

VILLAGE OF INDIAN HEAD PARK

Indian Head Park, Illinois

FINANCIAL STATEMENTS

As of and for the Year Ended April 30, 2012

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VILLAGE OF INDIAN HEAD PARK

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Village of Indian Head Park
201 Acacia Drive
Indian Head Park, Illinois 60525

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 Indian Head Park, Illinois, as of and for the year ended April 30, 2012, which collectively comprise the Village of Indian Head Park's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Indian Head Park's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Indian Head Park, Illinois as of April 30, 2012, 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.

As described in Note IV, the Village adopted the provision of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, effective May 1, 2011.

Board of Trustees
Village of Indian Head Park

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial statements in an appropriate operational, economical, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Village of Indian Head Park's basic financial statements. The 2012 supplementary information as listed in the table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 2012 supplementary 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 financial statements or to the financial statements themselves, and other 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 basic financial statements taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, Village of Indian Head Park's basic financial statements for the year ended April 30, 2011. In our report dated September 6, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the 2011 supplementary information is fairly stated in all material respects in relation to the basic financial statements for the year ended April 30, 2011, taken as a whole.


Oak Brook, Illinois
August 20, 2012

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED) As of and For the Year Ended April 30, 2012

The discussion and analysis of Village of Indian Head Park's (the "village") financial performance provides an overall review of the village's financial activities for the year ended April 30, 2012. The management of the village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the village's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- > The assets of the village exceeded its liabilities at the close of the most recent fiscal year by \$3,367 thousand (net assets). Of this amount, \$499 thousand is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors.
- > In total, net assets increased by \$154 thousand.
- > As of the close of the current fiscal year, the village's governmental funds reported combined ending fund balances of \$684 thousand, an increase of \$153 thousand in comparison with the prior year.
- > General revenues accounted for \$1,981 thousand in revenue or 70% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$848 thousand or 30% of total governmental revenues of \$2,829 thousand.
- > The village had \$2,620 thousand in expenses related to government activities. However, only \$848 thousand of these expenses were offset by program specific charges and grants.
- > At the end of the current fiscal year, unassigned fund balance for the General Fund was \$95 thousand.
- > The village's total debt decreased by \$68 thousand during the current year to \$1.11 million.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the village's basic financial statements. The basic financial statements are comprised of three components:

- > Government-wide financial statements,
- > Fund financial statements, and
- > Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the village's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED) As of and For the Year Ended April 30, 2012

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

The statement of activities presents information showing how the government's net assets changed during the fiscal year being reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the village that are principally supported by taxes and intergovernmental revenues. Business-type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The village's governmental activities include functions like general government, police, fire, public works and administrative functions. The village's business-type activities include water and sewer services.

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 divided into three categories: governmental funds, enterprise funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the village's general government operations and the basic services it provides. 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 village'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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED) As of and For the Year Ended April 30, 2012

The village maintains 4 major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, motor fuel tax fund, bond debt service fund and capital improvement fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The village adopts an annual budget for each of the major funds listed above, except for the capital improvement fund. A budgetary comparison statement has been provided for each major special revenue fund to demonstrate compliance with this budget.

Proprietary funds

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The village's proprietary fund presents the activities and balances in the Water Fund which is considered to be a major fund, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary funds reflect the private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the village. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the village's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

Notes to basic financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the village's contributions and funding progress of the Illinois Municipal Retirement Fund; as well as, budget to actual comparisons of the general and major special revenue funds. Supplementary schedules include combining and individual fund schedules of all non-major funds and Fiduciary Funds.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Government-Wide Financial Analysis

Table 1						
Condensed Statements of Net Assets						
(in thousands of dollars)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>2012</u>	
	2012	2011	2012	2011	2012	2011
Assets						
Current and other assets	\$ 1,234	\$ 1,209	\$ 709	\$ 657	\$ 1,943	\$ 1,866
Capital assets	<u>2,724</u>	<u>2,735</u>	<u>517</u>	<u>604</u>	<u>3,241</u>	<u>3,339</u>
Total assets	<u>3,958</u>	<u>3,944</u>	<u>1,226</u>	<u>1,261</u>	<u>5,184</u>	<u>5,205</u>
Liabilities						
Long-term liabilities	1,099	1,162	14	19	1,113	1,181
Other liabilities	<u>529</u>	<u>661</u>	<u>175</u>	<u>150</u>	<u>704</u>	<u>811</u>
Total liabilities	<u>1,628</u>	<u>1,823</u>	<u>189</u>	<u>169</u>	<u>1,817</u>	<u>1,992</u>
Net assets						
Invested in capital assets, net of related debt	2,026	1,919	518	604	2,544	2,523
Restricted	324	411	-	-	324	411
Unrestricted (Deficit)	<u>(20)</u>	<u>(209)</u>	<u>519</u>	<u>488</u>	<u>499</u>	<u>279</u>
Total net assets	<u>\$ 2,330</u>	<u>\$ 2,121</u>	<u>\$ 1,037</u>	<u>\$ 1,092</u>	<u>\$ 3,367</u>	<u>\$ 3,213</u>

Normal Impacts

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

Net results of activities – which will impact (increase/decrease) current assets and unrestricted net assets.

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

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net assets invested in capital assets, net of related debt.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net assets and increase invested in capital assets, net of related debt.

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

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

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Current Year Impacts

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the village, total net assets increased by \$154 thousand from \$3,213 thousand to \$3,367 thousand. The village's total assets equal \$5,184 thousand. The village's total liabilities equal \$1,817 thousand.

The village experienced increased current and other assets due to an increase in cash and investments related to reduced spending during the year.

A portion of the net assets of the governmental activities is restricted for street and highways maintenance, community development, recreational programs, and debt service. The unrestricted combined balance, for both governmental and business-type activities, of \$499 thousand may be used to meet the ongoing village obligations to their citizens and creditors.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Table 2						
Condensed Statements of Activities						
(in thousands of dollars)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>2012</u>	
	2012	2011	2012	2011	2012	2011
Revenues						
<i>Program revenues</i>						
Charges for services	\$ 623	\$ 658	\$ 807	\$ 742	\$ 1,430	\$ 1,400
Operating grants and contributions	209	109	-	-	209	109
Capital grants and contributions	16	-	-	-	16	-
<i>General revenues</i>						
Property taxes	1,014	959	-	-	1,014	959
Other taxes	639	649	-	-	639	649
Intergovernmental	323	293	-	-	323	293
Other general revenues	<u>5</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>6</u>	<u>2</u>
Total revenues	<u>2,829</u>	<u>2,669</u>	<u>808</u>	<u>743</u>	<u>3,637</u>	<u>3,412</u>
Expenses						
General government	920	849	-	-	920	849
Public safety	1,240	1,126	-	-	1,240	1,126
Public works	232	215	-	-	232	215
Highways and streets	119	114	-	-	119	114
Culture and recreation	27	33	-	-	27	33
Interest and fees	68	78	-	-	68	78
Health and human services	14	1	-	-	14	1
Water	<u>-</u>	<u>-</u>	<u>863</u>	<u>813</u>	<u>863</u>	<u>813</u>
Total expenses	<u>2,620</u>	<u>2,416</u>	<u>863</u>	<u>813</u>	<u>3,483</u>	<u>3,229</u>
Change in net assets before transfers, special and extraordinary items	-	-	-	-	154	183
Transfers	<u>-</u>	<u>12</u>	<u>-</u>	<u>12</u>	<u>-</u>	<u>24</u>
Change in net assets	209	265	(55)	(82)	154	183
Net assets, beginning of year	<u>2,121</u>	<u>1,856</u>	<u>1,092</u>	<u>1,174</u>	<u>3,213</u>	<u>3,030</u>
Net assets end of year	<u>\$ 2,330</u>	<u>\$ 2,121</u>	<u>\$ 1,037</u>	<u>\$ 1,092</u>	<u>\$ 3,367</u>	<u>\$ 3,213</u>

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

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

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED) As of and For the Year Ended April 30, 2012

Increase/decrease in Village approved rates – while certain tax rates are set by statute, the village has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the village's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the village.

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

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

Current Year Impacts

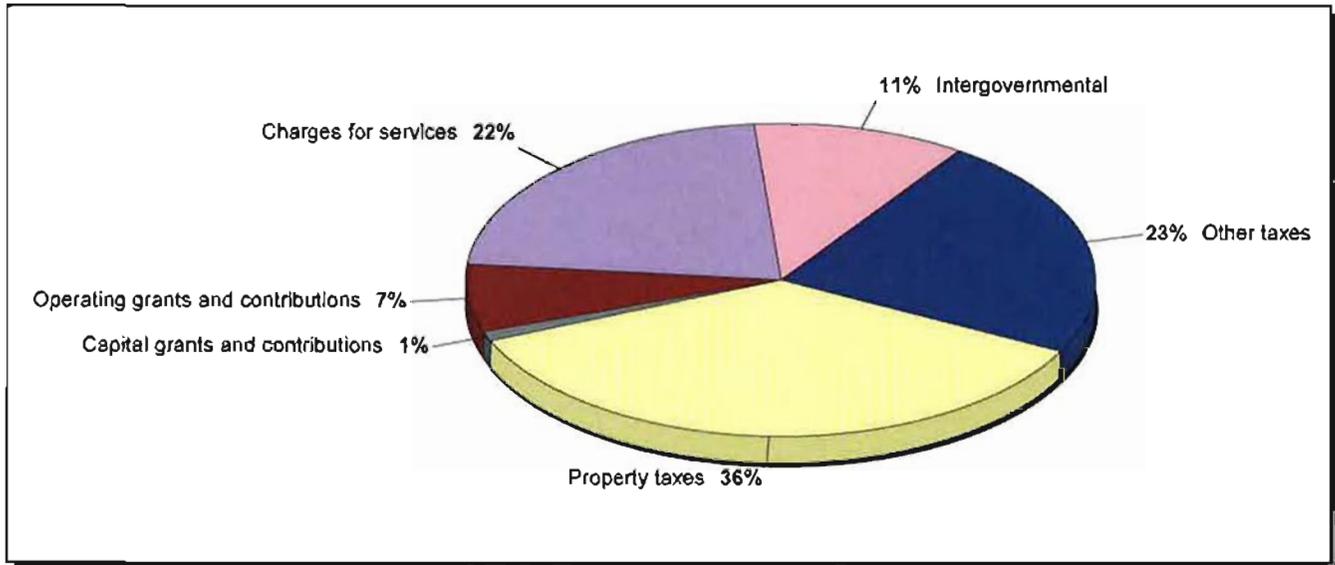
The Governmental Activities experienced an increase in revenue due to an increase in property tax revenue and grant revenue, and an increase in expenses due to a capital asset purchases and increased overtime payroll expense. The combined increase in revenues and expenditures resulted in an increase in net assets of \$154 thousand to \$3,367 thousand compared to \$3,213 thousand in the prior fiscal year. Overall, the village's financial position has slightly improved since the prior fiscal year.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Governmental Activities

