balance, Beginning	317,011	8,036	325,047
Total Fund Balance, Ending	\$ 339,375	\$ 7,918	\$ 347,293

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Governmental Funds - Reconciliation of the Governmental Fund Balance to Net Position

Year Ended April 30, 2017

Total Fund Balances - Total Governmental Funds	\$	325,047
Balances for modified accrual and accrual are the same		-
Net Position of Governmental Activities	\$	<u>325,047</u>

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT*Proprietary Fund - Statement of Net Position**Year Ended April 30, 2017*

Assets	
Cash	\$ 4,406,639
Sewer billings receivable, net	255,103
Deposit with paying agent	406,519
Fixed assets (net of accumulated depreciation)	10,717,722
Total Assets	\$ 15,785,983
Liabilities	
Accounts payable/accruals	\$ 33,369
Accrued payroll	18,194
Accrued interest payable	81,519
Revenue bonds payable - current portion	325,000
Revenue bonds payable - long term	4,740,000
Revenue bonds - long term discount	(122,213)
Deferred compensation - long term	23,777
Total Liabilities	5,099,646
Net Position	
Net investment in capital assets	5,652,722
Restricted for:	
Capital Improvements	3,114,736
Unrestricted	1,918,879
Total Net Position	10,686,337
Total Liabilities and Net Position	\$ 15,785,983

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT*Proprietary Fund - Statement of Revenues, Expenses, and Changes in Net Position**Year Ended April 30, 2017*

	Sewerage Enterprise Fund
Revenues	
Sewer charges	\$ 2,261,907
Penalties	86,919
Permit fees	1,100
Connection fees	64,923
Miscellaneous	4,017
Total Revenues	2,418,866
Expenses	
Personnel	659,140
Contractual service	473,003
Commodities	64,045
Other expenditures	13,478
Total Expenses	1,209,666
Operating Income Before Depreciation/Amortization	1,209,200
Less: Depreciation/Amortization	693,762
Operating Income (Loss)	515,438
Non-Operating Income (Expense)	
Interest expense and fees	(169,684)
Interest income	17,446
Total Non-operating Income/(Expense)	(152,238)
Net Income (Loss)	363,200
Net Position	
Balance, beginning of year	10,279,855
Capitalized connection fees	43,282
Total Net Position	\$ 10,686,337

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

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT*Proprietary Fund - Statement of Cash Flows**Year Ended April 30, 2017*

	Sewerage Enterprise Fund
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 2,440,603
Cash paid to suppliers	(707,396)
Cash and benefits paid for employees	(650,095)
Net Cash Provided by Operating Activities	1,083,112
Cash Flows from Investing Activities	
System additions	(663,429)
Net Cash Flows Provided by Investing Activities	(663,429)
Cash Flows from Capital and Financing Activities	
Interest income	17,446
Bond interest and fees	(169,684)
Bond/note payments, net	(320,000)
Net Cash Flows Provided by Capital and Financing Activities	(472,238)
Net Increase (Decrease) in Cash	(52,555)
Connection Fees Capitalized	43,282
Cash at Beginning of Year	4,415,912
Cash at End of Year	\$ 4,406,639
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income (loss) for the year	\$ 515,438
Depreciation	693,762
(Increase) decrease in accounts receivable	(21,736)
(Increase) decrease in deposits	(1,240)
Increase (decrease) in deferred compensation	(6,408)
Increase (decrease) in accounts payable	(90,675)
Increase (decrease) in accrued payroll	(2,269)
Increase (decrease) in accrued interest	(3,760)
Net Cash Provided by Operating Activities	\$ 1,083,112

Cash payments for interest and made during the year were \$169,684.

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

NOTES TO THE BASIC
FINANCIAL STATEMENTS

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Northern Moraine Wastewater Reclamation District (the District) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the District.

REPORTING ENTITY

The District has developed criteria to determine whether outside agencies with activities that benefit the citizens of the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of public service and special financial relationships.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely significantly on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

NORTHERN MORAIN WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recognized only when payment is due.

Property taxes, state-shared revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be available only when cash is received by the District.

The government reports the following major governmental funds:

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

The government reports the following major proprietary funds:

The Sewer O&M Fund is used to account for the treatment of sewerage of the District's citizens. User charges to customers account for substantially all of the revenue of this fund.

NORTHERN MORAINES WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH

Many of the District's funds combine their cash in a common cash account included in the general fund where available cash is invested. No interest is earned from commingled checking in the general fund.

