

VILLAGE OF INDIAN HEAD PARK

Indian Head Park, Illinois

FINANCIAL STATEMENTS

As of and for the Year Ended April 30, 2014

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, 2014, 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, 2014 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I, the Village of Indian Head Park adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective May 1, 2013. 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 required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended April 30, 2014 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 supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended April 30, 2014, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended April 30, 2014.

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, 2013 (not presented herein), and have issued our report thereon dated September 6, 2013, 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 2013 supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended April 30, 2013.

Balar Tully Vachon Krause, LLP

Oak Brook, Illinois
September 5, 2014

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2014 (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, 2014. 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 and deferred inflows at the close of the most recent fiscal year by \$4,289 thousand (net position). Of this amount, \$1,010 thousand is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors.
- > In total, net position increased by \$611 thousand.
- > As of the close of the current fiscal year, the village's governmental funds reported combined ending fund balances of \$1,053 thousand, an increase of \$195 thousand in comparison with the prior year.
- > General revenues accounted for \$2,016 thousand in revenue or 71% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$845 thousand or 29% of total governmental revenues of \$2,861 thousand.
- > The village had \$2,542 thousand in expenses related to government activities. However, only \$845 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 \$378 thousand.
- > The village's total debt decreased by \$150 thousand during the current year to \$1.05 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, 2014 (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/deferred outflows of resources and liabilities/deferred inflows of resources, 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, 2014 (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, 2014
(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> </u>	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 1,699	\$ 1,499	\$ 880	\$ 874	\$ 2,579	\$ 2,373
Capital assets	2,781	2,828	745	554	3,526	3,382
Total assets	4,480	4,327	1,625	1,428	6,105	5,755
Liabilities						
Long-term liabilities	1,011	1,130	41	69	1,052	1,199
Other liabilities	111	620	191	258	302	878
Total liabilities	1,122	1,750	232	327	1,354	2,077
Deferred inflows	462	-	-	-	462	-
Net position						
Net investment in capital assets	2,154	2,127	707	609	2,861	2,736
Restricted	343	340	-	-	343	340
Unrestricted (Deficit)	399	110	686	492	1,085	602
Total net position	\$ 2,896	\$ 2,577	\$ 1,393	\$ 1,101	\$ 4,289	\$ 3,678

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, 2014 (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 \$611 thousand from \$3,678 thousand to \$4,289 thousand. The village's total assets equal \$6,105 thousand. The village's total liabilities and deferred inflows of resources equal \$1,816 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 \$1,010 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>2014 2013</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues						
<i>Program revenues</i>						
Charges for services	\$ 712	\$ 637	\$ 935	\$ 907	\$ 1,647	\$ 1,544
Operating grants and contributions	126	313	-	-	126	313
Capital grants and contributions	7	-	259	26	266	26
<i>General revenues</i>						
Property taxes	935	856	-	-	935	856
Other taxes	686	644	-	-	686	644
Intergovernmental	343	358	-	-	343	358
Other general revenues	<u>52</u>	<u>4</u>	<u>23</u>	<u>2</u>	<u>75</u>	<u>6</u>
Total revenues	<u>2,861</u>	<u>2,812</u>	<u>1,217</u>	<u>935</u>	<u>4,078</u>	<u>3,747</u>
Expenses						
General government	912	968	-	-	912	968
Public safety	1,187	1,208	-	-	1,187	1,208
Public works	241	207	-	-	241	207
Highways and streets	116	78	-	-	116	78
Culture and recreation	25	29	-	-	25	29
Interest and fees	50	64	-	-	50	64
Health and human services	11	11	-	-	11	11
Water	<u>-</u>	<u>-</u>	<u>925</u>	<u>871</u>	<u>925</u>	<u>871</u>
Total expenses	<u>2,542</u>	<u>2,565</u>	<u>925</u>	<u>871</u>	<u>3,467</u>	<u>3,436</u>
Change in net position	319	247	292	64	611	311
Net position, beginning 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>
Net position end of year	<u>\$ 2,896</u>	<u>\$ 2,577</u>	<u>\$ 1,393</u>	<u>\$ 1,101</u>	<u>\$ 4,289</u>	<u>\$ 3,678</u>

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2014 (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