Governmental Revenues by Source



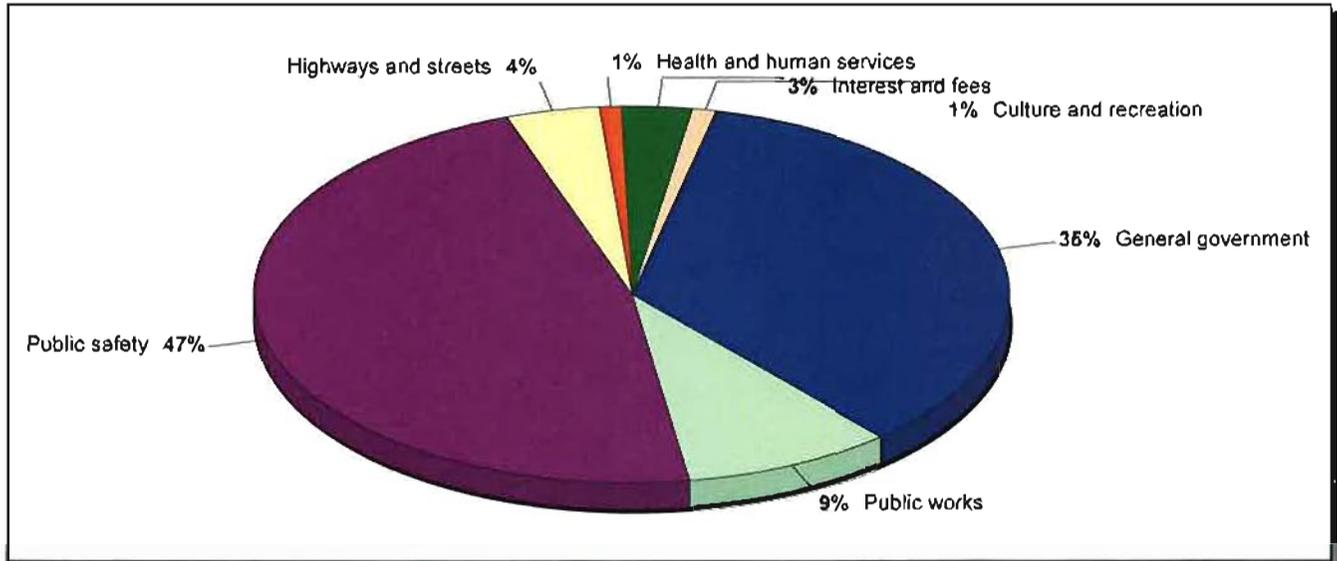
Revenues

The village experienced an increase in revenue for this fiscal year. The village received government grants in the current year compared to none in the prior year. The grants were used for several village projects and the purchase of fixed assets and supplies.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Governmental Expenses by Function



Expenses

The village's overall governmental activities expenses in the current fiscal year increased slightly over the previous year, increasing by \$204 thousand. The increase is attributable to the increase in overtime pay for police and a few capital asset purchases in the current fiscal year.

Business-Type Activities

The Business-type activity of the Village of Indian Head Park includes the water and sewer fund. The water and sewer fund serves the village residents and businesses. Pricing of water is based on the fee determined by the supplier of water, the City of Countryside. Sales of water (revenues) can be affected by climate, at times, with warmer and drier summers bringing higher demand. The operating revenues of the water and sewer fund increased by \$65 thousand in comparison to the prior year. This was mainly due to two increases in the water rates in the current year.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Financial Analysis of the Village's Funds

The Village of Indian Head Park uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds: The focus of the Village of Indian Head Park's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Indian Head Park's financing requirements.

At the end of the current fiscal year, the Village of Indian Head Park's governmental funds reported a combined (major and non-major) ending fund balance of \$684 thousand, an increase of \$153 thousand from fiscal 2011. Revenues increased by \$140 thousand due to an increase in taxes and government grants. Expenditures have increased by \$234 thousand due to purchases of capital assets and increase in overtime payroll expenditures.

The Proprietary Fund is the Water and Sewer fund. The operating revenue for the Water Department increased in 2012 by \$65 thousand in comparison to fiscal 2011 due to increased charges for water rates. Operating expenses, consisting mostly of water purchases and personnel services, increased by approximately \$50 thousand. The change in net assets for fiscal 2012 was (\$55) thousand after consideration of non-operating revenues, expenses, and transfers. The net assets of the proprietary funds at the end of fiscal 2012 equaled \$1.0 million, of which \$519 thousand is unrestricted.

General Fund Budgetary Highlights

The village did not amend the budget during the year. The increase of actual revenues from projected total revenues stemmed primarily from higher than expected property tax revenue and in governmental revenue including government grants. The actual expenditures for fiscal 2012 were lower than budget by approximately \$63 thousand due to increased efforts by the village to control spending in order to improve the village's financial picture as a result of the current economic conditions.

Capital Assets and Debt Administration

Capital assets

By the end of 2012, the village had compiled a total investment of \$8,334 thousand (\$3,241 thousand net of accumulated depreciation) in a broad range of capital assets. Total depreciation expense for the year was \$188 thousand. More detailed information about capital assets can be found in Note III C. of the basic financial statements.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Table 3
Capital Assets (net of depreciation)
(in thousands of dollars)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	2012	2011	2012	2011	2012	2011
Land	\$ 869	\$ 869	\$ -	\$ -	\$ 869	\$ 869
Land Improvements	170	188	-	-	170	188
Buildings and improvements	1,306	1,317	-	-	1,306	1,317
Well houses	-	-	19	35	19	35
Water & distribution systems	-	-	279	332	279	332
Equipment	160	128	-	-	160	128
Infrastructure	219	233	219	237	438	470
Total	\$ 2,724	\$ 2,735	\$ 517	\$ 604	\$ 3,241	\$ 3,339

Debt Administration

The debt administration discussion covers three types of debt reported by the village's financial statements. The village's governmental activities include the debt certificates and a general obligation bond issuance. Overall, the village's governmental activities and business-type activities report a total debt of \$1.113 million. The village began the fiscal year with a balance of \$1.181 million in debt, reduced debt by \$68 thousand, leaving an April 30, 2012 debt balance of \$1.113 million. More detailed information about debt administration can be found in Note III E. to the financial statements.

Table 4
Long-Term Debt
(in thousands of dollars)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	2012	2011	2012	2011	2012	2011
General obligation bonds	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ 100
Debt certificates	997	999	-	-	997	999
Other long term liabilities	102	63	14	19	116	82
Total	\$ 1,099	\$ 1,162	\$ 14	\$ 19	\$ 1,113	\$ 1,181

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS - (UNAUDITED)
As of and For the Year Ended April 30, 2012

Factors Bearing on the Village's Future

With the ongoing development of the "Triangle" area within the village, the village is expecting to see some increases in real estate and sales tax collections related to future commercial development. The village is not expecting to see the effect of this development until fiscal year 2014 or later due to the continued poor economy.

The village is seeing increases in the cost of employee benefits, liability insurance and worker compensation insurance, all of which are rising faster than the cost of living.

Additionally this year, the village experienced a delay in collections of state shared income tax revenues. The state is approximately 6 months behind in making payments. While these payments are reported as revenue on the financial statements, they have not been received by the village, and therefore cannot be used to finance current operations. This delay is negatively affecting the cash flows of the village.

The village issued debt certificates in fiscal year 2010 to refund the Series 2001 and Series 2003 debt certificates. As a result of the refunding, the village will see a significant increase in debt principal payments beginning in fiscal year 2014. The Village Board is taking steps to ensure the impact from the principal increase is as small as possible.

