

VILLAGE OF INDIAN HEAD PARK

Indian Head Park, Illinois

FINANCIAL STATEMENTS

As of and for the Year Ended April 30, 2013

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VILLAGE OF INDIAN HEAD PARK

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Village of Indian Head Park
Indian Head Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Indian Head Park, Illinois, as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the Village of Indian Head Park's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

To the Board of Trustees
Village of Indian Head Park

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, 2013 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note I, the Village of Indian Head Park adopted the provisions of GASB Statement No. 63, *Financial Reporting for Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective May 1, 2012. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

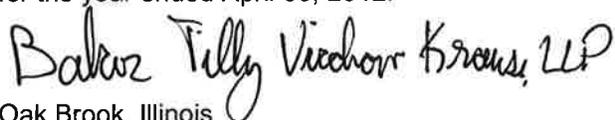
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues, expenditures and changes in fund balance - budget and actual for the General Fund and the Motor Fuel Tax Fund and the schedule of employer's contributions and schedule of funding progress - IMRF, 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.

Supplementary Information

Our audit for the year ended April 30, 2013 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Indian Head Park's basic financial statements. The detailed schedules of revenues and expenditures – budget and actual – General Fund, the combining and individual fund budgetary comparison schedules, the comparative schedule of revenue, expenses and changes in net position - proprietary fund, the schedule of changes in assets and liabilities - agency funds, the five year summary of equalized assessed valuations, tax rates and extensions, and 2009 general obligation limited debt certificate debt service requirements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole for the year ended April 30, 2013.

To the Board of Trustees
Village of Indian Head Park

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village of Indian Head Park as of and for the year ended April 30, 2012 (not presented herein), and have issued our report thereon dated August 20, 2012, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The detailed schedule of revenues and expenditures – budget and actual – General Fund, the combining and individual fund budgetary comparison schedules, and the comparative schedule of revenue, expenses and changes in net position - proprietary fund for the year ended April 30, 2012 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2012 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole for the year ended April 30, 2012.



Oak Brook, Illinois
September 6, 2013

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VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2013 (Unaudited)

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, 2013. 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 \$3,678 thousand (net position). Of this amount, \$602 thousand is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors.
- > In total, net position increased by \$311 thousand.
- > As of the close of the current fiscal year, the village's governmental funds reported combined ending fund balances of \$858 thousand, an increase of \$175 thousand in comparison with the prior year.
- > General revenues accounted for \$1,862 thousand in revenue or 66% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$950 thousand or 34% of total governmental revenues of \$2,812 thousand.
- > The village had \$2,565 thousand in expenses related to government activities. However, only \$950 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 \$171 thousand.
- > The village's total debt increased by \$87 thousand during the current year to \$1.2 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.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2013 (Unaudited)

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.

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position 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.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of and for the Year ended April 30, 2013

(Unaudited)

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.

The village maintains 2 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 and motor fuel tax fund, both 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. 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 As of and for the Year ended April 30, 2013 (Unaudited)

Government-Wide Financial Analysis

Table 1						
Condensed Statements of Net Position						
(in thousands of dollars)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>2013</u>	
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	\$ 1,499	\$ 1,234	\$ 874	\$ 709	\$ 2,373	\$ 1,943
Capital assets	<u>2,828</u>	<u>2,724</u>	<u>554</u>	<u>517</u>	<u>3,382</u>	<u>3,241</u>
Total assets	<u>4,327</u>	<u>3,958</u>	<u>1,428</u>	<u>1,226</u>	<u>5,755</u>	<u>5,184</u>
Liabilities						
Long-term liabilities	1,130	1,099	69	14	1,199	1,113
Other liabilities	<u>620</u>	<u>529</u>	<u>258</u>	<u>175</u>	<u>878</u>	<u>704</u>
Total liabilities	<u>1,750</u>	<u>1,628</u>	<u>327</u>	<u>189</u>	<u>2,077</u>	<u>1,817</u>
Net position						
Net investment in capital assets	2,127	2,026	609	517	2,736	2,543
Restricted	340	324	-	-	340	324
Unrestricted (Deficit)	<u>110</u>	<u>(20)</u>	<u>492</u>	<u>520</u>	<u>602</u>	<u>500</u>
Total net position	<u>\$ 2,577</u>	<u>\$ 2,330</u>	<u>\$ 1,101</u>	<u>\$ 1,037</u>	<u>\$ 3,678</u>	<u>\$ 3,367</u>

Normal Impacts

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

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

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 position net investment in capital assets.

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 position and increase net investment in capital assets.

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

Reduction of capital assets through depreciation – which will reduce capital assets and net position net investment in capital assets.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2013 (Unaudited)

Current Year Impacts

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the village, total net position increased by \$311 thousand from \$3,367 thousand to \$3,678 thousand. The village's total assets equal \$5,755 thousand. The village's total liabilities equal \$2,077 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 position 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 \$602 thousand may be used to meet the ongoing village obligations to their citizens and creditors.

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>Activities</u>	
	2013	2012	2013	2012	2013	2012
Revenues						
<i>Program revenues</i>						
Charges for services	\$ 637	\$ 623	\$ 907	\$ 807	\$ 1,544	\$ 1,430
Operating grants and contributions	313	209	-	-	313	209
Capital grants and contributions	-	16	26	-	26	16
<i>General revenues</i>						
Property taxes	856	1,014	-	-	856	1,014
Other taxes	644	639	-	-	644	639
Intergovernmental	358	323	-	-	358	323
Other general revenues	<u>4</u>	<u>5</u>	<u>2</u>	<u>1</u>	<u>6</u>	<u>6</u>
Total revenues	<u>2,812</u>	<u>2,829</u>	<u>935</u>	<u>808</u>	<u>3,747</u>	<u>3,637</u>
Expenses						
General government	968	920	-	-	968	920
Public safety	1,208	1,240	-	-	1,208	1,240
Public works	207	232	-	-	207	232
Highways and streets	78	119	-	-	78	119
Culture and recreation	29	27	-	-	29	27
Interest and fees	64	68	-	-	64	68
Health and human services	11	14	-	-	11	14
Water	<u>-</u>	<u>-</u>	<u>871</u>	<u>863</u>	<u>871</u>	<u>863</u>
Total expenses	<u>2,565</u>	<u>2,620</u>	<u>871</u>	<u>863</u>	<u>3,436</u>	<u>3,483</u>
Change in net position	247	209	64	(55)	311	154
Net position, beginning 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>
Net position end of year	<u>\$ 2,577</u>	<u>\$ 2,330</u>	<u>\$ 1,101</u>	<u>\$ 1,037</u>	<u>\$ 3,678</u>	<u>\$ 3,367</u>

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2013 (Unaudited)

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.

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

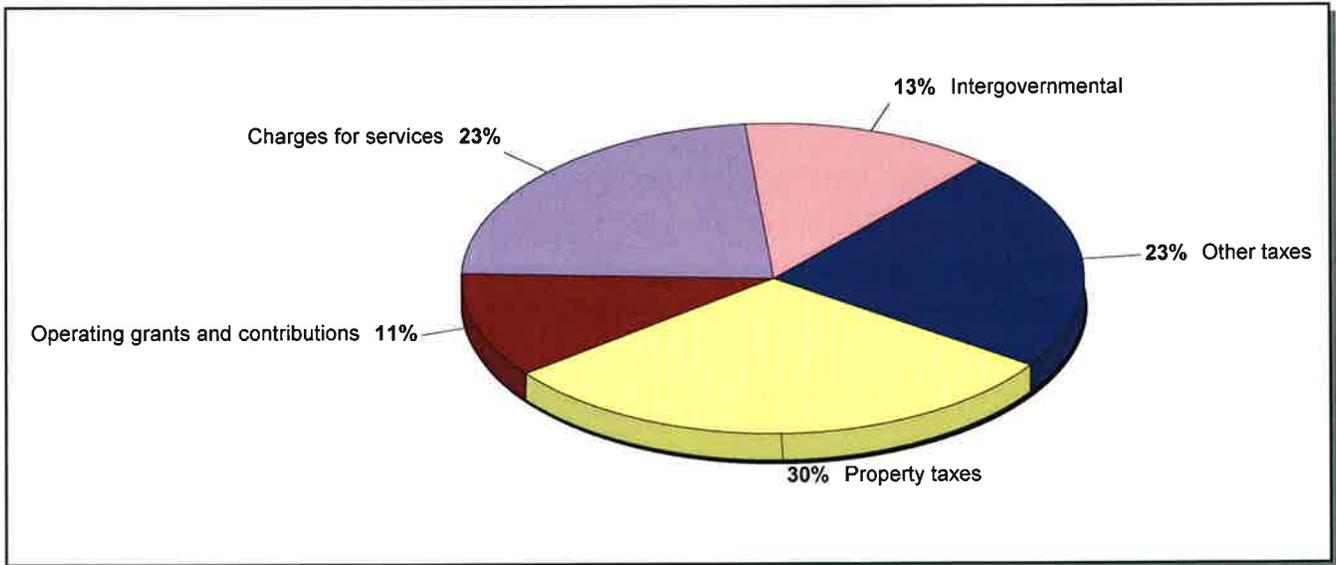
The Governmental Activities experienced an increase in revenue due to an increase in grant revenue, and an increase in expenses due to a capital asset purchases and increased overtime payroll expense. The combined increase in revenues and expenditures resulted in an increase in net position of \$311 thousand to \$3,678 thousand compared to \$3,367 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
As of and for the Year ended April 30, 2013
(Unaudited)