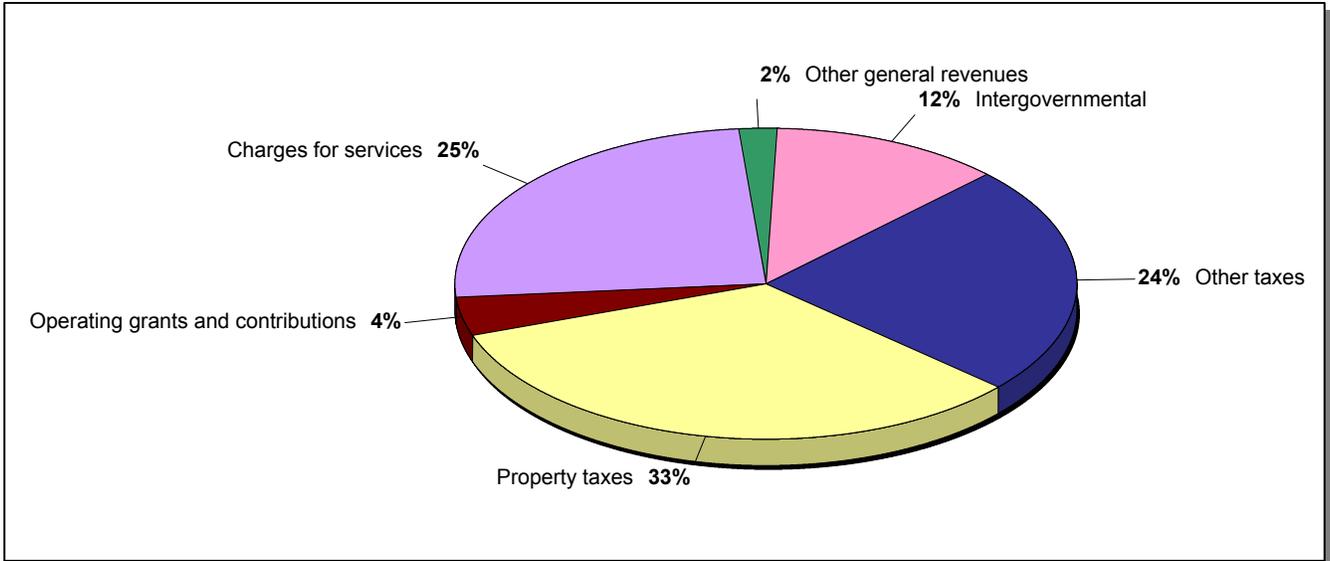
The Governmental Activities experienced an increase in revenue due to an increase in tax revenue, building permits, and franchise fees and a decrease in expenditures mainly due to the completion of a capital project in the previous fiscal year. The combined increase in revenues and expenditures resulted in an increase in net position of \$319 thousand to \$2,896 thousand compared to \$2,577 thousand in the prior fiscal year. Overall, the village's financial position has 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, 2014
(Unaudited)

Governmental Activities

Governmental Revenues by Source



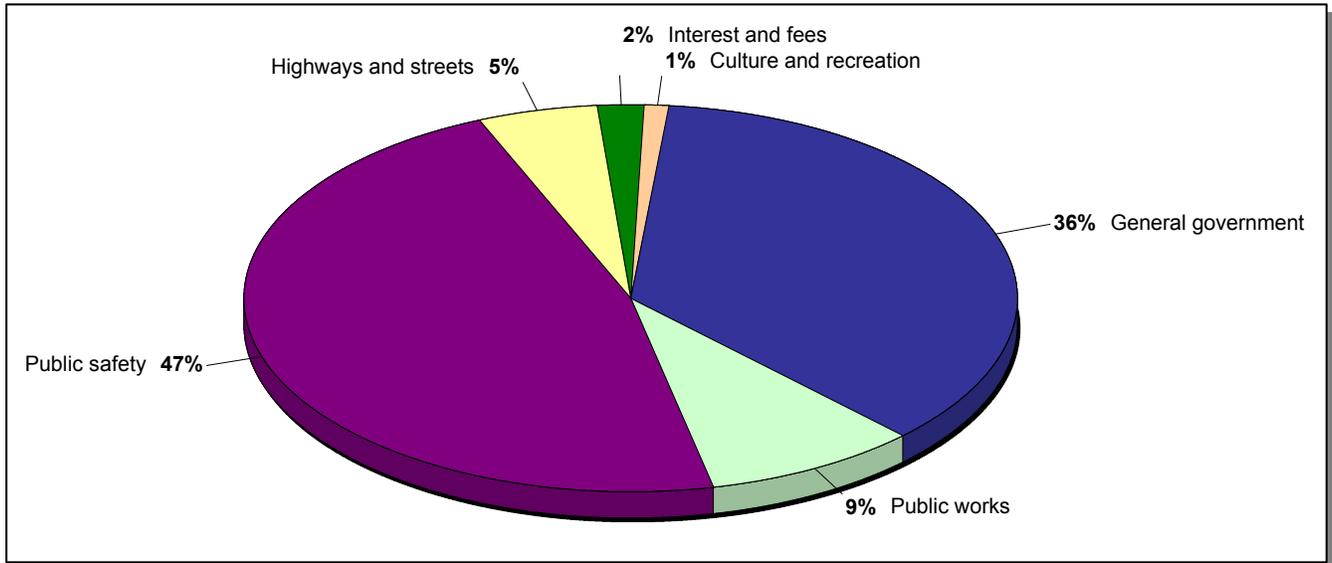
Revenues

The village experienced an overall increase in revenue for this fiscal year of \$49 thousand. The village received more revenue in the form of taxes, building permits and franchise fees, which were partially offset by a decrease in grant revenue.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year ended April 30, 2014
(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 \$23 thousand. The decrease is attributable to the completion of the sidewalk and pathway capital projects in fiscal year 2013.