Requests for Information

This financial report is designed to provide the village's citizens, taxpayers, and creditors with a general overview of the village's finances and to demonstrate the village's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Office:

David Brink
Village of Indian Head Park
201 Acacia Drive
Indian Head Park, Illinois 60525

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF NET ASSETS As of April 30, 2012

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	\$ 540,457	\$ 369,705	\$ 910,162
Receivables (net)			
Property taxes	436,110	-	436,110
Accounts	-	196,079	196,079
Other taxes	130,528	-	130,528
Intergovernmental	194,032	-	194,032
Miscellaneous	24,282	-	24,282
Internal balances	(129,683)	129,683	-
Prepaid insurance	37,814	13,286	51,100
Capital assets			
Land	868,988	-	868,988
Land improvements	360,756	-	360,756
Buildings and improvements	2,007,437	-	2,007,437
Well houses	-	481,000	481,000
Water and distribution system	-	2,242,084	2,242,084
Equipment	617,742	286,902	904,644
Infrastructure	295,069	1,173,754	1,468,823
Less: Accumulated depreciation	<u>(1,425,586)</u>	<u>(3,666,385)</u>	<u>(5,091,971)</u>
Total Assets	<u>3,957,946</u>	<u>1,226,108</u>	<u>5,184,054</u>
LIABILITIES			
Accounts payable	25,244	46,189	71,433
Accrued salaries	49,044	6,569	55,613
Payroll liabilities	8,388	-	8,388
Deposits payable	-	122,628	122,628
Unearned revenue	427,393	-	427,393
Accrued interest payable	19,328	-	19,328
Noncurrent liabilities			
Due within one year	46,547	14,161	60,708
Due in more than one year	<u>1,051,939</u>	<u>-</u>	<u>1,051,939</u>
Total Liabilities	<u>1,627,883</u>	<u>189,547</u>	<u>1,817,430</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,026,029	517,355	2,543,384
Restricted for			
Streets and highways	212,602	-	212,602
Recreational programs	11,507	-	11,507
Debt service	100,090	-	100,090
Unrestricted (Deficit)	<u>(20,165)</u>	<u>519,206</u>	<u>499,041</u>
TOTAL NET ASSETS	<u>\$ 2,330,063</u>	<u>\$ 1,036,561</u>	<u>\$ 3,366,624</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 920,061	\$ 337,572	\$ -	\$ -
Public safety	1,239,868	200,480	99,450	16,320
Public works	231,849	80,071	109,554	-
Health and human services	13,728	-	-	-
Highways and streets	119,014	-	-	-
Culture and recreation	27,456	5,073	-	-
Interest and fiscal charges	68,541	-	-	-
Total Governmental Activities	<u>2,620,517</u>	<u>623,196</u>	<u>209,004</u>	<u>16,320</u>
Business-type Activities				
Water	863,001	807,144	-	-
Total Business-type Activities	<u>863,001</u>	<u>807,144</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 3,483,518</u>	<u>\$ 1,430,340</u>	<u>\$ 209,004</u>	<u>\$ 16,320</u>

General Revenues

Taxes

Property taxes

Sales taxes

Local use taxes

Telecommunications taxes

Utility taxes

Intergovernmental

State income tax

Personal property replacement taxes

Investment income

Miscellaneous

Total General Revenues

Change in net assets

NET ASSETS - Beginning of Year

NET ASSETS - END OF YEAR

Net (Expenses) Revenues and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (582,489)	\$ -	\$ (582,489)
(923,618)	-	(923,618)
(42,224)	-	(42,224)
(13,728)	-	(13,728)
(119,014)	-	(119,014)
(22,383)	-	(22,383)
<u>(68,541)</u>	<u>-</u>	<u>(68,541)</u>
<u>(1,771,997)</u>	<u>-</u>	<u>(1,771,997)</u>
-	<u>(55,857)</u>	<u>(55,857)</u>
-	<u>(55,857)</u>	<u>(55,857)</u>
<u>(1,771,997)</u>	<u>(55,857)</u>	<u>(1,827,854)</u>
1,014,327	-	1,014,327
289,039	-	289,039
57,108	-	57,108
133,423	-	133,423
159,712	-	159,712
321,607	-	321,607
1,153	-	1,153
530	-	530
<u>4,065</u>	<u>451</u>	<u>4,516</u>
<u>1,980,964</u>	<u>451</u>	<u>1,981,415</u>
208,967	(55,406)	153,561
<u>2,121,096</u>	<u>1,091,967</u>	<u>3,213,063</u>
<u>\$ 2,330,063</u>	<u>\$ 1,036,561</u>	<u>\$ 3,366,624</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2012

	General	Special Revenue	
		Motor Fuel Tax	Bond Debt Service
ASSETS			
Cash and investments	\$ 28,830	\$ 208,671	\$ 90,470
Receivables (net)			
Property taxes	422,341	-	-
Other taxes	130,528	-	-
Intergovernmental	186,637	7,395	-
Miscellaneous	19,511	-	-
Due from other funds	27,947	-	30,588
Prepaid insurance	37,814	-	-
TOTAL ASSETS	\$ 853,608	\$ 216,066	\$ 121,058
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 30,124	\$ 3,464	\$ -
Accrued liabilities	49,044	-	-
Due to other funds	160,271	-	-
Deferred revenues	453,715	-	-
Total Liabilities	693,154	3,464	-
Fund Balances (Deficit)			
Non-spendable for prepaid items	37,814	-	-
Non-spendable for long-term interfunds	27,947	-	30,588
Restricted for streets and highways	-	212,602	-
Restricted for debt service	-	-	88,830
Restricted for recreational programs	-	-	-
Assigned for debt service	-	-	1,640
Assigned for capital projects	-	-	-
Assigned for recreational programs	-	-	-
Unassigned	94,693	-	-
Total Fund Balances	160,454	212,602	121,058
TOTAL LIABILITIES AND FUND BALANCES	\$ 853,608	\$ 216,066	\$ 121,058

See accompanying notes to financial statements.

Capital Improvements	Nonmajor Governmental Funds	Totals
\$ 84,763	\$ 127,723	\$ 540,457
-	13,769	436,110
-	-	130,528
-	-	194,032
-	4,771	24,282
69,071	-	127,606
-	-	37,814
<u>\$ 153,834</u>	<u>\$ 146,263</u>	<u>\$ 1,490,829</u>

\$ -	\$ 44	\$ 33,632
-	-	49,044
-	97,018	257,289
-	13,491	467,206
-	<u>110,553</u>	<u>807,171</u>

-	-	37,814
69,071	-	127,606
-	-	212,602
-	-	88,830
-	11,507	11,507
-	-	1,640
84,763	88,528	173,291
-	19	19
-	<u>(64,344)</u>	<u>30,349</u>
<u>153,834</u>	<u>35,710</u>	<u>683,658</u>

<u>\$ 153,834</u>	<u>\$ 146,263</u>	<u>\$ 1,490,829</u>
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See accompanying notes to financial statements.

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VILLAGE OF INDIAN HEAD PARK

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS As of April 30, 2012

Total Fund Balances - Governmental Funds	\$	683,658
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.		2,724,406
Some receivables that are not currently available are reported as deferred revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.		39,813
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.		
Long-term liabilities		(1,098,486)
Accrued interest		<u>(19,328)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	<u>2,330,063</u>

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended April 30, 2012

	Special Revenue		
	General	Motor Fuel Tax	Bond Debt Service
REVENUES			
Taxes	\$ 931,802	\$ -	\$ 52,995
Other taxes	638,681	-	-
Intergovernmental	422,210	109,554	-
Licenses, permits and fees	325,166	-	-
Fines and forfeiture	33,496	-	-
Charges for services	118,799	-	-
Reimbursements	755	-	-
Rentals	-	-	-
Investment income	322	201	2
Miscellaneous	5,339	-	-
Total Revenues	2,476,570	109,755	52,997
EXPENDITURES			
Current			
General government	860,164	-	-
Public safety	1,143,781	-	-
Public works	186,825	119,014	-
Culture and recreation	-	-	-
Capital Outlay	74,934	-	-
Debt Service			
Principal	16,343	-	100,000
Interest	659	-	5,400
Total Expenditures	2,282,706	119,014	105,400
Excess (deficiency) of revenues over expenditures	193,864	(9,259)	(52,403)
OTHER FINANCING SOURCES (USES)			
Sales of fixed assets	4,065	-	-
Transfers in	13,992	-	-
Transfers out	(61,000)	(13,992)	-
Total Other Financing Sources (Uses)	(42,943)	(13,992)	-
Net Change in Fund Balances	150,921	(23,251)	(52,403)
FUND BALANCES (DEFICIT) - Beginning of Year	9,533	235,853	173,461
FUND BALANCES - END OF YEAR	\$ 160,454	\$ 212,602	\$ 121,058

See accompanying notes to financial statements.

Capital Improvements	Nonmajor Governmental Funds	Totals
\$ -	\$ 29,530	\$ 1,014,327
-	-	638,681
-	-	531,764
-	-	325,166
-	-	33,496
-	59,570	178,369
-	-	755
-	80,071	80,071
-	5	530
-	-	5,339
<u>-</u>	<u>169,176</u>	<u>2,808,498</u>
-	-	860,164
-	57,861	1,201,642
-	-	305,839
-	27,456	27,456
-	-	74,934
-	15,000	131,343
-	52,066	58,125
<u>-</u>	<u>152,383</u>	<u>2,659,503</u>
-	16,793	148,995
-	-	4,065
-	61,000	74,992
-	-	(74,992)
<u>-</u>	<u>61,000</u>	<u>4,065</u>
-	77,793	153,060
<u>153,834</u>	<u>(42,083)</u>	<u>530,598</u>
<u>\$ 153,834</u>	<u>\$ 35,710</u>	<u>\$ 683,658</u>

See accompanying notes to financial statements.