Governmental Activities

Governmental Revenues by Source



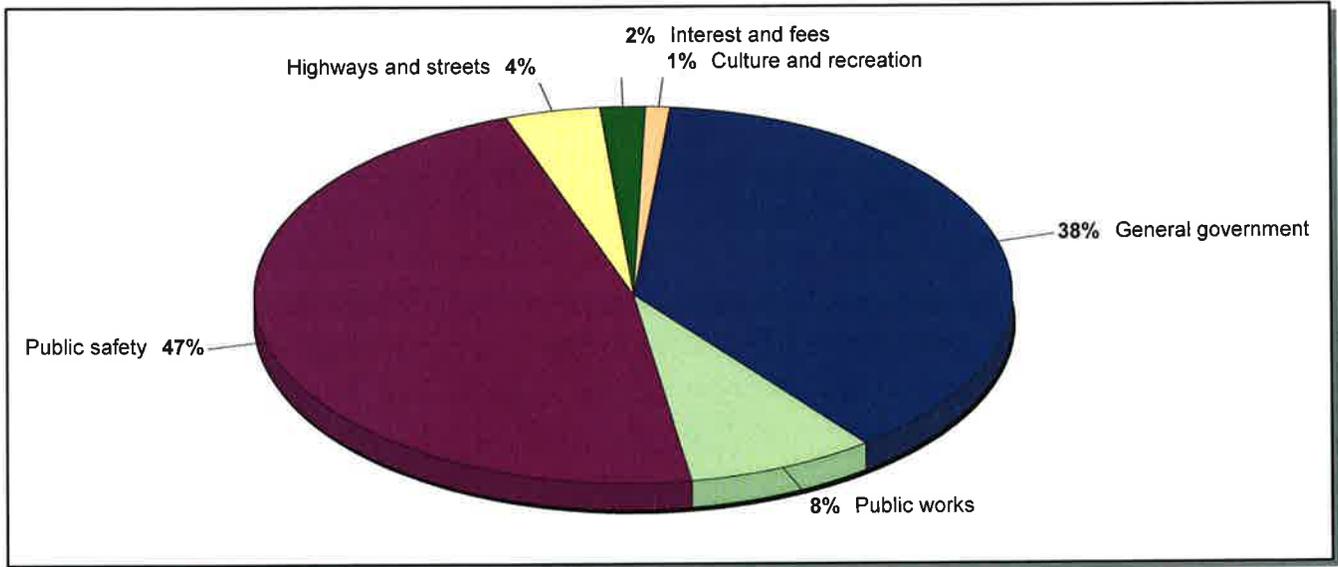
Revenues

The village experienced an increase in revenue for this fiscal year. The village received several more government grants in the current year compared to the ones received 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
As of and for the Year ended April 30, 2013
(Unaudited)

Governmental Expenses by Function



Expenses

The village's overall governmental activities expenses in the current fiscal year decreased slightly over the previous year, decreasing by \$55 thousand. The decrease is attributable to the maturing of the General Obligation bond Series 1997 in 2012.

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 \$100 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

As of and for the Year ended April 30, 2013

(Unaudited)

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 \$858 thousand, an increase of \$175 thousand from fiscal 2012. Revenues remained steady due to a decrease in taxes and increase in government grants. Expenditures have decreased by \$15 thousand mostly due to the General Obligation Bond Series 1997 maturing in 2012.

The Proprietary Fund is the Water and Sewer fund. The operating revenue for the Water Department increased in 2013 by \$100 thousand in comparison to fiscal 2012 due to increased charges for water rates. Operating expenses, consisting mostly of water purchases and personnel services, increased by approximately \$7 thousand. The change in net position for fiscal 2013 was \$64 thousand after consideration of non-operating revenues, expenses, and transfers. The net position of the proprietary funds at the end of fiscal 2013 equaled \$1.1 million, of which \$492 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 governmental grant revenue. The actual expenditures for fiscal 2013 were higher than budget by approximately \$64 thousand due to sidewalk repair projects that occurred in 2013. These projects were unforeseen when the village made their 2013 budget.

Capital Assets and Debt Administration

Capital assets

By the end of 2013, the village had compiled a total investment of \$8,604 thousand (\$3,382 thousand net of accumulated depreciation) in a broad range of capital assets. Total depreciation expense for the year was \$175 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 As of and for the Year ended April 30, 2013 (Unaudited)

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>	<u>Activities</u>	<u>Activities</u>	<u>2013</u>	<u>2012</u>
	2013	2012	2013	2012	2013	2012
Land	\$ 869	\$ 869	\$ -	\$ -	\$ 869	\$ 869
Land Improvements	152	170	-	-	152	170
Buildings and improvements	1,281	1,306	-	-	1,281	1,306
Well houses	-	-	3	19	3	19
Water & distribution systems	-	-	251	279	251	279
Equipment	137	160	72	-	209	160
Infrastructure	389	219	202	219	591	438
Construction in progress	-	-	26	-	26	-
Total	\$ 2,828	\$ 2,724	\$ 554	\$ 517	\$ 3,382	\$ 3,241

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. Overall, the village's governmental activities and business-type activities report a total debt of \$1.2 million. The village began the fiscal year with a balance of \$1.131 million in debt, increased debt by \$87 thousand, leaving an April 30, 2013 debt balance of \$1.2 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>	<u>Activities</u>	<u>Activities</u>	<u>2013</u>	<u>2012</u>
	2013	2012	2013	2012	2013	2012
Debt certificates	\$ 994	\$ 997	\$ -	\$ -	\$ 994	\$ 997
Other long term liabilities	130	102	14	14	144	116
Capital leases	6	-	55	-	61	-
Total	\$ 1,130	\$ 1,099	\$ 69	\$ 14	\$ 1,199	\$ 1,113

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2013 (Unaudited)

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 2015 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 5 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

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VILLAGE OF INDIAN HEAD PARK

STATEMENT OF NET POSITION

As of April 30, 2013

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	\$ 751,306	\$ 529,724	\$ 1,281,030
Receivables (net)			
Property taxes	501,173	-	501,173
Accounts	-	201,588	201,588
Other taxes	135,410	-	135,410
Intergovernmental	185,202	-	185,202
Miscellaneous	18,162	-	18,162
Internal balances	(129,683)	129,683	-
Prepaid insurance	37,575	13,202	50,777
Capital assets			
Land	868,988	-	868,988
Land improvements	360,756	-	360,756
Construction in progress	-	25,604	25,604
Buildings and improvements	2,024,237	-	2,024,237
Well houses	-	481,000	481,000
Water and distribution system	-	2,242,084	2,242,084
Equipment	580,848	362,869	943,717
Infrastructure	484,167	1,173,754	1,657,921
Less: Accumulated depreciation	(1,490,674)	(3,731,636)	(5,222,310)
Total Assets	<u>4,327,467</u>	<u>1,427,872</u>	<u>5,755,339</u>
LIABILITIES			
Accounts payable	33,506	73,679	107,185
Accrued salaries	56,858	7,231	64,089
Payroll liabilities	15,375	-	15,375
Deposits payable	-	131,481	131,481
Unearned revenue	495,522	45,646	541,168
Accrued interest payable	19,088	-	19,088
Noncurrent liabilities			
Due within one year	159,336	31,013	190,349
Due in more than one year	970,954	37,914	1,008,868
Total Liabilities	<u>1,750,639</u>	<u>326,964</u>	<u>2,077,603</u>
NET POSITION			
Net investment in capital assets	2,126,958	608,897	2,735,855
Restricted for			
Streets and highways	227,510	-	227,510
Recreational programs	12,151	-	12,151
Debt service	100,330	-	100,330
Unrestricted (Deficit)	<u>109,879</u>	<u>492,011</u>	<u>601,890</u>
TOTAL NET POSITION	<u>\$ 2,576,828</u>	<u>\$ 1,100,908</u>	<u>\$ 3,677,736</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 968,251	\$ 346,604	\$ -	\$ -
Public safety	1,208,088	203,001	205,994	-
Public works	207,103	83,886	106,704	-
Health and human services	11,204	-	-	-
Highways and streets	77,806	-	-	-
Culture and recreation	28,351	3,064	-	-
Interest and fiscal charges	64,204	-	-	-
Total Governmental Activities	2,565,007	636,555	312,698	-
Business-type Activities				
Water	870,610	907,344	-	25,604
Total Business-type Activities	870,610	907,344	-	25,604
Totals	\$ 3,435,617	\$ 1,543,899	\$ 312,698	\$ 25,604