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 \$27 thousand in comparison to the prior year. This was mainly due to an increase in the water rates in the current year. The operating expenses of the water and sewer fund increased by \$54 thousand primarily due to an increase in water costs.

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year ended April 30, 2014 (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 \$1,053 thousand, an increase of \$195 thousand from fiscal 2013. Revenues remained steady due to an increase in taxes and decrease in government grants. Expenditures have decreased by \$30 thousand mostly due to the completion of the sidewalk and pathway capital projects in fiscal year 2013.

The Proprietary Fund is the Water and Sewer fund. The operating revenue for the Water Department increased in 2014 by \$27 thousand in comparison to fiscal 2013 due to increased charges for water rates. Operating expenses, consisting mostly of water purchases, maintenance/repairs, and personnel services, increased by approximately \$54 thousand. The change in net position for fiscal 2014 was \$292 thousand after consideration of non-operating revenues (including grants), expenses, and transfers. The net position of the proprietary funds at the end of fiscal 2014 equaled \$1.393 million, of which \$686 thousand is unrestricted.

General Fund Budgetary Highlights

The Village amended the budget at the July 11, 2013 Board Meeting to correct two spreadsheet formula errors discovered in the Budget after its passage at the June 27, 2013 Board Meeting. To balance the Budget as a result of the formula correction, two planned expenses were removed from fiscal year 2014 budget.

The increase of actual revenues from projected revenues stemmed primarily from higher than expected permit and miscellaneous revenues. The actual expenditures for fiscal 2014 were lower than budget by approximately \$109 thousand mainly due to lower than budgeted police department expenses.

Capital Assets and Debt Administration

Capital assets

By the end of 2014, the village had compiled a total investment of \$8,852 thousand (\$3,526 thousand net of accumulated depreciation) in a broad range of capital assets. Total depreciation expense for the year was \$165 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, 2014
(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>2014</u> <u>2013</u>		
	2014	2013	2014	2013	2014	2013	
Land	\$ 869	\$ 869	\$ -	\$ -	\$ 869	\$ 869	
Land Improvements	134	152	-	-	134	152	
Buildings and improvements	1,238	1,281	-	-	1,238	1,281	
Well houses	-	-	-	3	-	3	
Water & distribution systems	-	-	497	251	497	251	
Equipment	113	137	64	72	177	209	
Infrastructure	366	389	184	202	550	591	
Construction in progress	61	-	-	26	61	26	
Total	\$ 2,781	\$ 2,828	\$ 745	\$ 554	\$ 3,526	\$ 3,382	

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 \$1.052 million. The village began the fiscal year with a balance of \$1.199 million in debt, decreased debt by \$147 thousand, leaving an April 30, 2014 debt balance of \$1.052 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>2014</u> <u>2013</u>		
	2014	2013	2014	2013	2014	2013	
Debt certificates	\$ 890	\$ 994	\$ -	\$ -	\$ 890	\$ 994	
Other long term liabilities	117	130	3	14	120	144	
Capital leases	4	6	38	55	42	61	
Total	\$ 1,011	\$ 1,130	\$ 41	\$ 69	\$ 1,052	\$ 1,199	

VILLAGE OF INDIAN HEAD PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year ended April 30, 2014
(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 2016 or later due to the continued poor economy.

Additionally this year, the village experienced a delay in collections of state shared income tax revenues. The state is approximately three 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 saw a significant increase in debt principal payments beginning in fiscal year 2014. The Village Board took steps to ensure the impact from the principal increase is as small as possible.

Requests for Information

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

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

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF NET POSITION As of April 30, 2014