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VILLAGE OF INDIAN HEAD PARK

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended April 30, 2012

Net change in fund balances - total governmental funds	\$	153,060
Amounts reported for governmental activities in the statement of net assets are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.</p>		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements.		90,874
Depreciation as reported in the government-wide financial statements.		(101,906)
<p>Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.</p>		
		601
<p>Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p>		
Principal repaid		131,343
<p>Governmental funds report debt premiums, discounts and issuance costs as other financing sources (uses) or expenditures. However, in the statement of net assets, these are deferred and reported as other assets or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.</p>		
Deferred charge for refunding		(12,863)
<p>Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Compensated absences		3,350
Accrued interest on debt		2,447
Net pension obligation		(57,939)
		(57,939)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	<u>208,967</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF NET ASSETS PROPRIETARY FUND As of April 30, 2012

	<u>Water</u>
ASSETS	
Current Assets	
Cash and investments	\$ 369,705
Receivables (net)	
Accounts	196,079
Prepaid insurance	13,286
Due from other funds	<u>129,683</u>
Total Current Assets	<u>708,753</u>
Noncurrent Assets	
Capital Assets	
Well houses	481,000
Water and distribution system	2,242,084
Equipment	286,902
Infrastructure	1,173,754
Less: Accumulated depreciation	<u>(3,666,385)</u>
Total Noncurrent Assets	<u>517,355</u>
Total Assets	<u>1,226,108</u>
LIABILITIES	
Current Liabilities	
Accounts payable	46,189
Accrued salaries	6,569
Deposits payable	<u>122,628</u>
Total Current Liabilities	<u>175,386</u>
Noncurrent Liabilities	
Long-Term Debt	
Due within one year	<u>14,161</u>
Total Noncurrent Liabilities	<u>14,161</u>
Total Liabilities	<u>189,547</u>
NET ASSETS	
Invested in capital assets, net of related debt	517,355
Unrestricted	<u>519,206</u>
TOTAL NET ASSETS	<u><u>\$ 1,036,561</u></u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS PROPRIETARY FUND

For the Year Ended April 30, 2012

	<u>Water</u>
OPERATING REVENUES	
Charges for services	\$ 807,144
Total Operating Revenues	<u>807,144</u>
OPERATING EXPENSES	
Cost of sales and services	691,766
Administration	84,675
Depreciation	<u>86,560</u>
Total Operating Expenses	<u>863,001</u>
Operating (Loss)	<u>(55,857)</u>
NONOPERATING REVENUES	
Miscellaneous	<u>451</u>
Total Nonoperating Revenues	<u>451</u>
Change in Net Assets	(55,406)
NET ASSETS - Beginning of Year	<u>1,091,967</u>
NET ASSETS - END OF YEAR	<u>\$ 1,036,561</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2012

	<u>Water</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 783,363
Paid to suppliers for goods and services	(573,543)
Paid to employees for services	<u>(180,541)</u>
Net Cash Flows From Operating Activities	<u>29,279</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>451</u>
Net Cash Flows From Investing Activities	<u>451</u>
Net Change in Cash and Cash Equivalents	29,730
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>339,975</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 369,705</u></u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2012

	<u>Water</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (55,857)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities	
Depreciation	86,560
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(23,781)
(Increase) decrease in prepaid insurance	1,863
Increase (decrease) in compensated absences	(4,823)
Increase (decrease) in accounts payable	14,981
Increase (decrease) in accrued salaries	791
Increase (decrease) in deposits payable	<u>9,545</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 29,279</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
None	

See accompanying notes to financial statements.

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VILLAGE OF INDIAN HEAD PARK

**STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
As of April 30, 2012**

	<u>Agency Fund</u>
ASSETS	
Cash and investments	\$ <u>80,218</u>
TOTAL ASSETS	<u>\$ 80,218</u>
LIABILITIES	
Other liabilities	\$ 12,912
Refundable deposits	<u>67,306</u>
TOTAL LIABILITIES	<u>\$ 80,218</u>

See accompanying notes to financial statements.

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VILLAGE OF INDIAN HEAD PARK

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VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Indian Head Park, Illinois (the "village") was incorporated in 1959. The village is a non home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Indian Head Park, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the Village of Indian Head Park. The reporting entity for the village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government. This report does not contain any component units.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the village believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and 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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The village reports the following major governmental funds:

- General Fund - accounts for the village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Motor Fuel Tax Fund - is used to account for state shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys and signals.
- Bond Debt Service Fund - is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of long-term debt principal, interest, and related costs, other than TID or enterprise funds.
- Capital Improvements Fund - is used to account for financial resources to be used for the acquisition and construction of major capital improvements not being financed by proprietary or fiduciary funds.

The village reports the following major enterprise funds:

- Water Fund - accounts for operations of the water distribution and sewer systems on a continuous basis.

The village reports the following nonmajor governmental funds:

- Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

- 911 Fund
- Special Parks Fund

- Capital Projects Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

- Road Improvement Bond Fund
- Public Works Facility Fund

In addition, the village reports the following fund types:

Agency fund is used to account for and report assets held by the village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

- Agency Fund

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and unearned revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board guidance issued after November 30, 1989.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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 recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of state shared income taxes. Shared income taxes will be considered available as the state being greater than 60 days behind on payments for income taxes to local governments is considered to be a highly unusual circumstance. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the village is entitled the resources and the amounts are available. Amounts owed to the village which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The village reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the village has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The enterprise fund follows all pronouncements of the Governmental Accounting Standards Board, and has elected not to follow Financial Accounting Standards Board guidance issued after November 30, 1989. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

The village has adopted an investment policy. That policy follows the state statute for allowable investments.

Interest Rate Risk

The village's investment policies seek to ensure preservation of capital in the village's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The village's policies limit the village to investments with a maturity of no more than 20 years from the date of purchase, unless matched to a specific cash flow. However, all of the policies requires the village's investment portfolio to be sufficiently liquid to enable the village to meet all operating requirements as they come due.

Credit Risk

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The village's investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds. As of April 30, 2012, the village had no investments subject to credit risk.

Concentration of Credit Risk

The village's policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The village's policy further states that no financial institution shall hold more than 50% of the village's investment portfolio at the current time of investment placement. The village operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the village. In this internal investment pool there were no investments which are subject to concentration for credit risk that represent more than 5% of the portfolio as of April 30, 2012.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Custodial Credit Risk - Deposits

The village's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 102% of the value of the deposit.

Custodial Credit Risk - Investments

The village's investment policies require all securities to be held by a third party custodian and evidenced by safekeeping receipts.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2011 attaches as an enforceable lien on January 1, 2011, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2nd installment of the 2011 tax levy, which attached as an enforceable lien on the property as of January 1, 2011, has been recorded as a receivable as of April 30, 2012.

Tax bills for levy year 2011 are prepared by Cook County and issued on or about February 1, 2012 and July 1, 2012, and are payable in two installments, on or about March 1, 2012 and August 1, 2012 or within 30 days of the tax bills being issued.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

2. Receivables (cont.)

The county collects such taxes and remits them periodically. The 2nd installment of the 2011 property tax levy is recognized as a receivable and deferral in fiscal 2012. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2012, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2nd installment of the 2011 levy.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 0% of outstanding property taxes at April 30, 2012.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

3. Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$5,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

4. Capital Assets (cont.)

Government-Wide Statements (cont.)

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net assets. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	50	Years
Land Improvements	50	Years
Machinery and Equipment	8-12	Years
Utility System		Years
Infrastructure	20-67	Years
Water and Distribution System	20-67	Years
Well Houses	20-67	Years

The village does not depreciate land.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

5. Compensated Absences

Employees earn a specified amount of vacation and sick leave each year. Vacations must be taken in the year following the year in which earned. Sick leave may be accumulated for future use, but employees are not compensated for unused sick leave upon termination. The liability for unpaid vacation pay is recognized based on the employees' current rate of pay at year-end.

6. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

6. Long-Term Obligations/Conduit Debt (cont.)

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net assets.

The village may approve the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. There were no IRB's outstanding at year end.

7. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

8. Equity Classifications

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definitions of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted resources are available for use, it is the village's policy to use restricted resources first, then unrestricted resources as they are needed.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

8. Equity Classifications (cont.)

Fund Statements

Governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*, the village classifies governmental fund balance as follows:

- a. *Nonspendable* - Includes fund balance amounts that cannot be spent either because they are not expendable form or because legal or contractual requirements require them to be maintained intact.
- b. *Restricted* - Consists of fund balances with constraints place on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. *Committed* - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance, resolution, motion) of the village. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the village that originally created the commitment.
- d. *Assigned* - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The Board may take official action to assign amounts. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. *Unassigned* - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceeds amounts restricted, committed, or assigned for those purposes.

The village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds, except the Road Improvement Bond Fund and the Public Works Facility Fund. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year end.

Prior to April 30, the village Clerk submits to the village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year for the general fund and special revenue funds.

The village is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the village Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function, and department. The village Finance Director is authorized to transfer budget amounts between departments within any fund; however, the village Board must approve revisions that alter the total expenditures of any fund.

B. EXCESS EXPENDITURES OVER BUDGET

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Non-major - 911 Fund	\$ 55,900	\$ 57,861	\$ 1,961
Non-major - Special Parks Fund	26,354	27,456	1,102

The village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded budgeted expenditures. The detail of those items can be found in the village's year-end budget to actual report.

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of April 30, 2012, the following individual fund held a deficit balance:

Fund	Amount	Reason
911	\$ 64,344	Fund incurred expenditures exceeding available assets

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The village's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 454,861	\$ 515,517	Custodial credit
Other investments - Illinois Funds	531,102	531,102	Interest rate
Cash on hand	4,417	-	N/A
 Total Deposits and Investments	 \$ 990,380	 \$ 1,046,619	
 Reconciliation to financial statements			
Per statement of net assets			
Cash and investments	\$ 910,162		
Per statement of net assets- fiduciary funds			
Agency cash and investments	80,218		
 Total Deposits and Investments	 \$ 990,380		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts), \$250,000 for interest-bearing demand deposit accounts, and unlimited amounts for noninterest bearing transaction accounts.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the village's deposits may not be returned to the village.

The village does not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

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

As of April 30, 2012, the village had an investment in Illinois Funds of \$531,102 that is available on demand that is exposed to interest rate risk.