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 position

NET POSITION - Beginning of Year

NET POSITION - END OF YEAR

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (621,647)	\$ -	\$ (621,647)
(799,093)	-	(799,093)
(16,513)	-	(16,513)
(11,204)	-	(11,204)
(77,806)	-	(77,806)
(25,287)	-	(25,287)
(64,204)	-	(64,204)
<u>(1,615,754)</u>	<u>-</u>	<u>(1,615,754)</u>
-	62,338	62,338
-	62,338	62,338
<u>(1,615,754)</u>	<u>62,338</u>	<u>(1,553,416)</u>
855,821	-	855,821
279,375	-	279,375
67,489	-	67,489
132,735	-	132,735
164,338	-	164,338
357,314	-	357,314
1,144	-	1,144
658	-	658
3,645	2,009	5,654
<u>1,862,519</u>	<u>2,009</u>	<u>1,864,528</u>
246,765	64,347	311,112
<u>2,330,063</u>	<u>1,036,561</u>	<u>3,366,624</u>
<u>\$ 2,576,828</u>	<u>\$ 1,100,908</u>	<u>\$ 3,677,736</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2013

	General	Motor Fuel Tax	Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 135,663	\$ 228,373	\$ 387,270
Receivables (net)			
Property taxes	485,058	-	16,115
Other taxes	135,410	-	-
Intergovernmental	178,652	6,550	-
Miscellaneous	13,442	-	4,720
Due from other funds	27,947	-	82,378
Prepaid insurance	37,575	-	-
TOTAL ASSETS	\$ 1,013,747	\$ 234,923	\$ 490,483
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 40,580	\$ 7,413	\$ 888
Accrued liabilities	56,858	-	-
Due to other funds	160,271	-	79,737
Deferred revenues	519,163	-	15,921
Total Liabilities	776,872	7,413	96,546
Fund Balances (Deficit)			
Non-spendable for prepaid items	37,575	-	-
Non-spendable for long-term interfunds	27,947	-	82,378
Restricted for streets and highways	-	227,510	-
Restricted for debt service	-	-	88,830
Restricted for recreational programs	-	-	12,151
Assigned for debt service	-	-	1,640
Assigned for capital projects	-	-	256,877
Assigned for recreational programs	-	-	19
Unassigned	171,353	-	(47,958)
Total Fund Balances	236,875	227,510	393,937
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,013,747	\$ 234,923	\$ 490,483

See accompanying notes to financial statements.

Totals
\$ 751,306
501,173
135,410
185,202
18,162
110,325
37,575
\$ 1,739,153

\$ 48,881
56,858
240,008
535,084
880,831

37,575
110,325
227,510
88,830
12,151
1,640
256,877
19
123,395
858,322

\$ 1,739,153

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VILLAGE OF INDIAN HEAD PARK

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of April 30, 2013

Total Fund Balances - Governmental Funds	\$	858,322
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.		2,828,322
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.		39,562
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		(1,130,290)
Accrued interest		<u>(19,088)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>2,576,828</u>

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended April 30, 2013

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Nonmajor Governmental Funds</u>
REVENUES			
Taxes	\$ 826,826	\$ -	\$ 28,995
Other taxes	644,188	-	-
Intergovernmental	564,452	106,704	-
Licenses, permits and fees	336,801	-	-
Fines and forfeiture	26,662	-	-
Charges for services	121,204	-	64,985
Reimbursements	678	-	-
Rentals	-	-	83,886
Investment income	650	2	6
Miscellaneous	<u>2,339</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>2,523,800</u>	<u>106,706</u>	<u>177,872</u>
EXPENDITURES			
Current			
General government	932,508	-	-
Public safety	1,111,599	-	48,605
Public works	154,347	77,806	-
Culture and recreation	-	-	28,351
Capital Outlay	222,126	-	-
Debt Service			
Principal	2,109	-	16,000
Interest	<u>-</u>	<u>-</u>	<u>51,581</u>
Total Expenditures	<u>2,422,689</u>	<u>77,806</u>	<u>144,537</u>
Excess (deficiency) of revenues over expenditures	<u>101,111</u>	<u>28,900</u>	<u>33,335</u>
OTHER FINANCING SOURCES (USES)			
Capital lease value	7,673	-	-
Sales of fixed assets	3,645	-	-
Transfers in	13,992	-	50,000
Transfers out	<u>(50,000)</u>	<u>(13,992)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(24,690)</u>	<u>(13,992)</u>	<u>50,000</u>
Net Change in Fund Balances	76,421	14,908	83,335
FUND BALANCES - Beginning of Year	<u>160,454</u>	<u>212,602</u>	<u>310,602</u>
FUND BALANCES - END OF YEAR	<u>\$ 236,875</u>	<u>\$ 227,510</u>	<u>\$ 393,937</u>

See accompanying notes to financial statements.

Totals

\$	855,821
	644,188
	671,156
	336,801
	26,662
	186,189
	678
	83,886
	658
	<u>2,339</u>
	<u>2,808,378</u>

	932,508
	1,160,204
	232,153
	28,351
	222,126

	18,109
	<u>51,581</u>
	<u>2,645,032</u>

163,346

	7,673
	3,645
	63,992
	<u>(63,992)</u>
	<u>11,318</u>

174,664

683,658

\$ 858,322

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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, 2013

Net change in fund balances - total governmental funds	\$ 174,664
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position 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.	
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements.	213,571
Depreciation as reported in the government-wide financial statements.	(109,655)
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.	(251)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Capital lease value	(7,673)
Principal repaid	18,109
Governmental funds report debt premiums, discounts and issuance costs as other financing sources (uses) or expenditures. However, in the statement of net position, 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.	
Deferred charge for refunding	(12,863)
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.	
Compensated absences	(10,190)
Accrued interest on debt	240
Net pension obligation	(19,187)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 246,765</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF NET POSITION PROPRIETARY FUND As of April 30, 2013

	<u>Water</u>
ASSETS	
Current Assets	
Cash and investments	\$ 529,724
Receivables (net)	
Accounts	201,588
Prepaid insurance	13,202
Due from other funds	<u>129,683</u>
Total Current Assets	<u>874,197</u>
Noncurrent Assets	
Capital Assets	
Construction in progress	25,604
Well houses	481,000
Water and distribution system	2,242,084
Equipment	362,869
Infrastructure	1,173,754
Less: Accumulated depreciation	<u>(3,731,636)</u>
Total Noncurrent Assets	<u>553,675</u>
Total Assets	<u>1,427,872</u>
LIABILITIES	
Current Liabilities	
Accounts payable	73,679
Accrued salaries	7,231
Deposits payable	131,481
Unearned revenue	<u>45,646</u>
Total Current Liabilities	<u>258,037</u>
Noncurrent Liabilities	
Long-Term Debt	
Due within one year	31,013
Due in more than one year	<u>37,914</u>
Total Noncurrent Liabilities	<u>68,927</u>
Total Liabilities	<u>326,964</u>
NET POSITION	
Net investment in capital assets	608,897
Unrestricted	<u>492,011</u>
TOTAL NET POSITION	<u>\$ 1,100,908</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUND For the Year Ended April 30, 2013