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 941,107	\$ 513,937	\$ 1,455,044
Receivables			
Property taxes	465,137	-	465,137
Accounts	-	201,569	201,569
Other taxes	140,313	-	140,313
Intergovernmental	138,904	-	138,904
Miscellaneous	23,405	-	23,405
Deposits	90,245	24,404	114,649
Internal balances	(129,683)	129,683	-
Prepaid insurance	29,924	10,514	40,438
Capital Assets			
Land	868,988	-	868,988
Land improvements	360,756	-	360,756
Construction in progress	60,684	-	60,684
Buildings and improvements	2,024,237	-	2,024,237
Well houses	-	481,000	481,000
Water & distribution system	-	2,515,529	2,515,529
Equipment	580,848	362,869	943,717
Infrastructure	484,167	1,173,754	1,657,921
Less: Accumulated depreciation	<u>(1,599,151)</u>	<u>(3,788,453)</u>	<u>(5,387,604)</u>
Total Assets	<u>4,479,881</u>	<u>1,624,806</u>	<u>6,104,687</u>
LIABILITIES			
Accounts payable	73,492	47,831	121,323
Accrued salaries	13,398	1,945	15,343
Payroll liabilities	7,165	-	7,165
Deposits payable	-	140,942	140,942
Accrued interest payable	17,528	-	17,528
Noncurrent Liabilities			
Due within one year	150,949	21,229	172,178
Due in more than one year	860,102	19,529	879,631
Total Liabilities	<u>1,122,634</u>	<u>231,476</u>	<u>1,354,110</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for future periods	461,576	-	461,576
Total Deferred Inflows of Resources	<u>461,576</u>	<u>-</u>	<u>461,576</u>
NET POSITION			
Net investment in capital assets	2,153,701	706,785	2,860,486
Restricted for			
Streets and highways	222,954	-	222,954
Recreational programs	18,449	-	18,449
Debt service	101,890	-	101,890
Unrestricted	<u>398,677</u>	<u>686,545</u>	<u>1,085,222</u>
TOTAL NET POSITION	<u>\$ 2,895,671</u>	<u>\$ 1,393,330</u>	<u>\$ 4,289,001</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 912,080	\$ 417,326	\$ -	\$ 7,000
Public safety	1,186,733	203,232	-	-
Public works	241,532	89,390	126,042	-
Health and human services	11,204	-	-	-
Highways and streets	116,606	-	-	-
Culture and recreation	24,616	1,961	-	-
Interest and fiscal charges	<u>49,704</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>2,542,475</u>	<u>711,909</u>	<u>126,042</u>	<u>7,000</u>
Business-type Activities				
Water	<u>925,010</u>	<u>934,695</u>	<u>-</u>	<u>259,396</u>
Total Business-type Activities	<u>925,010</u>	<u>934,695</u>	<u>-</u>	<u>259,396</u>
Total	<u>\$ 3,467,485</u>	<u>\$ 1,646,604</u>	<u>\$ 126,042</u>	<u>\$ 266,396</u>

General Revenues

Taxes

Property taxes

Sales taxes

Local use taxes

Telecommunications taxes

Utility taxes

Intergovernmental

State income tax

Personal property replacement taxes

Investment income

Miscellaneous

Total General Revenues

Change in net 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>
\$ (487,754)	\$ -	\$ (487,754)
(983,501)	-	(983,501)
(26,100)	-	(26,100)
(11,204)	-	(11,204)
(116,606)	-	(116,606)
(22,655)	-	(22,655)
<u>(49,704)</u>	<u>-</u>	<u>(49,704)</u>
<u>(1,697,524)</u>	<u>-</u>	<u>(1,697,524)</u>
-	<u>269,081</u>	<u>269,081</u>
-	<u>269,081</u>	<u>269,081</u>
<u>(1,697,524)</u>	<u>269,081</u>	<u>(1,428,443)</u>
935,291	-	935,291
296,493	-	296,493
85,617	-	85,617
124,826	-	124,826
178,854	-	178,854
341,674	-	341,674
1,309	-	1,309
593	14	607
<u>51,710</u>	<u>23,327</u>	<u>75,037</u>
<u>2,016,367</u>	<u>23,341</u>	<u>2,039,708</u>
318,843	292,422	611,265
<u>2,576,828</u>	<u>1,100,908</u>	<u>3,677,736</u>
<u>\$ 2,895,671</u>	<u>\$ 1,393,330</u>	<u>\$ 4,289,001</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2014

	General	Motor Fuel Tax	Nonmajor Governmental Funds	Totals
ASSETS				
Cash and investments	\$ 351,129	\$ 202,939	\$ 387,039	\$ 941,107
Receivables				
Property taxes	449,751	-	15,386	465,137
Other taxes	140,313	-	-	140,313
Intergovernmental	115,879	23,025	-	138,904
Miscellaneous	18,890	-	4,515	23,405
Deposits	90,245	-	-	90,245
Due from other funds	27,947	-	73,533	101,480
Prepaid insurance	29,924	-	-	29,924
	<u>\$ 1,224,078</u>	<u>\$ 225,964</u>	<u>\$ 480,473</u>	<u>\$ 1,930,515</u>
TOTAL ASSETS				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 77,647	\$ 3,010	\$ -	\$ 80,657
Accrued liabilities	13,398	-	-	13,398
Due to other funds	160,271	-	70,892	231,163
Total Liabilities	<u>251,316</u>	<u>3,010</u>	<u>70,892</u>	<u>325,218</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	446,308	-	15,268	461,576
Unavailable revenues	90,841	-	-	90,841
Total Deferred Inflows of Resources	<u>537,149</u>	<u>-</u>	<u>15,268</u>	<u>552,417</u>
Fund Balances				
Non-spendable for prepaid items	29,924	-	-	29,924
Non-spendable for long-term interfunds	27,947	-	-	27,947
Restricted for streets and highways	-	222,954	-	222,954
Restricted for debt service	-	-	119,418	119,418
Restricted for recreational programs	-	-	18,449	18,449
Assigned for debt service	-	-	1,640	1,640
Assigned for capital projects	-	-	293,217	293,217
Assigned for recreational programs	-	-	19	19
Unassigned	377,742	-	(38,430)	339,312
Total Fund Balances	<u>435,613</u>	<u>222,954</u>	<u>394,313</u>	<u>1,052,880</u>
	<u>\$ 1,224,078</u>	<u>\$ 225,964</u>	<u>\$ 480,473</u>	<u>\$ 1,930,515</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of April 30, 2014