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Motor Fuel Tax Fund	Water & Sewer Fund	Nonmajor Funds	Totals
Receivables					
Real estate taxes	\$ 422,341	\$ -	\$ -	\$ 13,769	\$ 436,110
Accounts	-	-	196,079	-	196,079
Sales tax	71,880	-	-	-	71,880
Local use tax	13,960	-	-	-	13,960
Utility tax	11,087	-	-	-	11,087
Telecommunications tax	33,601	-	-	-	33,601
State income tax	186,637	-	-	-	186,637
Motor fuel tax	-	7,395	-	-	7,395
911 allotment	-	-	-	4,771	4,771
Other	19,511	-	-	-	19,511
Total	\$ 759,017	\$ 7,395	\$ 196,079	\$ 18,540	\$ 981,031

All of the receivables on the balance sheet are expected to be collected within one year.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Totals</u>
Property taxes receivable for subsequent year	\$ -	\$ 427,393	\$ 427,393
Other taxes receivable	<u>39,813</u>	<u>-</u>	<u>39,813</u>
 Total Deferred/Unearned Revenue for Governmental Funds	 <u>\$ 39,813</u>	 <u>\$ 427,393</u>	 <u>\$ 467,206</u>

Under the accrual method deferred revenue is recognized as revenue in the period earned. An exception in Illinois is real estate taxes, whereby the intent of the village is to finance the following year's operations with those monies. Therefore, these amounts will remain deferred revenue or unearned for the government-wide statements.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2012, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/amortized				
Land	\$ 868,988	\$ -	\$ -	\$ 868,988
Total Capital Assets Not Being Depreciated/ Amortized	868,988	-	-	868,988
Capital assets being depreciated/ amortized				
Land Improvements	\$ 360,756	\$ -	\$ -	\$ 360,756
Buildings and improvements	1,976,792	30,645	-	2,007,437
Equipment	597,872	60,229	40,359	617,742
Infrastructure	295,069	-	-	295,069
Total Capital Assets Being Depreciated/ Amortized	3,230,489	90,874	40,359	3,281,004
Total Capital Assets	4,099,477	90,874	40,359	4,149,992
Less: Accumulated depreciation/ amortization for				
Land Improvements	(172,679)	(18,039)	-	(190,718)
Buildings and improvements	(659,751)	(41,196)	-	(700,947)
Equipment	(469,709)	(28,943)	40,359	(458,293)
Infrastructure	(61,900)	(13,728)	-	(75,628)
Total Accumulated Depreciation/ Amortization	(1,364,039)	(101,906)	40,359	(1,425,586)
Net Capital Assets Being Depreciated/ Amortized	1,866,450	(11,032)	-	1,855,418
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation/ Amortization	\$ 2,735,438	\$ (11,032)	\$ -	\$ 2,724,406

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 16,310
Public safety	35,188
Public works, which includes the depreciation of infrastructure	40,609
Health and human services	1,000
Culture and recreation	<u>8,799</u>

Total Governmental Activities Depreciation/Amortization Expense	<u>\$ 101,906</u>
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Business-type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Water</u>				
Capital assets being depreciated / amortized				
Well houses	\$ 481,000	\$ -	\$ -	\$ 481,000
Water and distribution system	2,242,084	-	-	2,242,084
Equipment	286,902	-	-	286,902
Infrastructure	<u>1,173,754</u>	-	-	<u>1,173,754</u>
Total Capital Assets Being Depreciated / Amortized	<u>4,183,740</u>	-	-	<u>4,183,740</u>
Less: Accumulated depreciation / amortization for				
Well houses	(445,993)	(16,033)	-	(462,026)
Water and distribution system	(1,909,837)	(53,008)	-	(1,962,845)
Equipment	(286,902)	-	-	(286,902)
Infrastructure	<u>(937,093)</u>	<u>(17,519)</u>	-	<u>(954,612)</u>
Total Accumulated Depreciation / Amortization	<u>(3,579,825)</u>	<u>(86,560)</u>	-	<u>(3,666,385)</u>
Net Capital Assets Being Depreciated/ Amortized	<u>603,915</u>	<u>(86,560)</u>	-	<u>517,355</u>
Net Water Plant	<u>\$ 603,915</u>	<u>\$ (86,560)</u>	<u>\$ -</u>	<u>\$ 517,355</u>
Business-type Capital Assets, Net of Accumulated Depreciation / Amortization	<u>\$ 603,915</u>	<u>\$ (86,560)</u>	<u>\$ -</u>	<u>\$ 517,355</u>

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Public works facility fund	\$ 27,947
Bond debt service fund	General fund	30,588
Capital improvements fund	911 fund	69,071
Proprietary fund	General fund	<u>129,683</u>
Total - Fund Financial Statements		257,289
Less: Fund eliminations		<u>(127,606)</u>
Total Internal Balances - Government-Wide Statement of Net Assets		<u>\$ 129,683</u>

No interfunds are considered collectible within one year. A reservation of fund balance has been recorded for these amounts to reflect this fact.

The principal purpose of these interfunds is to record a payable for an expenditure paid out of another fund or to alleviate cash deficit situations.

For the statement of net assets, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Public Works Facility	General Fund	\$ 61,000	To cover bond expenses paid by the General Fund.
General fund	Motor fuel tax fund	<u>13,992</u>	To cover operating expenses paid by the General Fund.
Total - Fund Financial Statements		74,992	
Less: Fund eliminations		<u>(74,992)</u>	
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ -</u></u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended April 30, 2012, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -
Debt certificates	1,025,000	-	15,000	1,010,000	16,000
Add/(Subtract) Deferred Amounts For					
Refundings	(25,726)	-	(12,863)	(12,863)	(12,863)
Sub-totals	1,099,274	-	102,137	987,137	3,137
Other Liabilities					
Vested compensated absences	46,760	58,249	61,599	43,410	43,410
Capital leases	16,343	-	16,343	-	-
IMRF net pension obligation	-	57,939	-	57,939	-
Total Other Liabilities	63,103	116,188	77,942	101,349	43,410
Total Governmental Activities Long-Term Liabilities	\$ 1,162,377	\$ 116,188	\$ 180,079	\$ 1,088,486	\$ 46,547
Business-type Activities					
Other Liabilities					
Vested compensated absences	\$ 18,984	\$ 12,744	\$ 17,567	\$ 14,161	\$ 14,161
Total Other Liabilities	18,984	12,744	17,567	14,161	14,161
Total Business-type Activities Long-Term Liabilities	\$ 18,984	\$ 12,744	\$ 17,567	\$ 14,161	\$ 14,161

Debt Certificates will be repaid from the Public Works Facility Fund. Compensated absences and the IMRF obligation will be repaid from the General Fund.

The village is subject to the Illinois Municipal Code, which limits the amount of certain indebtedness to 8.625% of the most recent available equalized assessed valuation of the village. As of April 30, 2012, the statutory debt limit for the village was \$15,776,173, providing a debt margin of \$14,766,173.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Debt Certificates

Debt certificates have been issued to provide funds for the repayment of prior obligations, for capital projects, and to pay the cost of issuance. Debt certificates are direct obligations and pledge the full faith and credit of the village.

Incentive Agreements at April 30, 2012 consist of the following:

Governmental Activities	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>Balance</u>
<u>Debt Certificates</u>	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>April 30, 2012</u>
Series 2009	8/19/09	12/15/2020	2.50% - 5.90%	\$ 1,050,000	<u>\$ 1,010,000</u>
Total Governmental Activities Debt Certificates					<u>\$ 1,010,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>	
	<u>Debt Certificates</u>	
	<u>Principal</u>	<u>Interest</u>
2013	\$ 16,000	\$ 51,541
2014	104,000	50,901
2015	109,000	46,741
2016	115,000	41,836
2017	120,000	36,373
2018-2022	<u>546,000</u>	<u>79,217</u>
Totals	<u>\$ 1,010,000</u>	<u>\$ 306,609</u>

Prior-Year Defeasance of Debt

In prior years, the village defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the village's financial statements. At April 30, 2012, \$635,000 of bonds outstanding are considered defeased. The bonds are callable as follows:

<u>Call Date</u>	<u>Amount</u>
12/1/2012	\$ 635,000

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Illinois Municipal Retirement Fund

Plan Description. The village's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and required supplementary information. That report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook Illinois 60523.

Funding Policy. As set by statute, employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires employer to contribute the amount necessary, in addition to the member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the employer was 9.59% of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 11.94%. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefit rate is set by statute.

Annual Pension Cost.

For the year ended December 31, 2009 the village's annual pension cost of \$95,546 was equal to the village's required and actual contribution.

For calendar year ending December 31, 2010, the village's actual contributions for pension costs were \$100,895. Its required contribution for the calendar year 2010 was \$130,747. The difference resulted in a net pension obligation of \$29,852.

For calendar year ended December 31, 2011, the village's actual contributions for pension cost were \$114,616. Its required contribution for calendar year 2011 was \$142,703. The difference resulted in a net increase to the net pension obligation of \$28,087, increasing the IMRF net pension obligation from \$29,852 to \$57,939.

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Funded Status and Funding Progress

The village's actuarial value of plan assets for the current year and related information is as follows:

	<u>Illinois Municipal Retirement</u>
Actuarial Valuation Date	12/31/2011
Actuarial Valuation of Assets (a)	\$ 3,362,839
Actuarial Accrued Liability (AAL) - Entry Age (b)	\$ 4,426,896
Unfunded AAL (UAAL) (b - a)	\$ 1,064,057
Funded Ratio (a/b)	76 %
Covered Payroll (c)	1,195,167
UAAL as a Percentage of Covered Payroll ((b-a)/c)	89 %

B. RISK MANAGEMENT

The village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Public Entity Risk Pool

IRMA

The village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois that have formed an association under the Illinois Intergovernmental Co-operations Statute to pool their risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended April 30, 2012

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool (cont.)

IRMA (cont.)