	<u>Water</u>
OPERATING REVENUES	
Charges for services	\$ 907,344
Total Operating Revenues	<u>907,344</u>
OPERATING EXPENSES	
Cost of sales and services	721,785
Administration	83,574
Depreciation	<u>65,251</u>
Total Operating Expenses	<u>870,610</u>
Operating (Loss)	<u>36,734</u>
NONOPERATING REVENUES	
Miscellaneous	2,009
Grants	<u>25,604</u>
Total Nonoperating Revenues	<u>27,613</u>
Change in Net Position	64,347
NET POSITION - Beginning of Year	<u>1,036,561</u>
NET POSITION - END OF YEAR	<u>\$ 1,100,908</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2013

	<u>Water</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 901,835
Paid to suppliers for goods and services	(532,227)
Paid to employees for services	<u>(190,853)</u>
Net Cash Flows From Operating Activities	<u>178,755</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Miscellaneous income	<u>2,009</u>
Net Cash Flows From Investing Activities	<u>2,009</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal repayments on capital lease	(20,745)
Capital grants received	25,604
Acquisition of capital assets	<u>(25,604)</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(20,745)</u>
Net Change in Cash and Cash Equivalents	160,019
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>369,705</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 529,724</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2013

	<u>Water</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ 36,734
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities	
Depreciation	65,251
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(5,509)
(Increase) decrease in prepaid insurance	84
Increase (decrease) in compensated absences	(456)
Increase (decrease) in accounts payable	27,490
Increase (decrease) in accrued salaries	662
Increase (decrease) in deposits payable	<u>54,499</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 178,755</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital lease initiated	<u>\$ 75,967</u>

See accompanying notes to financial statements.

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VILLAGE OF INDIAN HEAD PARK

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND As of April 30, 2013

	<u>Agency Fund</u>
ASSETS	
Cash and investments	\$ <u>81,818</u>
TOTAL ASSETS	<u>\$ 81,818</u>
LIABILITIES	
Other liabilities	\$ 12,912
Refundable deposits	<u>68,906</u>
TOTAL LIABILITIES	<u>\$ 81,818</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, 2013

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 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 to emphasize that it is legally separate from the primary government. This report does not contain any component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In June 2011, the GASB issued statement No. 63 - Financial Reporting of Deferred Outflows of Revenues, Deferred Inflows of Resources, and Net Position. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards did not include guidance for these elements, which are distinct from assets and liabilities. The village implemented this standard effective May 1, 2012.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

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

Government-Wide Financial Statements

The statement of net position 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 position/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/deferred outflows of resources, liabilities/deferred inflows of resources, 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, 2013

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.

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

Debt Service Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

Bond Debt Service 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
Capital Improvements Fund

In addition, the village reports the following fund type:

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, 2013

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 position 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.

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.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

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

Fund Financial Statements (cont.)

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 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.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION 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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

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, 2013, 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, 2013.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

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. Illinois Funds is rated AAAM.

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2012 attaches as an enforceable lien on January 1, 2012, 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 2012 tax levy, which attached as an enforceable lien on the property as of January 1, 2012, has been recorded as a receivable as of April 30, 2013.

Tax bills for levy year 2012 are prepared by Cook County and issued on or about February 1, 2013 and July 1, 2013, and are payable in two installments, on or about March 1, 2013 and August 1, 2013 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2nd installment of the 2012 property tax levy is recognized as a receivable and deferral in fiscal 2013. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2013, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2nd installment of the 2012 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, 2013.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

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 position. 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.

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 position. 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
Infrastructure	20-67 Years
Water and Distribution System	20-67 Years
Well Houses	20-67 Years

The village does not depreciate land.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

4. Capital Assets (cont.)

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.

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 position.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2013

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

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 position and displayed in three components:

- a. Net investment in capital assets - 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 position - Consists of net position 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 position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Equity Classifications (cont.)

Fund Statements (cont.)

- 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 (resolution) 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.

Proprietary fund equity is classified the same as in the government-wide statements.

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.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2013

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

A. BUDGETARY INFORMATION (cont.)

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
General Fund	\$ 2,358,494	\$ 2,422,689	\$ 64,195

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, 2013, the following individual fund held a deficit balance:

Fund	Amount	Reason
911	\$ 47,958	Fund incurred expenditures exceeding available assets

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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	\$ 1,269,167	\$ 1,288,518	Custodial credit
Other investments - Illinois Funds	89,265	89,265	Credit risk
Cash on hand	4,416	-	N/A
 Total Deposits and Investments	 \$ 1,362,848	 \$ 1,377,783	
 Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 1,281,030		
Per statement of net position- fiduciary funds			
Agency Fund	81,818		
 Total	 \$ 1,362,848		

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 through December 31, 2012. On January 1, 2013, the temporary unlimited coverage for noninterest bearing transaction accounts expired. Therefore, demand deposit accounts (interest-bearing and noninterest-bearing) are insured for a total of \$250,000 beginning January 1, 2013. In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit 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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

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.

Interest Rate Risk

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

The Village does not have any investments 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	\$ 485,058	\$ -	\$ -	\$ 16,115	\$ 501,173
Accounts	-	-	201,588	-	201,588
Sales tax	70,251	-	-	-	70,251
Local use tax	15,168	-	-	-	15,168
Utility tax	14,663	-	-	-	14,663
Telecommunications tax	33,267	-	-	-	33,267
State income tax	178,652	-	-	-	178,652
Motor fuel tax	-	6,550	-	-	6,550
Video gaming tax	2,061	-	-	-	2,061
911 allotment	-	-	-	4,720	4,720
Other	13,442	-	-	-	13,442
	<u>812,562</u>	<u>6,550</u>	<u>201,588</u>	<u>20,835</u>	<u>1,041,535</u>
Total	<u>\$ 812,562</u>	<u>\$ 6,550</u>	<u>\$ 201,588</u>	<u>\$ 20,835</u>	<u>\$ 1,041,535</u>

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, 2013

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	\$ -	\$ 495,522	\$ 495,522
Other taxes receivable	<u>39,562</u>	<u>-</u>	<u>39,562</u>
 Total Deferred/Unearned Revenue for Governmental Funds	 <u>\$ 39,562</u>	 <u>\$ 495,522</u>	 <u>\$ 535,084</u>

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

C. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2013, 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	2,007,437	16,800	-	2,024,237
Equipment	617,742	7,673	44,567	580,848
Infrastructure	295,069	189,098	-	484,167
Total Capital Assets Being Depreciated/ Amortized	3,281,004	213,571	44,567	3,450,008
Total Capital Assets	4,149,992	213,571	44,567	4,318,996
Less: Accumulated depreciation/ amortization for				
Land Improvements	(190,718)	(18,039)	-	(208,757)
Buildings and improvements	(700,947)	(42,797)	-	(743,744)
Equipment	(458,293)	(29,711)	44,567	(443,437)
Infrastructure	(75,628)	(19,108)	-	(94,736)
Total Accumulated Depreciation/ Amortization	(1,425,586)	(109,655)	44,567	(1,490,674)
Net Capital Assets Being Depreciated/ Amortized	1,855,418	103,916	-	1,959,334
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation/ Amortization	\$ 2,724,406	\$ 103,916	\$ -	\$ 2,828,322

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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	\$	20,119
Public safety		35,895
Public works, which includes the depreciation of infrastructure		42,437
Health and human services		1,000
Culture and recreation		<u>10,204</u>
Total Governmental Activities Depreciation/Amortization Expense	<u>\$</u>	<u>109,655</u>

Business-type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Water</u>				
Capital assets not being depreciated / amortized				
Construction in progress	\$ -	\$ 25,604	\$ -	\$ 25,604
Total Capital Assets Not Being Depreciated / Amortized	<u>-</u>	<u>25,604</u>	<u>-</u>	<u>25,604</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	75,967	-	362,869
Infrastructure	<u>1,173,754</u>	<u>-</u>	<u>-</u>	<u>1,173,754</u>
Total Capital Assets Being Depreciated / Amortized	<u>4,183,740</u>	<u>75,967</u>	<u>-</u>	<u>4,259,707</u>
Total Capital Assets	<u>4,183,740</u>	<u>101,571</u>	<u>-</u>	<u>4,285,311</u>
Less: Accumulated depreciation / amortization for				
Well houses	(462,026)	(16,033)	-	(478,059)
Water and distribution system	(1,962,845)	(27,987)	-	(1,990,832)
Equipment	(286,902)	(3,712)	-	(290,614)
Infrastructure	<u>(954,612)</u>	<u>(17,519)</u>	<u>-</u>	<u>(972,131)</u>
Total Accumulated Depreciation / Amortization	<u>(3,666,385)</u>	<u>(65,251)</u>	<u>-</u>	<u>(3,731,636)</u>
Net Capital Assets Being Depreciated/ Amortized	<u>517,355</u>	<u>10,716</u>	<u>-</u>	<u>528,071</u>
Net Water Plant	<u>\$ 517,355</u>	<u>\$ 36,320</u>	<u>\$ -</u>	<u>\$ 553,675</u>
Business-type Capital Assets, Net of Accumulated Depreciation / Amortization	<u>\$ 517,355</u>	<u>\$ 36,320</u>	<u>\$ -</u>	<u>\$ 553,675</u>