Total Fund Balances - Governmental Funds	\$ 1,052,880
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. See Note III C.	2,780,529
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	90,841
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	(1,011,051)
Accrued interest	<u>(17,528)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,895,671</u></u>

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended April 30, 2014

	General	Motor Fuel Tax	Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 904,377	\$ -	\$ 30,914
Other taxes	685,009	-	-
Intergovernmental	342,983	126,042	-
Licenses, permits and fees	357,826	-	-
Fines and forfeiture	32,148	-	-
Charges for services	119,965	-	55,064
Reimbursements	33,558	-	-
Rentals	-	-	89,390
Investment income	507	-	86
Miscellaneous	30,958	-	-
Total Revenues	<u>2,507,331</u>	<u>126,042</u>	<u>175,454</u>
EXPENDITURES			
Current			
General government	902,296	-	-
Public safety	1,124,222	-	45,536
Public works	245,205	116,606	-
Culture and recreation	-	-	24,616
Debt Service			
Principal	1,736	-	104,000
Interest	338	-	50,926
Total Expenditures	<u>2,273,797</u>	<u>116,606</u>	<u>225,078</u>
Excess (deficiency) of revenues over expenditures	<u>233,534</u>	<u>9,436</u>	<u>(49,624)</u>
OTHER FINANCING SOURCES (USES)			
Sales of fixed assets	1,212	-	-
Transfers in	13,992	-	50,000
Transfers out	(50,000)	(13,992)	-
Total Other Financing Sources (Uses)	<u>(34,796)</u>	<u>(13,992)</u>	<u>50,000</u>
Net Change in Fund Balances	198,738	(4,556)	376
FUND BALANCES - Beginning of Year	<u>236,875</u>	<u>227,510</u>	<u>393,937</u>
FUND BALANCES - END OF YEAR	<u>\$ 435,613</u>	<u>\$ 222,954</u>	<u>\$ 394,313</u>

See accompanying notes to financial statements.

<u>Totals</u>	
\$	935,291
	685,009
	469,025
	357,826
	32,148
	175,029
	33,558
	89,390
	593
	<u>30,958</u>
	<u>2,808,827</u>

902,296
1,169,758
361,811
24,616

105,736
51,264
2,615,481

193,346

1,212
63,992
(63,992)
1,212

194,558

858,322

\$ 1,052,880

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, 2014

Net change in fund balances - total governmental funds	\$	194,558
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		60,684
Depreciation as reported in the government-wide financial statements		(108,477)
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.		51,279
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.		
Principal repaid		105,736
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		13,503
Accrued interest on debt		<u>1,560</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>318,843</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF NET POSITION PROPRIETARY FUND As of April 30, 2014

	<u>Proprietary</u>
ASSETS	
Current Assets	
Cash and investments	\$ 513,937
Receivables	
Accounts	201,569
Deposits	24,404
Prepaid insurance	10,514
Due from other funds	129,683
Total Current Assets	<u>880,107</u>
Noncurrent Assets	
Capital Assets	
Well houses	481,000
Water and distribution system	2,515,529
Equipment	362,869
Infrastructure	1,173,754
Less: Accumulated depreciation	<u>(3,788,453)</u>
Total Noncurrent Assets	<u>744,699</u>
Total Assets	<u>1,624,806</u>
LIABILITIES	
Current Liabilities	
Accounts payable	47,831
Accrued salaries	1,945
Deposits payable	140,942
Total Current Liabilities	<u>190,718</u>
Noncurrent Liabilities	
Long-Term Debt	
Due within one year	21,229
Due in more than one year	19,529
Total Noncurrent Liabilities	<u>40,758</u>
Total Liabilities	<u>231,476</u>
NET POSITION	
Net investment in capital assets	706,785
Unrestricted	<u>686,545</u>
TOTAL NET POSITION	<u>\$ 1,393,330</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, 2014

	<u>Water</u>
OPERATING REVENUES	
Charges for services	\$ 934,695
Total Operating Revenues	<u>934,695</u>
OPERATING EXPENSES	
Cost of sales and services	778,567
Administration	89,626
Depreciation	56,817
Total Operating Expenses	<u>925,010</u>
Operating Income	<u>9,685</u>
NONOPERATING REVENUES	
Investment income	14
Miscellaneous	23,327
Grants	259,396
Total Nonoperating Revenues	<u>282,737</u>
Change in Net Position	292,422
NET POSITION - Beginning of Year	<u>1,100,908</u>
NET POSITION - END OF YEAR	<u>\$ 1,393,330</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2014