For purposes of cash and cash equivalent determination, Northern Moraine Wastewater Reclamation District considers all cash, investments, investments in Illinois Funds, and short-term Certificates to be cash equivalents.

INVESTMENTS

Investment balances consist of savings account balances, certificates of deposit, investments in government securities, and shares in the Illinois Funds. Investment cost or amortized cost of investments approximate market value. The funds included in the Pool participate in the earnings of the Pool in proportion to their average balance therein. Should any of these funds have an average deficit in the Pool, they are charged interest accordingly.

RECEIVABLES AND REVENUE RECOGNITION

Property taxes receivable are recognized at the time they are levied. Property taxes are levied and attached as an enforceable lien on property on January 1 and are payable in two installments on June 1 and September 1 subsequent to the year of levy. The tax levy for 2016 property taxes was adopted November 8, 2016. That portion of the property taxes which are not available for the current year's operations are shown as deferred revenue.

Income from investments, accounts, and unbilled usage receivables are recognized when earned. Licenses and permits, fines and forfeits, fees and refunds, charges for service (other than enterprise funds), miscellaneous and other revenues are recorded as revenue when received in cash, as they are generally not measurable until actually received.

FUND BALANCE CLASSIFICATIONS

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

NORTHERN MORAIN WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being Nonspendable.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board. These amounts cannot be used for any other purpose unless the District Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of April 30, 2017.

Assigned - This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District Board or through the District Board delegating this responsibility to the District manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned - This classification includes the residual fund balance for the General Fund and the amount established for Minimum Funding which represents the portion of the General Fund balance that has been established by the board to be used for debt service or in emergency situations.

The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

NORTHERN MORAIN WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

EQUITY CLASSIFICATIONS USED IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Investment in Capital Assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted Net Position - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – all other net position is reported in this category.

NOTE 2 – CASH AND INVESTMENTS

The District's investment policies are governed by state statutes whereby District money must be deposited in FDIC - insured banks located within the state. Permissible investments include demand accounts and certificates of deposits.

The District's pooled and nonpooled deposits are categorized to give an indication of the level of risk assumed by the District at April 30, 2017. The categories are described as follows:

- Category 1 Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 Uncollateralized.

	Category			Bank Balance	Carrying Value
	1	2	3		
Pooled deposits					
Checking/Savings	\$ 1,959,895	\$ 2,796,706	\$ -	\$ 4,756,601	\$4,755,000
Totals	<u>\$ 1,959,895</u>	<u>\$ 2,796,706</u>	<u>\$ -</u>	<u>\$ 4,756,601</u>	<u>\$4,755,000</u>

NORTHERN MORAIN WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 3 – PROPRIETARY FUND TYPE – PROPERTY AND EQUIPMENT

The property and equipment of the proprietary type fund consists of:

Proprietary Fund - Capital Assets

	Balance			Balance
Fixed Assets	May 1, 2016	Increases	Decreases	April 30, 2017
Land	\$ 1,076,505	\$ -	\$ -	\$ 1,076,505
Construction in progress	641,679	-	381,815	259,864
Building & improvements	2,040,032	264,615	-	2,304,647
System infrastructure	15,525,130	723,966	5,850	16,243,246
Furniture & equipment	965,160	62,514	-	1,027,674
Total Fixed Assets	20,248,506	1,051,095	387,665	20,911,936
Less: Accumulated Depreciation	9,511,561	682,653	-	10,194,214
Fixed Assets (Net)	\$ 10,736,945	\$ 368,442	\$ 387,665	\$ 10,717,722

The aggregate depreciation charged to operations is \$682,653.

NOTE 4 – RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 5 – EXPENDITURES OVER APPROPRIATIONS

No fund had expenditures that exceeded the appropriations.

NOTE 6 – SEWERAGE – GENERAL OBLIGATION (ALTERNATE REVENUE BONDS)

The Sewerage Alternate Revenue Bonds dated November 1, 2010 were issued during November 2010 for the expansion of the treatment facilities. The bonds are collateralized by the net revenue of the Northern Moraine Wastewater Reclamation District and will be paid each year beginning May 1, 2011, until retired. The bonds carry interest rates ranging from 1.50% to 3.80% with interest payments on November 1 and May 1 of each year until the bonds are retired on May 1, 2029. The bond ordinance requires the establishment and maintenance of both a Depreciation Account and an Alternate Bond and Interest Account.