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

D. INTERFUND Receivables/Payables, Advances 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	51,790
Proprietary fund	General fund	<u>129,683</u>
Total - Fund Financial Statements		240,008
Less: Fund eliminations		<u>(110,325)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<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 position, 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, 2013

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

D. INTERFUND Receivables/Payables, Advances 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	\$ 50,000	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		63,992	
Less: Fund eliminations		<u>(63,992)</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, 2013

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

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended April 30, 2013, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
Debt certificates	\$ 1,010,000	\$ -	\$ 16,000	\$ 994,000	\$ 104,000
Deferred amounts on refundings	(12,863)	-	(12,863)	-	-
Sub-totals	<u>997,137</u>	<u>-</u>	<u>3,137</u>	<u>994,000</u>	<u>104,000</u>
Other Liabilities					
Vested compensated absences	43,410	63,823	53,633	53,600	53,600
Capital leases	-	7,673	2,109	5,564	1,736
IMRF net pension obligation	57,939	19,187	-	77,126	-
Total Other Liabilities	<u>101,349</u>	<u>90,683</u>	<u>55,742</u>	<u>136,290</u>	<u>55,336</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 1,098,486</u>	<u>\$ 90,683</u>	<u>\$ 58,879</u>	<u>\$ 1,130,290</u>	<u>\$ 159,336</u>
Business-type Activities					
Other Liabilities					
Vested compensated absences	\$ 14,161	\$ 13,306	\$ 13,762	\$ 13,705	\$ 13,705
Capital leases	-	75,967	20,745	55,222	17,308
Total Other Liabilities	<u>14,161</u>	<u>89,273</u>	<u>34,507</u>	<u>68,927</u>	<u>31,013</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 14,161</u>	<u>\$ 89,273</u>	<u>\$ 34,507</u>	<u>\$ 68,927</u>	<u>\$ 31,013</u>

Debt Certificates will be repaid from the Public Works Facility Fund. Estimated payments of compensated absences and IMRF net pension obligation are not included in the debt service requirement schedules. The compensated absences liability and the IMRF net pension obligation attributable to governmental activities will be liquidated primarily by 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, 2013, the statutory debt limit for the village was \$12,585,658, providing a debt margin of \$11,591,658.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2013

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, 2013, consist of the following:

<u>Governmental Activities</u> <u>Debt Certificates</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rates</u>	<u>Original</u> <u>Indebtedness</u>	<u>Balance</u> <u>April 30, 2013</u>
Series 2009	8/19/09	12/15/2020	2.50% - 5.90%	\$ 1,050,000	<u>\$ 994,000</u>
Total Governmental Activities Debt Certificates					<u>\$ 994,000</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>
2014	\$ 104,000	\$ 50,901
2015	109,000	46,741
2016	115,000	41,836
2017	120,000	36,373
2018	127,000	30,373
2019-2021	<u>419,000</u>	<u>48,844</u>
Totals	<u>\$ 994,000</u>	<u>\$ 255,068</u>

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

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

F. LEASE DISCLOSURES

Lessee - Capital Leases

In 2013 the Village acquired capital assets through a lease/purchase agreement. The gross amount of these assets under capital leases is \$83,640, which are included in capital assets in the governmental and business-type activities. The future minimum lease obligations and the net present value on these minimum lease payments as of April 30, 2013, are as follows:

Years	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2014	\$ 1,736	\$ 374	\$ 2,110	\$ 17,308	\$ 3,437	\$ 20,745
2015	1,852	257	2,109	18,385	2,360	20,745
2016	1,976	133	2,109	19,529	1,215	20,744
Totals	<u>\$ 5,564</u>	<u>\$ 764</u>	<u>\$ 6,328</u>	<u>\$ 55,222</u>	<u>\$ 7,012</u>	<u>\$ 62,234</u>

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Illinois Municipal Retirement Fund (cont.)

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. Effective January 1, 2011, IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in Regular Tier 1. If the member first participated in IMRF on or after January 1, 2011, they participate in Regular Tier 2.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2% for each year thereafter. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service, or age 62 with 35 years of service are entitled to an annual retirement benefit as described above. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The employer contribution rate for calendar year 2012 used by the employer was 10.55% of annual covered payroll. The employer annual required contribution rate for calendar year 2012 was 12.16%.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Illinois Municipal Retirement Fund (cont.)

Annual Pension Cost.

For the year ended 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 ending December 31, 2011, the village's actual contributions for pension costs were \$114,616. Its required contribution for the calendar year 2011 was \$142,703. The difference resulted in a net pension obligation of \$29,087.

For calendar year ended December 31, 2012, the village's actual contributions for pension cost were \$125,726. Its required contribution for calendar year 2012 was \$144,913. The difference resulted in a net increase to the net pension obligation of \$19,187, increasing the IMRF net pension obligation from \$57,939 to \$77,126.

The required contribution for 2012 was determined as part of the December 31, 2010 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, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress

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

	Illinois Municipal Retirement
Actuarial Valuation Date	12/31/2010
Actuarial Valuation of Assets (a)	\$ 3,768,332
Actuarial Accrued Liability (AAL) - Entry Age (b)	\$ 4,736,787
Unfunded AAL (UAAL) (b - a)	\$ 968,455
Funded Ratio (a/b)	80 %
Covered Payroll (c)	1,191,716
UAAL as a Percentage of Covered Payroll ((b-a)/c)	81 %

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

NOTE IV - OTHER INFORMATION (cont.)

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.

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. COMMITMENTS AND CONTINGENCIES

The village has active construction projects as of April 30, 2013. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. As of April 30, 2013 the village is committed to approximately \$430,181, in expenditures for a water main replacement project. These expenditures will be partially funded by a grant received from DCEO as well as through the funds available in the Water/Sewer Fund.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2013

NOTE IV - OTHER INFORMATION (cont.)

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. 65, Items Previously Reported as Assets and Liabilities; Statement No. 66, Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62; 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 of 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, 2013

With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ 839,329	\$ 826,826	\$ (12,503)	\$ 931,802
Other taxes	601,000	644,188	43,188	638,681
Intergovernmental	366,864	564,452	197,588	422,210
Licenses, permits and fees	316,050	336,801	20,751	325,166
Fines and forfeiture	40,000	26,662	(13,338)	33,496
Charges for services	108,065	121,204	13,139	118,799
Reimbursements	3,600	678	(2,922)	755
Investment income	50	650	600	322
Miscellaneous	4,700	2,339	(2,361)	5,339
Total Revenues	<u>2,279,658</u>	<u>2,523,800</u>	<u>244,142</u>	<u>2,476,570</u>
EXPENDITURES				
General government	948,765	932,508	16,257	860,164
Public safety	1,190,962	1,111,599	79,363	1,143,781
Public works	202,767	154,347	48,420	186,825
Capital Outlay	16,000	222,126	(206,126)	74,934
Debt service - principal	-	2,109	(2,109)	16,343
Debt service - interest	-	-	-	659
Total Expenditures	<u>2,358,494</u>	<u>2,422,689</u>	<u>(64,195)</u>	<u>2,282,706</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(78,836)</u>	<u>101,111</u>	<u>179,947</u>	<u>193,864</u>
OTHER FINANCING SOURCES				
Sales of capital assets	2,500	3,645	1,145	4,065
Capital lease value	-	7,673	7,673	-
Transfers in	14,000	13,992	(8)	13,992
Transfers out	(50,000)	(50,000)	-	(61,000)
Total Other Financing Sources	<u>(33,500)</u>	<u>(24,690)</u>	<u>8,810</u>	<u>(42,943)</u>
Net Change in Fund Balance	<u>\$ (112,336)</u>	<u>76,421</u>	<u>\$ 188,757</u>	<u>150,921</u>
FUND BALANCE - Beginning of Year		<u>160,454</u>		<u>9,533</u>
FUND BALANCE - END OF YEAR		<u>\$ 236,875</u>		<u>\$ 160,454</u>