	<u>Water</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 934,714
Paid to suppliers for goods and services	(773,768)
Paid to employees for services	<u>(194,321)</u>
Net Cash Flows From Operating Activities	<u>(33,375)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Miscellaneous income	<u>23,341</u>
Net Cash Flows From Investing Activities	<u>23,341</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal repayments on capital lease	(17,308)
Capital grants received	259,396
Acquisition of capital assets	<u>(247,841)</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(5,753)</u>
Net Change in Cash and Cash Equivalents	(15,787)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>529,724</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 513,937</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2014

	<u>Water</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ 9,685
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities	
Depreciation	56,817
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	19
(Increase) decrease in prepaid insurance	2,688
Increase (decrease) in compensated absences	(36,185)
Increase (decrease) in deposits	(24,404)
Increase (decrease) in accounts payable	(25,848)
Increase (decrease) in accrued salaries	(5,286)
Increase (decrease) in deposits payable	<u>(10,861)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (33,375)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	None

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK

STATEMENT OF ASSETS AND LIABILITIES FIDUCIARY FUND As of April 30, 2014

	<u>Agency Fund</u>
ASSETS	
Cash and investments	\$ <u>83,818</u>
TOTAL ASSETS	<u>\$ 83,818</u>
LIABILITIES	
Other liabilities	\$ 12,912
Refundable deposits	<u>70,906</u>
TOTAL LIABILITIES	<u>\$ 83,818</u>

See accompanying notes to financial statements.

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, 2014

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. The reporting entity for the village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The village has not identified any organizations that meet this criteria.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In March 2012, the GASB issued statement No. 65 - *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This standard was implemented effective May 1, 2013.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

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, deferred outflows of resources, liabilities, deferred inflows of resources, 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.

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 fund:

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

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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 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, 2014

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 deferred inflows. 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 inflows. 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 unavailable revenues. Amounts received before eligibility requirements (excluding time) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

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, 2014

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

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

Fund Financial Statements (cont.)

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, 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.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

1. Deposits and Investments (cont.)

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, 2014, 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 it's 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, 2014.

Custodial Credit Risk - Deposits

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

Custodial Credit Risk - Investments

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

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

1. Deposits and Investments (cont.)

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 2013 attaches as an enforceable lien on January 1, 2013, 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 2013 tax levy, which attached as an enforceable lien on the property as of January 1, 2013, has been recorded as a receivable as of April 30, 2014.

Tax bills for levy year 2013 are prepared by Cook County and issued on or about February 1, 2014 and July 1, 2014, and are payable in two installments, on or about March 1, 2014 and August 1, 2014 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2nd installment of the 2013 property tax levy is recognized as a receivable and deferred inflows in fiscal 2014. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2014, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2nd installment of the 2013 levy.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

3. Prepaid Items

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.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

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 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 premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for gains/losses is shown as a deferred outflow/inflow in 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.

7. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

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 and displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not expendable or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances 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. 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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

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

8. Equity Classifications (cont.)

Fund Statements (cont.)

- 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.

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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

A. BUDGETARY INFORMATION (cont.)

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
Motor Fuel Tax	\$ 95,908	\$ 116,606	\$ 20,698

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, 2014, the following individual fund held a deficit balance:

Fund	Amount	Reason
911	\$ 38,430	Fund incurred expenditures exceeding available assets

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 1,445,166	\$ 1,555,252	Custodial credit
Other investments - Illinois Funds	89,280	89,280	Credit risk
Cash on hand	<u>4,416</u>	<u>-</u>	N/A
Total Deposits and Investments	<u>\$ 1,538,862</u>	<u>\$ 1,644,532</u>	
Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 1,455,044		
Per statement of net position- fiduciary funds			
Agency Fund	<u>83,818</u>		
Total	<u>\$ 1,538,862</u>		

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) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held at 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.

Investments

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

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

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

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	\$ 449,751	\$ -	\$ -	\$ 15,386	\$ 465,137
Accounts	-	-	201,569	-	201,569
Sales tax	73,349	-	-	-	73,349
Local use tax	16,256	-	-	-	16,256
Utility tax	17,356	-	-	-	17,356
Telecommunications tax	31,423	-	-	-	31,423
State income tax	115,879	-	-	-	115,879
Motor fuel tax	-	23,025	-	-	23,025
Video gaming tax	1,929	-	-	-	1,929
911 allotment	-	-	-	4,515	4,515
Deposits	90,245	-	24,404	-	114,649
Other	18,890	-	-	-	18,890
	<u>815,078</u>	<u>23,025</u>	<u>225,973</u>	<u>19,901</u>	<u>1,083,977</u>
Total	<u>\$ 815,078</u>	<u>\$ 23,025</u>	<u>\$ 225,973</u>	<u>\$ 19,901</u>	<u>\$ 1,083,977</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, 2014