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to any membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

C. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year 2012, the Village has implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

D. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 61, The Financial Reporting Entity: Omnibus; Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements; Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position; Statement No. 64, Derivative Instruments: Application of Hedge Accounting Termination Provisions - an amendment of GASB Statement No. 53; Statement No. 67, Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25; and Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment to GASB Statement No. 27. Application of these standards may restate portions of these financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF INDIAN HEAD PARK

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended April 30, 2012
With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012			2011 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ 851,952	\$ 931,802	\$ 79,850	\$ 824,635
Other taxes	612,000	638,681	26,681	647,780
Intergovernmental	344,772	422,210	77,438	293,310
Licenses, permits and fees	307,700	325,166	17,466	319,378
Fines and forfeiture	40,000	33,496	(6,504)	43,076
Charges for services	111,065	118,799	7,734	116,608
Reimbursements	3,600	755	(2,845)	16,951
Investment income	150	322	172	189
Miscellaneous	5,200	5,339	139	4,413
Total Revenues	<u>2,276,439</u>	<u>2,476,570</u>	<u>200,131</u>	<u>2,266,340</u>
EXPENDITURES				
General government	916,282	860,164	56,118	842,801
Public safety	1,126,245	1,143,781	(17,536)	975,527
Public works	228,254	186,825	41,429	162,017
Capital Outlay	74,800	74,934	(134)	831
Debt service - principal	-	16,343	(16,343)	15,400
Debt service - interest	-	659	(659)	4,684
Total Expenditures	<u>2,345,581</u>	<u>2,282,706</u>	<u>62,875</u>	<u>2,001,260</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(69,142)</u>	<u>193,864</u>	<u>263,006</u>	<u>265,080</u>
OTHER FINANCING SOURCES				
Sales of capital assets	1,000	4,065	3,065	-
Transfers in	14,000	13,992	(8)	25,992
Transfers out	(61,000)	(61,000)	-	-
Total Other Financing Sources	<u>(46,000)</u>	<u>(42,943)</u>	<u>3,057</u>	<u>25,992</u>
Net Change in Fund Balance	<u>\$ (115,142)</u>	<u>150,921</u>	<u>\$ 266,063</u>	<u>291,072</u>
FUND BALANCE (DEFICIT) - Beginning of Year		<u>9,533</u>		<u>(281,539)</u>
FUND BALANCE - END OF YEAR		<u>\$ 160,454</u>		<u>\$ 9,533</u>

See auditors' report and accompanying notes to required supplementary information.

VILLAGE OF INDIAN HEAD PARK

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND
For the Year Ended April 30, 2012
With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012		Variance with Final Budget	2011 Actual
	Original and Final Budget	Actual		
REVENUES				
Motor fuel tax	\$ 96,368	\$ 109,554	\$ 13,186	\$ 109,228
Investment income	500	201	(299)	379
Total Revenues	<u>96,868</u>	<u>109,755</u>	<u>12,887</u>	<u>109,607</u>
EXPENDITURES				
Highways and Streets				
Professional services	7,000	930	6,070	-
Road maintenance	43,392	48,989	(5,597)	25,731
Salt	40,000	35,905	4,095	35,251
Snow removal	10,450	11,377	(927)	28,692
Miscellaneous	200	5	195	-
Utilities	25,000	21,808	3,192	23,887
Total Expenditures	<u>126,042</u>	<u>119,014</u>	<u>7,028</u>	<u>113,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,174)</u>	<u>(9,259)</u>	<u>19,915</u>	<u>(3,954)</u>
OTHER FINANCING USES				
Transfers (out)	(14,000)	(13,992)	8	(13,992)
Total Other Financing Uses	<u>(14,000)</u>	<u>(13,992)</u>	<u>8</u>	<u>(13,992)</u>
Net Change in Fund Balance	<u>\$ (43,174)</u>	<u>(23,251)</u>	<u>\$ 19,923</u>	<u>(17,946)</u>
FUND BALANCE - Beginning of Year		<u>235,853</u>		<u>253,799</u>
FUND BALANCE - END OF YEAR		<u>\$ 212,602</u>		<u>\$ 235,853</u>

See auditors' report and accompanying notes to required supplementary information.

VILLAGE OF INDIAN HEAD PARK

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS ILLINOIS MUNICIPAL RETIREMENT FUND As of and For the Year Ended April 30, 2012

<u>Actuarial Valuation Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/11	\$ 142,703	80.00%	\$ 57,939
12/31/10	130,747	77.00%	29,852
12/31/09	95,546	100.00%	-

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/11	\$ 3,362,839	\$ 4,426,896	\$ 1,064,057	75.96%	\$ 1,195,167	89.03%
12/31/10	3,244,239	4,049,733	805,494	80.11%	1,157,057	69.62%
12/31/09	2,990,850	3,762,813	771,963	79.48%	1,204,864	64.07%
12/31/08	3,082,219	3,746,325	664,106	82.27%	1,268,350	52.36%
12/31/07	3,196,247	3,145,453	(50,794)	101.61%	1,117,812	-%
12/31/06	2,302,801	3,087,193	784,392	74.59%	1,082,401	72.47%

Digest of Changes Assumptions

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$3,240,981. On a market basis, the funded ratio would be 73.21%.

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	12/31/2011
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	28
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	0.40% - 10.0%
Inflation factor	4.00%
Cost of living adjustments	3.00%

VILLAGE OF INDIAN HEAD PARK

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and For the Year Ended April 30, 2012

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

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SUPPLEMENTARY INFORMATION

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2012
with Comparative Actual Amounts for the Year Ended April 30, 2011

	2012		Variance with Final Budget	2011 Actual
	Original and Final Budget	Actual		
PROPERTY TAXES				
Property taxes	\$ 851,952	\$ 931,802	\$ 79,850	\$ 824,635
Total Property Taxes	<u>851,952</u>	<u>931,802</u>	<u>79,850</u>	<u>824,635</u>
OTHER TAXES				
Sales	290,000	288,532	(1,468)	284,038
Local use	-	56,686	56,686	51,893
Utility taxes	187,000	159,712	(27,288)	174,648
Telecommunication	135,000	133,751	(1,249)	137,201
Total Other Taxes	<u>612,000</u>	<u>638,681</u>	<u>26,681</u>	<u>647,780</u>
INTERGOVERNMENTAL TAXES				
State income tax	343,572	321,607	(21,965)	292,031
Personal property replacement tax	1,200	1,153	(47)	1,279
Federal grants	-	99,450	99,450	-
Total Intergovernmental Taxes	<u>344,772</u>	<u>422,210</u>	<u>77,438</u>	<u>293,310</u>
LICENSES, PERMITS AND FEES				
Vehicle license fees	155,000	154,430	(570)	155,030
Business licenses	57,250	66,244	8,994	66,857
Alarm licenses	450	350	(100)	350
Building permit fees	25,000	26,091	1,091	20,768
Franchise fees	70,000	78,051	8,051	76,373
Total Licenses, Permits and Fees	<u>307,700</u>	<u>325,166</u>	<u>17,466</u>	<u>319,378</u>
FINES AND FORFEITURE				
Court and traffic fines	40,000	33,496	(6,504)	43,076
Total Fines and Forfeiture	<u>40,000</u>	<u>33,496</u>	<u>(6,504)</u>	<u>43,076</u>
CHARGES FOR SERVICES				
Public hearing fees	1,000	-	(1,000)	500
Lyons township hireback	95,815	106,003	10,188	101,204
Highlands school district patrol	1,750	1,411	(339)	2,079
Smoke signals advertisements	5,000	3,385	(1,615)	4,925
Elevator inspections	7,500	8,000	500	7,900
Total Charges for Services	<u>111,065</u>	<u>118,799</u>	<u>7,734</u>	<u>116,608</u>
REIMBURSEMENTS				
Developer's reimbursements	2,500	-	(2,500)	-
Miscellaneous reimbursements	1,000	755	(245)	16,951
Police training reimbursements	100	-	(100)	-
Total Reimbursements	<u>3,600</u>	<u>755</u>	<u>(2,845)</u>	<u>16,951</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2012
with Comparative Actual Amounts for the Year Ended April 30, 2011

	2012		Variance with Final Budget	2011 Actual
	Original and Final Budget	Actual		
INVESTMENT INCOME				
Investment income	\$ 150	\$ 322	\$ 172	\$ 189
Total Investment Income	<u>150</u>	<u>322</u>	<u>172</u>	<u>189</u>
MISCELLANEOUS				
Police seizure	1,500	-	(1,500)	-
Heritage center contributions	3,000	5,073	2,073	4,030
Contributions	100	125	25	-
Wolf road contributions	100	-	(100)	-
Miscellaneous	500	141	(359)	383
Total Miscellaneous	<u>5,200</u>	<u>5,339</u>	<u>139</u>	<u>4,413</u>
TOTAL REVENUES	<u>\$ 2,276,439</u>	<u>\$ 2,476,570</u>	<u>\$ 200,131</u>	<u>\$ 2,266,340</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2012

With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012		Variance with Final Budget	2011 Actual
	Original and Final Budget	Actual		
GENERAL GOVERNMENT				
President and Village Board				
Salaries	\$ 33,200	\$ 33,425	\$ (225)	\$ 33,650
Meeting/conferences/training	1,000	755	245	30
Membership fees	7,300	7,311	(11)	7,292
Office equipment	-	4,442	(4,442)	-
Miscellaneous	250	178	72	128
Total President and Village Board	<u>41,750</u>	<u>46,111</u>	<u>(4,361)</u>	<u>41,100</u>
Administration				
Salaries	\$ 146,348	\$ 148,080	\$ (1,732)	\$ 143,479
Overtime	500	-	500	-
Salaries - smoke signal	2,000	1,600	400	1,400
Ads/copying/printing	100	-	100	-
Equipment maintenance	1,000	279	721	603
Budget preparation	1,250	-	1,250	1,200
Meeting/conference/training	-	-	-	397
Membership fees	175	230	(55)	125
Postage	3,000	2,508	492	2,393
Professional services - data processing	10,000	9,661	339	9,568
Publications - legal notices	800	771	29	651
Administrative	150	-	150	-
Office supplies	4,500	3,400	1,100	2,606
Periodicals	50	25	25	54
Vehicle licenses / decals	3,500	3,246	254	3,697
Computer software	1,200	1,262	(62)	-
Office equipment	5,620	6,227	(607)	2,838
Miscellaneous	500	1,150	(650)	1,084
IMRF contributions	90,000	101,999	(11,999)	85,606
Social security	95,000	70,499	24,501	86,215
Total Administration	<u>385,693</u>	<u>350,937</u>	<u>14,756</u>	<u>341,916</u>
Liability Insurance				
Insurance premium	65,000	61,936	3,064	55,269
IRMA deductible	7,500	2,309	5,191	-
Total Liability Insurance	<u>72,500</u>	<u>64,245</u>	<u>8,255</u>	<u>55,269</u>
Buildings and Grounds				
Maintenance services - garage	6,500	10,645	(4,145)	4,810
Maintenance services - village hall/police	8,500	8,711	(211)	5,561
Custodial services	14,000	13,658	342	12,430
Garage supplies	2,000	1,671	329	2,120
Maintenance - heritage	2,000	1,918	82	1,392