See independent 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, 2013
With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Motor fuel tax	\$ 91,797	\$ 106,704	\$ 14,907	\$ 109,554
Investment income	150	2	(148)	201
Total Revenues	<u>91,947</u>	<u>106,706</u>	<u>14,759</u>	<u>109,755</u>
EXPENDITURES				
Highways and Streets				
Professional services	7,000	4,074	2,926	930
Road maintenance	29,944	28,381	1,563	48,989
Salt	13,000	15,867	(2,867)	35,905
Snow removal	10,764	10,977	(213)	11,377
Miscellaneous	200	40	160	5
Utilities	<u>25,000</u>	<u>18,467</u>	<u>6,533</u>	<u>21,808</u>
Total Expenditures	<u>85,908</u>	<u>77,806</u>	<u>8,102</u>	<u>119,014</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,039</u>	<u>28,900</u>	<u>22,861</u>	<u>(9,259)</u>
OTHER FINANCING USES				
Transfers (out)	<u>(14,000)</u>	<u>(13,992)</u>	<u>8</u>	<u>(13,992)</u>
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>\$ (7,961)</u>	14,908	<u>\$ 22,869</u>	(23,251)
FUND BALANCE - Beginning of Year		<u>212,602</u>		<u>235,853</u>
FUND BALANCE - END OF YEAR		<u>\$ 227,510</u>		<u>\$ 212,602</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, 2013

<u>Actuarial Valuation Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/12	\$ 144,913	87.00%	\$ 77,126
12/31/11	142,703	80.00%	57,939
12/31/10	130,747	77.00%	29,852

<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>
12/31/12	\$ 3,768,332	\$ 4,736,787	\$ 968,455	79.55%	\$ 1,191,716	81.27%
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	2,302,801	3,145,453	842,652	73.21%	1,117,812	75.38%

Digest of Changes

Assumptions

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$3,862,395. On a market basis, the funded ratio would be 81.54%.

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	12/31/2012
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	30
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, 2013

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, 2013
with Comparative Actual Amounts for the Year Ended April 30, 2012

	2013		Variance with Final Budget	2012 Actual
	Original and Final Budget	Actual		
PROPERTY TAXES				
Property taxes	\$ 839,329	\$ 826,826	\$ (12,503)	\$ 931,802
Total Property Taxes	<u>839,329</u>	<u>826,826</u>	<u>(12,503)</u>	<u>931,802</u>
OTHER TAXES				
Sales	300,000	279,918	(20,082)	288,532
Local use	-	61,477	61,477	56,686
Utility taxes	165,000	164,338	(662)	159,712
Telecommunication	136,000	132,846	(3,154)	133,751
Other taxes	-	5,609	5,609	-
Total Other Taxes	<u>601,000</u>	<u>644,188</u>	<u>43,188</u>	<u>638,681</u>
INTERGOVERNMENTAL TAXES				
State income tax	365,664	357,314	(8,350)	321,607
Personal property replacement tax	1,200	1,144	(56)	1,153
Federal grants	-	205,994	205,994	99,450
Total Intergovernmental Taxes	<u>366,864</u>	<u>564,452</u>	<u>197,588</u>	<u>422,210</u>
LICENSES, PERMITS AND FEES				
Vehicle license fees	155,000	151,945	(3,055)	154,430
Business licenses	62,450	68,662	6,212	66,244
Alarm licenses	600	4,400	3,800	350
Building permit fees	28,000	37,630	9,630	26,091
Franchise fees	70,000	74,164	4,164	78,051
Total Licenses, Permits and Fees	<u>316,050</u>	<u>336,801</u>	<u>20,751</u>	<u>325,166</u>
FINES AND FORFEITURE				
Court and traffic fines	40,000	26,662	(13,338)	33,496
Total Fines and Forfeiture	<u>40,000</u>	<u>26,662</u>	<u>(13,338)</u>	<u>33,496</u>
CHARGES FOR SERVICES				
Public hearing fees	500	3,500	3,000	-
Lyons township hireback	95,815	105,981	10,166	106,003
Highlands school district patrol	1,750	1,873	123	1,411
Smoke signals advertisements	3,000	2,750	(250)	3,385
Elevator inspections	7,000	7,100	100	8,000
Total Charges for Services	<u>108,065</u>	<u>121,204</u>	<u>13,139</u>	<u>118,799</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2013
with Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REIMBURSEMENTS				
Developer's reimbursements	\$ 2,500	\$ -	\$ (2,500)	\$ -
Miscellaneous reimbursements	1,000	678	(322)	755
Police training reimbursements	<u>100</u>	<u>-</u>	<u>(100)</u>	<u>-</u>
Total Reimbursements	<u>3,600</u>	<u>678</u>	<u>(2,922)</u>	<u>755</u>
INVESTMENT INCOME				
Investment income	<u>50</u>	<u>650</u>	<u>600</u>	<u>322</u>
Total Investment Income	<u>50</u>	<u>650</u>	<u>600</u>	<u>322</u>
MISCELLANEOUS				
Police seizure	1,000	-	(1,000)	-
Heritage center contributions	3,000	3,064	64	5,073
Contributions	100	-	(100)	125
Wolf road contributions	100	-	(100)	-
Miscellaneous	<u>500</u>	<u>(725)</u>	<u>(1,225)</u>	<u>141</u>
Total Miscellaneous	<u>4,700</u>	<u>2,339</u>	<u>(2,361)</u>	<u>5,339</u>
TOTAL REVENUES	<u>\$ 2,279,658</u>	<u>\$ 2,523,800</u>	<u>\$ 244,142</u>	<u>\$ 2,476,570</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2013

With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
GENERAL GOVERNMENT				
President and Village Board				
Salaries	\$ 33,425	\$ 33,050	\$ 375	\$ 33,425
Meeting/conferences/training	1,000	1,103	(103)	755
Membership fees	7,300	8,115	(815)	7,311
Office equipment	-	-	-	4,442
Miscellaneous	250	(74)	324	178
Total President and Village Board	<u>41,975</u>	<u>42,194</u>	<u>(219)</u>	<u>46,111</u>
Administration				
Salaries	\$ 154,739	\$ 153,936	\$ 803	\$ 148,080
Overtime	500	996	(496)	-
Salaries - smoke signal	2,000	1,200	800	1,600
Ads/copying/printing	100	-	100	-
Equipment maintenance	1,000	595	405	279
Budget preparation	1,250	-	1,250	-
Meeting/conference/training	-	15	(15)	-
Membership fees	100	175	(75)	230
Postage	2,500	1,456	1,044	2,508
Professional services - data processing	12,000	11,758	242	9,661
Publications - legal notices	800	893	(93)	771
Administrative	150	27	123	-
Office supplies	4,500	4,205	295	3,400
Periodicals	50	54	(4)	25
Vehicle licenses / decals	3,000	3,081	(81)	3,246
Computer software	500	62	438	1,262
Office equipment	2,000	352	1,648	6,227
Miscellaneous	500	2,562	(2,062)	1,150
IMRF contributions	118,798	116,685	2,113	101,999
Social security	99,437	78,862	20,575	70,499
Total Administration	<u>403,924</u>	<u>376,914</u>	<u>27,010</u>	<u>350,937</u>
Liability Insurance				
Insurance premium	58,332	56,521	1,811	61,936
IRMA deductible	7,500	2,981	4,519	2,309
Total Liability Insurance	<u>65,832</u>	<u>59,502</u>	<u>6,330</u>	<u>64,245</u>
Buildings and Grounds				
Maintenance services - garage	6,500	8,839	(2,339)	10,645
Maintenance services - village hall/police	8,000	5,513	2,487	8,711
Custodial services	14,000	13,560	440	13,658
Garage supplies	2,000	2,655	(655)	1,671
Maintenance - heritage	2,000	3,431	(1,431)	1,918
Landscape supplies	2,000	2,837	(837)	3,369
Maintenance supplies - village hall/police	2,500	1,280	1,220	2,460
Heritage center	250	413	(163)	105