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

B. RECEIVABLES (cont.)

Governmental funds report *unavailable or unearned 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 *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes levied for future periods	\$ 461,576	\$ -
Other taxes receivable	-	40,343
Insurance deposits	-	<u>50,498</u>
Total Unearned/Unavailable Revenue for Governmental Funds	<u>\$ 461,576</u>	<u>\$ 90,841</u>

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

C. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2014, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/ amortized				
Land	\$ 868,988	\$ -	\$ -	\$ 868,988
Construction in Progress	-	60,684	-	60,684
Total Capital Assets Not Being Depreciated/ Amortized	868,988	60,684	-	929,672
Capital assets being depreciated/ amortized				
Land Improvements	\$ 360,756	\$ -	\$ -	\$ 360,756
Buildings and improvements	2,024,237	-	-	2,024,237
Equipment	580,848	-	-	580,848
Infrastructure	484,167	-	-	484,167
Total Capital Assets Being Depreciated/ Amortized	3,450,008	-	-	3,450,008
Total Capital Assets	4,318,996	60,684	-	4,379,680
Less: Accumulated depreciation/ amortization for				
Land Improvements	(208,757)	(18,039)	-	(226,796)
Buildings and improvements	(743,744)	(42,937)	-	(786,681)
Equipment	(443,437)	(24,318)	-	(467,755)
Infrastructure	(94,736)	(23,183)	-	(117,919)
Total Accumulated Depreciation/ Amortization	(1,490,674)	(108,477)	-	(1,599,151)
Net Capital Assets Being Depreciated/ Amortized	1,959,334	(108,477)	-	1,850,857
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation/ Amortization	\$ 2,828,322	\$ (47,793)	\$ -	\$ 2,780,529

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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	\$ 22,840
Public safety	30,478
Public works, which includes the depreciation of infrastructure	43,955
Health and human services	1,000
Culture and Recreation	<u>10,204</u>

Total Governmental Activities Depreciation/Amortization Expense \$ 108,477

Business-type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Water</u>				
Capital assets not being depreciated / amortized				
Construction in progress	\$ 25,604	\$ 247,841	\$ 273,445	\$ -
Total Capital Assets Not Being Depreciated / Amortized	<u>25,604</u>	<u>247,841</u>	<u>273,445</u>	<u>-</u>
Capital assets being depreciated / amortized				
Well houses	\$ 481,000	\$ -	\$ -	\$ 481,000
Water and distribution system	2,242,084	273,445	-	2,515,529
Equipment	362,869	-	-	362,869
Infrastructure	<u>1,173,754</u>	<u>-</u>	<u>-</u>	<u>1,173,754</u>
Total Capital Assets Being Depreciated / Amortized	<u>4,259,707</u>	<u>273,445</u>	<u>-</u>	<u>4,533,152</u>
Total Capital Assets	<u>4,285,311</u>	<u>521,286</u>	<u>273,445</u>	<u>4,533,152</u>
Less: Accumulated depreciation / amortization for				
Well houses	(478,059)	(2,941)	-	(481,000)
Water and distribution system	(1,990,832)	(27,756)	-	(2,018,588)
Equipment	(290,614)	(8,601)	-	(299,215)
Infrastructure	<u>(972,131)</u>	<u>(17,519)</u>	<u>-</u>	<u>(989,650)</u>
Total Accumulated Depreciation / Amortization	<u>(3,731,636)</u>	<u>(56,817)</u>	<u>-</u>	<u>(3,788,453)</u>
Net Capital Assets Being Depreciated/ Amortized	<u>528,071</u>	<u>216,628</u>	<u>-</u>	<u>744,699</u>
Net Water Plant	<u>\$ 553,675</u>	<u>\$ 464,469</u>	<u>\$ 273,445</u>	<u>\$ 744,699</u>
Business-type Capital Assets, Net of Accumulated Depreciation / Amortization	<u>\$ 553,675</u>	<u>\$ 464,469</u>	<u>\$ 273,445</u>	<u>\$ 744,699</u>

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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:

Receivable Fund	Payable Fund	Amount
General fund	Public works facility fund	\$ 27,947
Bond debt service fund	General fund	30,588
Capital improvements fund	911 fund	42,945
Proprietary fund	General fund	129,683
Total - Fund Financial Statements		231,163
Less: Fund eliminations		(101,480)
Total Internal Balances - Government-Wide Statement of Net Position		\$ 129,683

No interfunds are considered collectible within one year.

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.

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	13,992	To cover operating expenses paid by the General Fund.
Total - Fund Financial Statements		63,992	
Less: Fund eliminations		(63,992)	
Total Transfers - Government-Wide Statement of Activities		\$ -	

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2014

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

D. INTERFUND Receivables/Payables, Advances and Transfers (cont.)

Transfers (cont.)