NORTHERN MORAIN WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 6 – SEWERAGE – GENERAL OBLIGATION (ALTERNATE REVENUE BONDS) (CONCLUDED)

Debt service activity with principal and interest payments due in year ended April 30 are as follows:

Long Term Debt Maturity Schedule		
Bonds Dated November 1, 2010		
Fiscal Year Ended Due	Outstanding April 30, 2017	
	Principal	Interest
4/30/2018	\$ 325,000	\$ 163,038
4/30/2019	335,000	154,913
4/30/2020	340,000	146,538
4/30/2021	350,000	136,848
4/30/2022	360,000	126,348
4/30/2023	375,000	115,548
4/30/2024	385,000	104,110
4/30/2025	395,000	91,983
4/30/2026	410,000	79,145
4/30/2027	425,000	65,410
4/30/2028	440,000	50,535
4/30/2029	455,000	34,695
4/30/2030	470,000	17,860
Total Debt	\$ 5,065,000	\$ 1,286,971

NOTE 7 – CONTINGENCIES

The District is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

NOTE 8 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through July 27, 2017, the date on which the financial statements were available to be issued.

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2017

NOTE 9 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

As of these financial statements, the District has adopted GASB Statement No. 65, which redefined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources (\$151,492) reported in the governmental funds for unavailable revenues are all from property taxes to be received in the following year.

REQUIRED SUPPLEMENTARY INFORMATION

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

General Fund - Schedule of Revenues, Expenditures Changes in Fund Balance

- Budget and Actual

Year Ended April 30, 2017

	Budget		Actual
	Original	Final	Amounts
Revenues			
Property taxes	\$ 148,482	\$ 148,482	\$ 147,798
Replacement tax	1,000	1,000	1,609
Other income	100	100	103
Total Revenues	149,582	149,582	149,510
Personnel Services			
Salaries and payroll taxes	14,145	14,145	13,000
Contractual Services			
Maintenance equipment	2,973	2,973	-
Bank charges	103	103	-
General insurance/bonding	92,250	92,250	84,344
Telephone	3,075	3,075	3,836
Rental	103	103	-
Training/seminars	2,562	2,562	42
Travel/rentals	871	871	822
Software support	13,376	13,376	14,574
Printing/publishing	1,281	1,281	841
Legal services	10,250	10,250	4,339
Total Contractual Services	126,844	126,844	108,798
Commodities			
Dues	2,665	2,665	2,227
Website expenses	512	512	465
Office supplies	2,563	2,563	922
Miscellaneous	271	271	169
Total Commodities	6,011	6,011	3,783
Other Expense			
Office Equipment over \$500	3,588	3,588	1,565
Total Commodities	9,599	9,599	5,348
Total General Fund	150,588	150,588	127,146
Net Change in Fund Balance	\$ (1,006)	\$ (1,006)	22,364
Fund Balance			
Fund balance, Beginning			317,011
Total Fund Balance, Ending			\$ 339,375

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT*Audit Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance**- Budget and Actual**Year Ended April 30, 2017*

	Budget		Actual
	Original	Final	Amounts
Revenues			
Property taxes	\$ 6,919	\$ 6,919	\$ 6,882
Total Revenues	<u>6,919</u>	<u>6,919</u>	<u>6,882</u>
Expenditures			
Audit fees	<u>7,431</u>	<u>7,431</u>	<u>7,000</u>
Net Change in Fund Balance	<u>\$ (512)</u>	<u>\$ (512)</u>	(118)
Fund Balance			
Fund balance, Beginning			<u>8,036</u>
Total Fund Balance, Ending			<u>\$ 7,918</u>

NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Required Supplemental Information

Year Ended April 30, 2017

The accounting policies of the District include the preparation of financial statements on the modified accrual basis of accounting. The District also prepares its budget on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However; expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

Appropriation ordinances are adopted at the function level in the General Fund and total General Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The District procedures in establishing the appropriation data reflected in the General Fund Financial Statements are presented below:

- Prior to July 15th the District Board receives a proposed appropriation ordinance for the fiscal year commencing on May 1st. The appropriation ordinance includes proposed expenditures and the means of financing them.
- A public hearing is conducted at a public meeting to obtain taxpayers comments.
- The appropriation ordinance is legally enacted through passage of an ordinance prior to July 31st.
- The District Treasurer, in conjunction with the Board, is authorized to expend the un-expensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
- The original appropriation ordinance was passed on May 10, 2016 not amended during the fiscal year.
- Formal budgetary integration is not employed as a management control device during the year for any fund.