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2013

With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
GENERAL GOVERNMENT (cont.)				
Fountain - Blackhawk Park	\$ -	\$ 123,875	\$ (123,875)	\$ -
Streets and Parkways Construction	-	65,223	(65,223)	-
Blacktop municipal facility	2,000	-	2,000	-
Office Equipment	6,000	1,161	4,839	-
Buildings-Village Hall/Police	14,350	16,800	(2,450)	-
Total Buildings and Grounds	<u>59,600</u>	<u>245,587</u>	<u>(185,987)</u>	<u>42,537</u>
Building Department				
Professional services - building inspector	3,000	3,020	(20)	2,535
Professional services - electrical inspector	1,500	940	560	810
Professional services - elevator inspector	2,000	1,763	237	1,378
Professional services - plan review	5,000	9,454	(4,454)	3,060
Professional services - plumbing inspector	1,500	775	725	630
Office supplies	200	55	145	438
Periodicals	100	-	100	-
Total Building Department	<u>13,300</u>	<u>16,007</u>	<u>(2,707)</u>	<u>8,851</u>
Fire and Police Commission				
Membership fees	400	375	25	451
Professional services - legal	1,500	-	1,500	-
Salaries	700	-	700	-
Publication/legal notices	1,500	-	1,500	-
Office supplies	100	18	82	-
Total Fire and Police Commission	<u>4,200</u>	<u>393</u>	<u>3,807</u>	<u>451</u>
Planning and Zoning				
Salaries	1,125	1,625	(500)	-
Publications/legal notices	-	474	(474)	-
Office supplies	250	-	250	-
Total Planning and Zoning	<u>1,375</u>	<u>2,099</u>	<u>(724)</u>	<u>-</u>
Outside Services				
Employee relations	700	140	560	154
Community relations	1,000	1,531	(531)	768
Health and life insurance	207,280	226,707	(19,427)	223,013
Professional services - legal	87,000	101,181	(14,181)	58,631
Professional services - prosecutor	11,000	10,450	550	10,450
Smoke signals	10,000	6,377	3,623	8,206
Telephone/communications	17,000	24,932	(7,932)	16,336
Unemployment insurance	3,000	2,030	970	2,307
Professional services - consulting	500	850	(350)	1,000
Accounting	21,079	21,080	(1)	25,667
Miscellaneous expenses	-	432	(432)	500
Total Outside Services	<u>358,559</u>	<u>395,710</u>	<u>(37,151)</u>	<u>347,032</u>
Total General Government	<u>948,765</u>	<u>1,138,406</u>	<u>(189,641)</u>	<u>860,164</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2013

With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
PUBLIC SAFETY				
Salaries	\$ 850,484	\$ 778,995	\$ 71,489	\$ 765,560
Overtime	105,000	109,884	(4,884)	134,139
Lyons township hireback	59,280	66,965	(7,685)	65,175
Central dispatch assessment	68,598	68,598	-	63,600
Vehicle/equipment maintenance	30,000	24,778	5,222	36,339
Safety equipment	3,000	1,489	1,511	1,376
Maintenance materials	1,000	771	229	654
Gas and oil	33,000	29,113	3,887	32,585
Meeting/conference/training	7,500	10,334	(2,834)	7,134
Membership fees	500	760	(260)	225
Clothing and uniforms	15,000	6,711	8,289	18,767
Vehicles/Other Equipment	-	1,799	(1,799)	74,934
Telephone/communications	9,000	4,596	4,404	8,499
Postage	500	71	429	496
Office supplies	3,500	2,180	1,320	2,080
Animal control	200	1,215	(1,015)	200
Miscellaneous	500	239	261	3,312
Office equipment	1,500	-	1,500	1,190
CALEA consulting	2,400	4,900	(2,500)	2,450
Total Public Safety	1,190,962	1,113,398	77,564	1,218,715
PUBLIC WORKS				
Salaries	44,867	44,795	72	41,554
Salaries - temporary	2,000	-	2,000	1,012
Overtime	16,000	13,001	2,999	8,133
Meeting/conference/training	1,500	1,008	492	422
Membership fees	550	417	133	525
Clothing and uniforms	1,000	1,219	(219)	1,030
Office supplies	1,750	1,627	123	1,268
Postage	250	133	117	173
Telephone/communications	5,000	5,927	(927)	4,690
Electricity	7,500	5,832	1,668	8,445
Professional services - engineering	18,000	29,114	(11,114)	33,128
Professional services - landscaping/leaf removal	2,500	917	1,583	1,630
Engineering - developer/prop C	2,500	-	2,500	-
Utility expense	8,600	2,460	6,140	4,018
Tree maintenance	10,000	7,425	2,575	6,755
Streets and parkways maintenance	6,500	(1,374)	7,874	-
Vehicles/other equipment	34,000	21,103	12,897	21,096
Equipment/vehicle maintenance	5,500	3,357	2,143	3,609
Equipment rental	6,000	1,465	4,535	5,152
Streets and parkways materials	4,000	2,701	1,299	3,392

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2013

With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
Storm sewer materials	\$ 1,000	\$ -	\$ 1,000	\$ 1,182
Tree program	500	985	(485)	2,134
Tools and hardware	1,000	674	326	1,622
Gas and oil	11,000	8,475	2,525	8,931
Storm sewer maintenance	23,150	15,865	7,285	23,390
Safety equipment	1,750	1,389	361	2,054
Drainage materials	2,000	1,193	807	1,421
Professional services - tree consultant	250	-	250	-
Miscellaneous	100	(932)	1,032	59
Total Public Works	218,767	168,776	49,991	186,825
DEBT SERVICE				
Debt service - principal	-	2,109	(2,109)	16,343
Debt service - interest	-	-	-	659
Total Debt Service	-	2,109	(2,109)	17,002
TOTAL EXPENDITURES	\$ 2,358,494	\$ 2,422,689	\$ (64,195)	\$ 2,282,706

VILLAGE OF INDIAN HEAD PARK

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of April 30, 2013

	Special Revenue		Capital Projects		
	911	Special Parks	Road Improvement Bond	Public Works Facility	Capital Improvements
ASSETS					
Cash and investments	\$ -	\$ 11,976	\$ 20,364	\$ 162,416	\$ 102,044
Receivables (net)					
Property taxes	-	16,115	-	-	-
Other receivables	4,720	-	-	-	-
Due from other funds	-	-	-	-	51,790
TOTAL ASSETS	<u>\$ 4,720</u>	<u>\$ 28,091</u>	<u>\$ 20,364</u>	<u>\$ 162,416</u>	<u>\$ 153,834</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 888	\$ -	\$ -	\$ -	\$ -
Due to other funds	51,790	-	-	27,947	-
Deferred revenues	-	15,921	-	-	-
Total Liabilities	<u>52,678</u>	<u>15,921</u>	<u>-</u>	<u>27,947</u>	<u>-</u>
Fund Balances					
Restricted for recreational programs	-	12,151	-	-	-
Non-spendable for long-term interfunds	-	-	-	-	51,790
Restricted for debt service	-	-	-	-	-
Assigned for capital projects	-	-	20,364	134,469	102,044
Assigned for recreational programs	-	19	-	-	-
Assigned for debt service	-	-	-	-	-
Unassigned	<u>(47,958)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficit)	<u>(47,958)</u>	<u>12,170</u>	<u>20,364</u>	<u>134,469</u>	<u>153,834</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,720</u>	<u>\$ 28,091</u>	<u>\$ 20,364</u>	<u>\$ 162,416</u>	<u>\$ 153,834</u>

<u>Debt Service</u>	
<u>Bond Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 90,470	\$ 387,270
-	16,115
-	4,720
<u>30,588</u>	<u>82,378</u>
<u>\$ 121,058</u>	<u>\$ 490,483</u>

\$ -	\$ 888
-	79,737
-	<u>15,921</u>
-	<u>96,546</u>

-	12,151
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30,588	82,378
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88,830	88,830
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-	256,877
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-	19
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1,640	1,640
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-	<u>(47,958)</u>
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<u>121,058</u>	<u>393,937</u>
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<u>\$ 121,058</u>	<u>\$ 490,483</u>
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VILLAGE OF INDIAN HEAD PARK

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended April 30, 2013

	Special Revenue		Capital Projects		
	911	Special Parks	Road Improvement Bond	Public Works Facility	Capital Improvements
REVENUES					
Property taxes	\$ -	\$ 28,995	\$ -	\$ -	\$ -
911 surcharge	64,985	-	-	-	-
Rentals	-	-	-	83,886	-
Investment income	6	-	-	-	-
Total Revenues	64,991	28,995	-	83,886	-
EXPENDITURES					
Current					
Public safety	48,605	-	-	-	-
Culture and recreation	-	28,351	-	-	-
Debt Service					
Debt service - principal	-	-	-	16,000	-
Debt service - interest	-	-	-	51,541	-
Other interest and fiscal charges	-	-	-	40	-
Total Expenditures	48,605	28,351	-	67,581	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	50,000	-
Total Other Financing Sources (Uses)	-	-	-	50,000	-
Net Change in Fund Balances	16,386	644	-	66,305	-
FUND BALANCES (DEFICIT)					
- Beginning of Year	(64,344)	11,526	20,364	68,164	153,834
FUND BALANCES (DEFICIT) - END OF YEAR	\$ (47,958)	\$ 12,170	\$ 20,364	\$ 134,469	\$ 153,834