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2012

With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012		Variance with Final Budget	2011 Actual
	Original and Final Budget	Actual		
GENERAL GOVERNMENT (cont.)				
Landscape supplies	\$ 2,000	\$ 3,369	\$ (1,369)	\$ 1,212
Maintenance supplies - village hall/police	2,500	2,460	40	2,481
Heritage center	250	105	145	261
Blacktop municipal facility	1,500	-	1,500	-
Office Equipment	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>
Total Buildings and Grounds	<u>45,250</u>	<u>42,537</u>	<u>2,713</u>	<u>30,267</u>
Building Department				
Professional services - building inspector	3,000	2,535	465	2,040
Professional services - electrical inspector	1,500	810	690	1,350
Professional services - elevator inspector	2,000	1,378	622	2,150
Professional services - plan review	5,000	3,060	1,940	5,200
Professional services - plumbing inspector	1,500	630	870	1,350
Professional services - engineering	-	-	-	3,000
Office supplies	200	438	(238)	116
Periodicals	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>
Total Building Department	<u>13,300</u>	<u>8,851</u>	<u>4,449</u>	<u>15,206</u>
Fire and Police Commission				
Membership fees	400	451	(51)	375
Professional services - legal	1,500	-	1,500	290
Salaries	700	-	700	700
Publication/legal notices	-	-	-	333
Office supplies	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
Total Fire and Police Commission	<u>2,700</u>	<u>451</u>	<u>2,249</u>	<u>1,798</u>
Planning and Zoning				
Salaries	1,125	-	1,125	450
Publications/legal notices	500	-	500	173
Office supplies	<u>250</u>	<u>-</u>	<u>250</u>	<u>250</u>
Total Planning and Zoning	<u>1,875</u>	<u>-</u>	<u>1,875</u>	<u>873</u>
Outside Services				
Employee relations	700	154	546	602
Community relations	500	768	(268)	71
Health and life insurance	206,245	223,013	(16,768)	210,041
Professional services - legal	100,000	58,631	41,369	92,947
Professional services - prosecutor	11,000	10,450	550	9,800
Smoke signals	<u>12,000</u>	<u>8,206</u>	<u>3,794</u>	<u>8,630</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2012

With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012		Variance with Final Budget	2011 Actual
	Original and Final Budget	Actual		
GENERAL GOVERNMENT (cont.)				
Telephone/communications	\$ 17,000	\$ 16,336	\$ 664	\$ 15,868
Unemployment insurance	3,000	2,307	693	2,612
Professional services - consulting	2,000	1,000	1,000	-
Accounting	20,769	25,667	(4,898)	15,801
Miscellaneous expenses	-	500	(500)	-
Total Outside Services	<u>373,214</u>	<u>347,032</u>	<u>26,182</u>	<u>356,372</u>
Total General Government	<u>916,282</u>	<u>860,164</u>	<u>56,118</u>	<u>842,801</u>
PUBLIC SAFETY				
Salaries	802,865	765,560	37,305	749,632
Overtime	100,000	134,139	(34,139)	82,044
Lyons township hireback	59,280	65,175	(5,895)	65,830
Central dispatch assessment	63,600	63,600	-	-
Vehicle/equipment maintenance	30,000	36,339	(6,339)	22,538
Safety equipment	3,000	1,376	1,624	2,212
Maintenance materials	1,000	654	346	193
Gas and oil	27,600	32,585	(4,985)	25,345
Meeting/conference/training	7,500	7,134	366	7,053
Membership fees	500	225	275	115
Clothing and uniforms	15,000	18,767	(3,767)	5,607
Vehicles/Other Equipment	57,000	74,934	(17,934)	831
Telephone/communications	9,000	8,499	501	5,030
Postage	500	496	4	88
Office supplies	3,500	2,080	1,420	2,411
Animal control	200	200	-	620
Miscellaneous	500	3,312	(2,812)	300
Office equipment	1,000	1,190	(190)	4,059
CALEA consulting	1,200	2,450	(1,250)	2,450
Total Public Safety	<u>1,183,245</u>	<u>1,218,715</u>	<u>(35,470)</u>	<u>976,358</u>
PUBLIC WORKS				
Salaries	41,004	41,554	(550)	41,259
Salaries - temporary	2,000	1,012	988	6,784
Overtime	16,000	8,133	7,867	15,950
Meeting/conference/training	750	422	328	1,752
Membership fees	400	525	(125)	401
Clothing and uniforms	1,000	1,030	(30)	930
Office supplies	1,750	1,268	482	1,613
Office equipment	1,250	-	1,250	-
Postage	250	173	77	63
Telephone/communications	5,000	4,690	310	5,003

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2012

With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012			2011 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
Electricity	\$ 2,750	\$ 8,445	\$ (5,695)	\$ -
Professional services - engineering	18,000	33,128	(15,128)	13,500
Professional services - landscaping/leaf removal	2,500	1,630	870	1,764
Engineering - developer/prop C	2,500	-	2,500	-
Utility expense	8,600	4,018	4,582	4,887
Tree maintenance	10,000	6,755	3,245	9,109
Streets and parkways maintenance	6,500	-	6,500	2,675
Vehicles/other equipment	20,000	21,096	(1,096)	19,174
Vehicles/other equipment	17,800	-	17,800	-
Equipment/vehicle maintenance	5,250	3,609	1,641	3,488
Equipment rental	3,500	5,152	(1,652)	3,405
Streets and parkways materials	4,000	3,392	608	3,599
Storm sewer materials	1,000	1,182	(182)	1,230
Tree program	500	2,134	(1,634)	835
Leaf program	-	-	-	558
Tools and hardware	500	1,622	(1,122)	763
Gas and oil	11,000	8,931	2,069	10,097
Storm sewer maintenance	28,150	23,390	4,760	11,614
Safety equipment	1,750	2,054	(304)	961
Drainage materials	2,000	1,421	579	247
Professional services - tree consultant	250	-	250	-
Miscellaneous	100	59	41	356
Construction storm sewer	30,000	-	30,000	-
Total Public Works	<u>246,054</u>	<u>186,825</u>	<u>59,229</u>	<u>162,017</u>
DEBT SERVICE				
Debt service - principal	-	16,343	(16,343)	15,400
Debt service - interest	-	659	(659)	4,684
Total Debt Service	<u>-</u>	<u>17,002</u>	<u>(17,002)</u>	<u>20,084</u>
TOTAL EXPENDITURES	<u>\$ 2,345,581</u>	<u>\$ 2,282,706</u>	<u>\$ 62,875</u>	<u>\$ 2,001,260</u>

VILLAGE OF INDIAN HEAD PARK

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of April 30, 2012

	Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
	911	Special Parks	Road Improvement Bond	Public Works Facility	
ASSETS					
Cash and investments	\$ -	\$ 11,248	\$ 20,364	\$ 96,111	\$ 127,723
Receivables (net)					
Property taxes	-	13,769	-	-	13,769
Other receivables	4,771	-	-	-	4,771
TOTAL ASSETS	<u>\$ 4,771</u>	<u>\$ 25,017</u>	<u>\$ 20,364</u>	<u>\$ 96,111</u>	<u>\$ 146,263</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 44	\$ -	\$ -	\$ -	\$ 44
Due to other funds	69,071	-	-	27,947	97,018
Deferred revenues	-	13,491	-	-	13,491
Total Liabilities	<u>69,115</u>	<u>13,491</u>	<u>-</u>	<u>27,947</u>	<u>110,553</u>
Fund Balances					
Restricted for recreational programs	-	11,507	-	-	11,507
Assigned for capital projects	-	-	20,364	68,164	88,528
Assigned for recreational programs	-	19	-	-	19
Unassigned	(64,344)	-	-	-	(64,344)
Total Fund Balances (Deficit)	<u>(64,344)</u>	<u>11,526</u>	<u>20,364</u>	<u>68,164</u>	<u>35,710</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,771</u>	<u>\$ 25,017</u>	<u>\$ 20,364</u>	<u>\$ 96,111</u>	<u>\$ 146,263</u>

VILLAGE OF INDIAN HEAD PARK

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended April 30, 2012

	Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
	911	Special Parks	Road Improvement Bond	Public Works Facility	
REVENUES					
Property taxes	\$ -	\$ 29,530	\$ -	\$ -	\$ 29,530
911 surcharge	59,570	-	-	-	59,570
Rentals	-	-	-	80,071	80,071
Investment income	5	-	-	-	5
Total Revenues	59,575	29,530	-	80,071	169,176
EXPENDITURES					
Current					
Public safety	57,861	-	-	-	57,861
Culture and recreation	-	27,456	-	-	27,456
Debt Service					
Debt service - principal	-	-	-	15,000	15,000
Debt service - interest	-	-	-	52,066	52,066
Total Expenditures	57,861	27,456	-	67,066	152,383
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	61,000	61,000
Total Other Financing Sources (Uses)	-	-	-	61,000	61,000
Net Change In Fund Balances	1,714	2,074	-	74,005	77,793
FUND BALANCES (DEFICIT)					
- Beginning of Year	(66,058)	9,452	20,364	(5,841)	(42,083)
FUND BALANCES (DEFICIT) - END OF YEAR	\$ (64,344)	\$ 11,526	\$ 20,364	\$ 68,164	\$ 35,710