NORTHERN MORaine WASTEWATER RECLAMATION DISTRICT, ILLINOIS

Notes to Required Supplemental Information

Year Ended April 30, 2017

- Appropriation comparisons presented in the accompanying financial statements are prepared on the modified accrual and accrual basis of accounting. Governmental funds utilize the modified accrual basis of accounting, and the business type funds use the accrual basis of accounting for both appropriation purposes and actual results.
- Expenditures cannot legally exceed appropriations at the fund level.
- All appropriations lapse at year-end.

OTHER SUPPLEMENTARY INFORMATION

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Proprietary Fund Types - Statement of Net Position

Year Ended April 30, 2017

Assets	Operating and Maintenance	Capital Improvement Replacement	Reserve Account Depreciation	Bond Alternate Bond and Interest	Plant Expansion	Total
Cash	\$ 1,291,903	\$ 317,030	\$ 1,000	\$ -	\$ 2,796,706	\$ 4,406,639
Total Cash & Investments	1,291,903	317,030	1,000	-	2,796,706	4,406,639
Sewer billings receivable, net	255,103	-	-	-	-	255,103
Construction in progress	694,545	-	-	-	-	694,545
Deposit with paying agent	-	-	-	406,519	-	406,519
Fixed assets (net of accumulated depreciation)	10,023,177	-	-	-	-	10,023,177
Total Assets	\$ 12,264,728	\$ 317,030	\$ 1,000	\$ 406,519	\$ 2,796,706	\$ 15,785,983
Liabilities						
Accounts payable/accruals	\$ 33,369	\$ -	\$ -	\$ -	\$ -	\$ 33,369
Accrued payroll	18,194	-	-	-	-	18,194
Accrued interest payable	-	-	-	81,519	-	81,519
Revenue bonds payable - current portion	-	-	-	325,000	-	325,000
Revenue bonds payable - long term	4,740,000	-	-	-	-	4,740,000
Revenue bonds - long term discount	(122,213)	-	-	-	-	(122,213)
Deferred compensation - long term	23,777	-	-	-	-	23,777
Total Liabilities	4,693,127	-	-	406,519	-	5,099,646
Net Position						
Reserve for authorized expenditures	-	317,030	1,000	-	2,796,706	3,114,736
Contributed capital	9,166,195	-	-	-	-	9,166,195
Unrestricted	(1,594,594)	-	-	-	-	(1,594,594)
Total Net Position	7,571,601	317,030	1,000	-	2,796,706	10,686,337
Total Liabilities and Net Position	\$ 12,264,728	\$ 317,030	\$ 1,000	\$ 406,519	\$ 2,796,706	\$ 15,785,983

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Proprietary Fund Types - Changes in Net Position

Year Ended April 30, 2017

	Operating and Maintenance	Capital Improvement/ Replacement	Bond Ordinance Reserve Account Depreciation	Alternate Bond and Interest	Plant Expansion	Total
Net Position, Beginning	\$ 7,192,751	\$ 304,974	\$ 1,000	\$ -	\$ 2,781,130	\$ 10,279,855
Add (Deduct):						
Net income (loss) for the year	452,385	64,923	-	(169,684)	15,576	363,200
Connections fees capitalized	43,282	-	-	-	-	43,282
Transfers in/(out)	(116,817)	(52,867)	-	169,684	-	-
Total Net Position, Ending	<u>\$ 7,571,601</u>	<u>\$ 317,030</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 2,796,706</u>	<u>\$ 10,686,337</u>

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Proprietary Fund Types - Schedule of Expenditures

- Budget and Actual

Year Ended April 30, 2017

	Budget		
	Original	Final	Actual Amounts
Personnel Services			
Salaries	\$ 575,062	\$ 575,062	\$ 537,287
Social security	43,612	43,612	35,502
Employee insurance	114,470	114,470	86,351
Total Personnel Services	733,144	733,144	659,140
Contractual Services			
Maintenance - buildings	16,272	16,272	15,823
Maintenance - vehicles	14,350	14,350	14,661
Maintenance - equipment	38,950	38,950	26,071
Maintenance - utility system	64,575	64,575	58,805
Bank charges	8,200	8,200	10,833
Travel	1,025	1,025	1,699
Telephone	16,441	16,441	20,720
Utilities	143,808	143,808	149,140
Rental	717	717	-
Publications and subscriptions	512	512	-
Refunds	15,477	15,477	-
Sludge removal	25,625	25,625	28,013
Training/seminars	17,271	17,271	7,799
Dues and memberships	1,640	1,640	2,214
Postage	30,750	30,750	25,094
Printing and publishing	9,737	9,737	5,410
Permit fees	18,450	18,450	18,000
Legal services	6,355	6,355	3,804
Professional lab services	8,712	8,712	-
Engineering services	1,794	1,794	-
Other professional services	59,347	59,347	71,647
Julie locates	2,864	2,864	3,330
Security system	15,450	15,450	9,940
Total Contractual Services	518,322	518,322	473,003
Commodities			
Gasoline/oil	9,738	9,738	5,881
Maintenance supplies	10,763	10,763	2,212
Office supplies	2,255	2,255	3,992