<u>Debt Service</u>	
<u>Bond Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 28,995
-	64,985
-	83,886
-	6
-	<u>177,872</u>
-	48,605
-	28,351
-	16,000
-	51,541
-	40
-	<u>144,537</u>
-	50,000
-	<u>50,000</u>
-	83,335
<u>121,058</u>	<u>310,602</u>
<u>\$ 121,058</u>	<u>\$ 393,937</u>

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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, 2013
 With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 52,995
Investment income	-	-	-	2
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,997</u>
EXPENDITURES				
Debt service - principal	-	-	-	100,000
Debt service - interest	-	-	-	5,400
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,400</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	(52,403)
FUND BALANCE - Beginning of Year		<u>121,058</u>		<u>173,461</u>
FUND BALANCE - END OF YEAR		<u>\$ 121,058</u>		<u>\$ 121,058</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, 2013
With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
911 surcharge	\$ 64,800	\$ 64,985	\$ 185	\$ 59,570
Investment income	-	6	6	5
Total Revenues	<u>64,800</u>	<u>64,991</u>	<u>191</u>	<u>59,575</u>
EXPENDITURES				
Ameritech lines	7,500	4,405	3,095	4,500
Equipment maintenance	1,500	40	1,460	310
Central dispatch assessment	44,400	44,160	240	53,051
Total Expenditures	<u>53,400</u>	<u>48,605</u>	<u>4,795</u>	<u>57,861</u>
Net Change in Fund Balance	<u>\$ 11,400</u>	16,386	<u>\$ 4,986</u>	1,714
FUND BALANCE (DEFICIT) - Beginning of Year		<u>(64,344)</u>		<u>(66,058)</u>
FUND BALANCE (DEFICIT) - END OF YEAR		<u>\$ (47,958)</u>		<u>\$ (64,344)</u>

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, 2013

With Comparative Actual Amounts for the Year Ended April 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ 30,591	\$ 28,995	\$ (1,596)	\$ 29,530
Investment income	5	-	(5)	-
Total Revenues	<u>30,596</u>	<u>28,995</u>	<u>(1,601)</u>	<u>29,530</u>
EXPENDITURES				
Special parks	28,351	28,351	-	27,456
Total Expenditures	<u>28,351</u>	<u>28,351</u>	<u>-</u>	<u>27,456</u>
Net Change in Fund Balance	<u>\$ 2,245</u>	644	<u>\$ (1,601)</u>	2,074
FUND BALANCE - Beginning of Year		<u>11,526</u>		<u>9,452</u>
FUND BALANCE - END OF YEAR		<u>\$ 12,170</u>		<u>\$ 11,526</u>

VILLAGE OF INDIAN HEAD PARK

PROPRIETARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended April 30, 2013 and 2012

	Business-type Activities Enterprise Fund	
	Water	
	2013	2012
OPERATING REVENUES		
Water usage	\$ 805,362	\$ 711,078
Finance charges - water	10,678	8,408
Finance charges - sewer	992	905
Sewer charges	90,312	86,753
Total Operating Revenues	907,344	807,144
OPERATING EXPENSES		
Water:		
Water purchases	432,739	422,017
Personnel services	115,689	106,262
Professional services	9,304	9,364
IMRF contributions	15,540	14,863
Social security	7,381	7,381
Maintenance	35,543	23,534
Materials	12,271	11,913
Electricity	5,377	5,908
Sewer:		
Personnel services	75,370	70,247
Professional services	12,466	20,277
Water - Administration:		
Equipment and vehicle maintenance	1,640	4,000
Pump maintenance	2,397	67
Equipment Rental	359	455
Health and life insurance	39,490	35,064
Meetings and conferences	230	180
Membership fees	305	310
Postage	1,150	1,542
Telephone and communications	3,599	3,868
Tools and hardware	718	212
Clothing and uniforms	744	889
Gas and oil	122	987
Office supplies	1,183	1,108
Safety equipment	578	822
Miscellaneous	35	392
Building	300	182

VILLAGE OF INDIAN HEAD PARK

PROPRIETARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For the Years Ended April 30, 2013 and 2012

	Business-type Activities Enterprise Fund	
	Water	
	2013	2012
OPERATING EXPENSES (cont.)		
Sewer - Administration:		
Equipment and vehicle maintenance	\$ 341	\$ -
Sewer system maintenance materials	240	490
Accounting	9,471	11,531
Illinois EPA fees	1,000	1,000
Insurance premium	19,672	21,576
Depreciation	65,251	86,560
Total Operating Expenses	870,610	863,001
Operating Income (Loss)	36,734	(55,857)
 NONOPERATING REVENUES		
Grants	25,604	
Miscellaneous	2,009	451
Total Nonoperating Revenues	27,613	451
 Change in net position	64,347	(55,406)
NET POSITION - Beginning of Year	1,036,561	1,091,967
NET POSITION - END OF YEAR	\$ 1,100,908	\$ 1,036,561

VILLAGE OF INDIAN HEAD PARK

AGENCY FUNDS SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES For the Year Ended April 30, 2013

	<u>Balance</u> <u>April 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>April 30, 2013</u>
<u>CLEARING FUNDS:</u>				
ASSETS				
Cash and cash equivalent	\$ 80,218	\$ 14,700	\$ 13,100	\$ 81,818
Total Assets	\$ 80,218	\$ 14,700	\$ 13,100	\$ 81,818
LIABILITIES				
Other liabilities	\$ 12,912	\$ -	\$ -	\$ 12,912
Refundable deposits	67,306	6,000	4,400	68,906
Total Liabilities	\$ 80,218	\$ 6,000	\$ 4,400	\$ 81,818

VILLAGE OF INDIAN HEAD PARK

FIVE YEAR SUMMARY OF EQUALIZED ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS April 30, 2013

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
EQUALIZED ASSESSED VALUATION	\$ 154,765,478	\$ 174,728,538	\$ 184,758,423	\$ 182,912,155	\$ 145,920,676
TAX RATES					
General:					
Corporate	0.2360	0.3056	0.2977	0.3030	0.3947
Illinois Municipal Retirement Fund	0.0576	0.0549	0.0474	0.0514	0.0622
Social Security	0.0576	0.0549	0.0474	0.0514	0.0594
Auditing	0.0115	0.0137	0.0131	0.0144	0.0187
Police Protection	0.0466	0.0000	0.0000	0.0000	0.0000
Liability Insurance	0.0346	0.0412	0.0406	0.0431	0.0548
Debt Service	0.0709	0.0632	0.0599	0.0605	0.0000
Street and Bridge	0.0599	0.0000	0.0000	0.0000	0.0000
Special Parks	0.0153	0.0146	0.0146	0.0152	0.0205
Totals	0.5900	0.5481	0.5207	0.5390	0.6103
TAX EXTENSIONS					
General:					
Corporate	\$ 365,135	\$ 534,055	\$ 550,020	\$ 554,140	\$ 576,000
Illinois Municipal Retirement Fund	89,182	96,011	87,515	94,067	90,824
Social Security	89,182	96,011	87,515	94,067	86,738
Auditing	17,837	24,002	24,167	26,250	27,247
Police Protection	72,100	0	-	-	-
Liability Insurance	53,510	72,009	75,008	78,836	79,926
Debt Service	109,673	110,371	110,707	110,670	-
Street and Bridge	92,700	0	-	-	-
Special Parks	23,690	25,505	26,931	27,810	29,870
Totals	\$ 913,009	\$ 957,964	\$ 961,863	\$ 985,840	\$ 890,605

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VILLAGE OF INDIAN HEAD PARK

DEBT SERVICE REQUIREMENTS 2009 GENERAL OBLIGATION LIMITED DEBT CERTIFICATES April 30, 2013

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	-	-	-
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	36,373	156,373
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	<u>\$ 1,050,000</u>	<u>\$ 56,000</u>	<u>\$ 994,000</u>	<u>\$ 255,068</u>	<u>\$ 1,249,068</u>

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

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