VILLAGE OF INDIAN HEAD PARK

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BOND DEBT SERVICE
For the Year Ended April 30, 2012
With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012			2011 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ 109,598	\$ 52,995	\$ (56,603)	\$ 107,475
Investment income	50	2	(48)	2
Total Revenues	<u>109,648</u>	<u>52,997</u>	<u>(56,651)</u>	<u>107,477</u>
EXPENDITURES				
Debt service - principal	100,000	100,000	-	95,000
Debt service - interest	<u>5,400</u>	<u>5,400</u>	-	<u>10,435</u>
Total Expenditures	<u>105,400</u>	<u>105,400</u>	-	<u>105,435</u>
Net Change in Fund Balance	<u>\$ 4,248</u>	(52,403)	<u>\$ (56,651)</u>	2,042
FUND BALANCE - Beginning of Year		<u>173,461</u>		<u>171,419</u>
FUND BALANCE - END OF YEAR		<u>\$ 121,058</u>		<u>\$ 173,461</u>

VILLAGE OF INDIAN HEAD PARK

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - 911
For the Year Ended April 30, 2012
With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012			2011 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
911 surcharge	\$ 64,800	\$ 59,570	\$ (5,230)	\$ 77,006
Investment income	-	5	5	3
Total Revenues	<u>64,800</u>	<u>59,575</u>	<u>(5,225)</u>	<u>77,009</u>
EXPENDITURES				
Ameritech lines	12,000	4,500	7,500	5,376
Equipment maintenance	1,500	310	1,190	-
Central dispatch assessment	42,400	53,051	(10,651)	106,821
Total Expenditures	<u>55,900</u>	<u>57,861</u>	<u>(1,961)</u>	<u>112,197</u>
Net Change in Fund Balance	<u>\$ 8,900</u>	1,714	<u>\$ (7,186)</u>	(35,188)
FUND BALANCE (DEFICIT) - Beginning of Year		<u>(66,058)</u>		<u>(30,870)</u>
FUND BALANCE (DEFICIT) - END OF YEAR		<u>\$ (64,344)</u>		<u>\$ (66,058)</u>

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VILLAGE OF INDIAN HEAD PARK

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL PARKS
For the Year Ended April 30, 2012
With Comparative Actual Amounts for the Year Ended April 30, 2011

	2012			2011 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ 27,967	\$ 29,530	\$ 1,563	\$ 26,782
Investment income	<u>5</u>	<u>-</u>	<u>(5)</u>	<u>-</u>
Total Revenues	<u>27,972</u>	<u>29,530</u>	<u>1,558</u>	<u>26,782</u>
EXPENDITURES				
Special parks	<u>26,354</u>	<u>27,456</u>	<u>(1,102)</u>	<u>25,965</u>
Total Expenditures	<u>26,354</u>	<u>27,456</u>	<u>(1,102)</u>	<u>25,965</u>
Net Change in Fund Balance	<u>\$ 1,618</u>	2,074	<u>\$ 456</u>	817
FUND BALANCE - Beginning of Year		<u>9,452</u>		<u>8,635</u>
FUND BALANCE - END OF YEAR		<u>\$ 11,526</u>		<u>\$ 9,452</u>

VILLAGE OF INDIAN HEAD PARK

PROPRIETARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS For the Years Ended April 30, 2012 and 2011

	Business-type Activities Enterprise Fund	
	Water	
	2012	2011
OPERATING REVENUES		
Water usage	\$ 711,078	\$ 643,150
Finance charges - water	8,408	8,400
Finance charges - sewer	905	1,044
Sewer charges	86,753	89,815
Total Operating Revenues	807,144	742,409
OPERATING EXPENSES		
Water:		
Water purchases	422,017	380,800
Personnel services	106,262	109,733
Professional services	9,364	8,044
IMRF contributions	14,863	15,129
Social security	7,381	7,381
Maintenance	23,534	25,088
Materials	11,913	4,394
Electricity	5,908	6,300
Sewer:		
Personnel services	70,247	70,333
Professional services	20,277	27,850
Water - Administration:		
Equipment and vehicle maintenance	4,000	1,593
Pump maintenance	67	1,166
Equipment Rental	455	144
Health and life insurance	35,064	31,833
Meetings and conferences	180	100
Membership fees	310	292
Postage	1,542	673
Telephone and communications	3,868	4,452
Tools and hardware	212	436
Clothing and uniforms	889	866
Gas and oil	987	381
Office supplies	1,108	355
Safety equipment	822	699
Miscellaneous	392	43
Building	182	401

VILLAGE OF INDIAN HEAD PARK

PROPRIETARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS For the Years Ended April 30, 2012 and 2011

	Business-type Activities Enterprise Fund	
	Water	
	2012	2011
OPERATING EXPENSES (cont.)		
Sewer - Administration:		
Equipment and vehicle maintenance	\$ 490	\$ 86
Accounting	11,531	7,099
Illinois EPA fees	1,000	1,000
Insurance premium	21,576	19,420
Depreciation	86,560	86,853
Total Operating Expenses	863,001	812,944
Operating Loss	(55,857)	(70,535)
 NONOPERATING REVENUES		
Investment income	-	1
Miscellaneous	451	679
Total Nonoperating Revenues	451	680
 (Loss) before transfers	(55,406)	(69,855)
 Transfer out	-	(12,000)
Change in net assets	(55,406)	(81,855)
 NET ASSETS - Beginning of Year	1,091,967	1,173,822
 NET ASSETS - END OF YEAR	\$ 1,036,561	\$ 1,091,967

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VILLAGE OF INDIAN HEAD PARK

AGENCY FUNDS SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES For the Year Ended April 30, 2012

	<u>Balance</u> <u>April 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>April 30, 2012</u>
<u>CLEARING FUNDS:</u>				
ASSETS				
Cash and cash equivalent	\$ 80,918	\$ 9,700	\$ 10,400	\$ 80,218
Total Assets	<u>\$ 80,918</u>	<u>\$ 9,700</u>	<u>\$ 10,400</u>	<u>\$ 80,218</u>
LIABILITIES				
Other liabilities	\$ 12,912	\$ -	\$ -	\$ 12,912
Refundable deposits	<u>68,006</u>	<u>6,000</u>	<u>6,700</u>	<u>67,306</u>
Total Liabilities	<u>\$ 80,918</u>	<u>\$ 6,000</u>	<u>\$ 6,700</u>	<u>\$ 80,218</u>

VILLAGE OF INDIAN HEAD PARK

FIVE YEAR SUMMARY OF EQUALIZED ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS April 30, 2012

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
EQUALIZED ASSESSED VALUATION	<u>\$ 145,814,535</u>	<u>\$ 154,765,478</u>	<u>\$ 174,728,538</u>	<u>\$ 184,758,423</u>	<u>\$ 182,912,155</u>
TAX RATES					
General:					
Corporate	0.2220	0.2360	0.3056	0.2977	0.3030
Illinois Municipal Retirement Fund	0.0615	0.0576	0.0549	0.0474	0.0514
Social Security	0.0682	0.0576	0.0549	0.0474	0.0514
Auditing	0.0136	0.0115	0.0137	0.0131	0.0144
Police Protection	0.0477	0.0466	0.0000	0.0000	0.0000
Liability Insurance	0.0444	0.0346	0.0412	0.0406	0.0431
Debt Service	0.0783	0.0709	0.0632	0.0599	0.0605
Street and Bridge	0.0615	0.0599	0.0000	0.0000	0.0000
Special Parks	<u>0.0155</u>	<u>0.0153</u>	<u>0.0146</u>	<u>0.0146</u>	<u>0.0152</u>
Totals	<u>0.6127</u>	<u>0.5900</u>	<u>0.5481</u>	<u>0.5207</u>	<u>0.5390</u>
TAX EXTENSIONS					
General:					
Corporate	\$ 323,999	\$ 365,135	\$ 534,055	\$ 550,020	\$ 554,140
Illinois Municipal Retirement Fund	89,675	89,182	96,011	87,515	94,067
Social Security	99,445	89,182	96,011	87,515	94,067
Auditing	19,830	17,837	24,002	24,167	26,250
Police Protection	69,553	72,100	-	-	-
Liability Insurance	64,741	53,510	72,009	75,008	78,836
Debt Service	114,224	109,673	110,371	110,707	110,670
Street and Bridge	89,675	92,700	-	-	-
Special Parks	<u>22,660</u>	<u>23,690</u>	<u>25,505</u>	<u>26,931</u>	<u>27,810</u>
Totals	<u>\$ 893,802</u>	<u>\$ 913,009</u>	<u>\$ 957,964</u>	<u>\$ 961,863</u>	<u>\$ 985,840</u>

VILLAGE OF INDIAN HEAD PARK

DEBT SERVICE REQUIREMENTS 2009 GENERAL OBLIGATION LIMITED DEBT CERTIFICATES April 30, 2012

Year	Principal			Interest Due	Total Debt Service Requirements
	Issued	Paid	Outstanding		
2010	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -
2011	15,000	15,000	-	-	-
2012	15,000	15,000	-	-	-
2013	16,000	-	16,000	51,541	67,541
2014	104,000	-	104,000	50,901	154,901
2015	109,000	-	109,000	46,741	155,741
2016	115,000	-	115,000	41,836	156,836
2017	120,000	-	120,000	36,374	156,374
2018	127,000	-	127,000	30,373	157,373
2019	133,000	-	133,000	23,706	156,706
2020	140,000	-	140,000	16,524	156,524
2021	146,000	-	146,000	8,614	154,614
Totals	\$ 1,050,000	\$ 40,000	\$ 1,010,000	\$ 306,610	\$ 1,316,610

Principal payable - December 15
Interest payable - June 15 and December 15

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