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Proprietary Fund Types - Schedule of Expenditures

- Budget and Actual

Year Ended April 30, 2017

	Budget		Actual Amounts
	Original	Final	
Commodities (Continued)			
Operating supplies	\$ 10,250	\$ 10,250	\$ 5,726
Chemical expenses	43,563	43,563	30,568
Lab supplies	9,738	9,738	9,962
Vehicle supplies	512	512	89
Uniforms	820	820	247
Small tools	615	615	591
Safety equipment	6,663	6,663	3,697
Miscellaneous equipment	1,640	1,640	1,080
Total Commodities	<u>96,557</u>	<u>96,557</u>	<u>64,045</u>
Other Expenses			
Office equipment	10,763	10,763	3,428
Management fees	5,125	5,125	-
Building improvements	11,787	11,787	9,955
Capitalized treatment upgrade	956,923	956,923	-
Depreciation expense	-	-	682,652
Amortization expense	-	-	11,110
Miscellaneous	307	307	-
Total Other Expenses	<u>984,905</u>	<u>984,905</u>	<u>707,145</u>
Debt Service/Alternate Bond Fund Expenses			
Bond principal	333,125	333,125	-
Interest expense	167,114	167,114	-
Miscellaneous expense	528	528	95
Total Debt Service	<u>500,767</u>	<u>500,767</u>	<u>95</u>
Total Expenditures	<u>\$ 2,833,695</u>	<u>\$ 2,833,695</u>	<u>\$ 1,903,428</u>

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Property Tax Extension Rates

Year Ended April 30, 2017

Tax Levy Year	2016	2015	2014
Assessed Valuation			
Lake County	\$ 116,976,246	\$ 106,918,151	\$ 102,431,335
McHenry County	146,711,590	135,909,395	128,410,593
Totals	\$ 263,687,836	\$ 242,827,546	\$ 230,841,928

Tax Rates and Percentages - Allocated by Fund

Lake County	Rate	Percentage	Rate	Percentage	Rate	Percentage
General Fund	0.022124	38.12%	0.022313	34.87%	0.031471	44.03%
Audit Fund	0.002819	4.86%	0.002850	4.45%	0.002887	4.04%
Tort Immunity Fund	0.033089	57.02%	0.038835	60.68%	0.037122	51.93%
Totals	0.058032	100.00%	0.063998	100.00%	0.071480	100.00%

McHenry County	Rate	Percentage	Rate	Percentage	Rate	Percentage
General Fund	0.022124	38.12%	0.022313	34.87%	0.031471	44.03%
Audit Fund	0.002819	4.86%	0.002849	4.45%	0.002886	4.04%
Tort Immunity Fund	0.033088	57.02%	0.038834	60.68%	0.037122	51.93%
Totals	0.058031	100.00%	0.063996	100.00%	0.071479	100.00%

NORTHERN MORAINÉ WASTEWATER RECLAMATION DISTRICT

Property Tax Extensions

Year Ended April 30, 2017

Levy Year County	2016			2015			2014		
	Lake	McHenry	Total	Lake	McHenry	Total	Lake	McHenry	Total
Funds:									
General	\$ 25,880	\$ 32,458	\$ 58,338	\$ 23,857	\$ 30,326	\$ 54,183	\$ 32,236	\$ 40,412	\$ 72,648
Audit	3,298	4,136	7,434	3,047	3,872	6,919	2,957	3,706	6,663
Tort Immunity	38,706	48,544	87,250	41,521	52,779	94,300	38,025	47,669	85,694
Total Funds	<u>\$ 67,884</u>	<u>\$ 85,138</u>	<u>\$ 153,022</u>	<u>\$ 68,425</u>	<u>\$ 86,977</u>	<u>\$ 155,402</u>	<u>\$ 73,218</u>	<u>\$ 91,787</u>	<u>\$ 165,005</u>