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.

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended April 30, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
Debt certificates	\$ 994,000	\$ -	\$ 104,000	\$ 890,000	\$ 109,000
Sub-totals	<u>994,000</u>	<u>-</u>	<u>104,000</u>	<u>890,000</u>	<u>109,000</u>
Other Liabilities					
Vested compensated absences	53,600	66,494	79,997	40,097	40,097
Capital leases	5,564	-	1,736	3,828	1,852
IMRF net pension obligation	77,126	-	-	77,126	-
Total Other Liabilities	<u>136,290</u>	<u>66,494</u>	<u>81,733</u>	<u>121,051</u>	<u>41,949</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 1,130,290</u>	<u>\$ 66,494</u>	<u>\$ 185,733</u>	<u>\$ 1,011,051</u>	<u>\$ 150,949</u>
Business-type Activities					
Other Liabilities					
Vested compensated absences	\$ 13,705	\$ 13,572	\$ 24,433	\$ 2,844	\$ 2,844
Capital leases	55,222	-	17,308	37,914	18,385
Total Other Liabilities	<u>68,927</u>	<u>13,572</u>	<u>41,741</u>	<u>40,758</u>	<u>21,229</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 68,927</u>	<u>\$ 13,572</u>	<u>\$ 41,741</u>	<u>\$ 40,758</u>	<u>\$ 21,229</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.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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

E. LONG-TERM OBLIGATIONS (cont.)

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, 2014, the statutory debt limit for the village was \$10,745,417, providing a debt margin of \$9,855,417.

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, 2014, 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, 2014</u>
Series 2009	8/19/09	12/15/2020	2.50% - 5.90%	\$ 1,050,000	\$ <u>890,000</u>
Total Governmental Activities Debt Certificates					\$ <u><u>890,000</u></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>
2015	\$ 109,000	\$ 46,741
2016	115,000	41,836
2017	120,000	36,373
2018	127,000	30,373
2019	133,000	23,706
2020-2021	286,000	25,138
Totals	\$ 890,000	\$ 204,167

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

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, 2014, are as follows:

Years	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2015	\$ 1,852	\$ 257	\$ 2,109	\$ 18,385	\$ 2,360	\$ 20,745
2016	<u>1,976</u>	<u>133</u>	<u>2,109</u>	<u>19,529</u>	<u>1,215</u>	<u>20,744</u>
Totals	<u>\$ 3,828</u>	<u>\$ 390</u>	<u>\$ 4,218</u>	<u>\$ 37,914</u>	<u>\$ 3,575</u>	<u>\$ 41,489</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, 2014

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 $1\frac{2}{3}\%$ 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 2013 used by the employer was 13.48% of annual covered payroll.

Annual Pension Cost.

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 ending December 31, 2012, the village's actual contributions for pension costs were \$125,726. Its required contribution for the calendar year 2012 was \$144,913. The difference resulted in a net pension obligation increase of \$19,187.

For calendar year ended December 31, 2013, the village's actual and required contributions for pension cost were \$167,226. No change to the net pension obligation resulted leaving the IMRF net pension obligation at \$77,126.

The required contribution for 2013 was determined as part of the December 31, 2011 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, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Funded Status and Funding Progress

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

	Illinois Municipal Retirement
Actuarial Valuation Date	12/31/2011
Actuarial Valuation of Assets (a)	\$ 4,320,427
Actuarial Accrued Liability (AAL) - Entry Age (b)	\$ 5,190,327
Unfunded AAL (UAAL) (b - a)	\$ 869,900
Funded Ratio (a/b)	83 %
Covered Payroll (c)	1,240,548
UAAL as a Percentage of Covered Payroll ((b-a)/c)	70 %

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

B. RISK MANAGEMENT

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

Public Entity Risk Pool

IRMA

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

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

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool (cont.)

IRMA (cont.)

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

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

INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE

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

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

C. COMMITMENTS AND CONTINGENCIES

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.

The village has active construction projects as of April 30, 2014. 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, 2014 the village is committed to approximately \$114,316, in expenditures for an engineering fees for the 2014 road improvement project. These expenditures will be funded by the issuance of 2014 G.O. Bonds.

VILLAGE OF INDIAN HEAD PARK

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2014

NOTE IV - OTHER INFORMATION (cont.)

D. SUBSEQUENT EVENTS

On June 26, 2014 the Village issued General Obligation Bonds, Series 2014 in the amount of \$2,500,000 with an interest rate of 2.0% - 3.0%. This amount will be used to provide payment of costs associated with the 2014 Road Improvement Project. The Village has entered into a contract with Central Blacktop in the amount of \$2,113,596 for road improvement construction.

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

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*
- > Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- > Statement No. 69, *Government Combinations and Disposals of Government Operations*
- > Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*

When they become effective, application of these standards may restate portions of these financial statements.

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, 2014
With Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				
	Budgeted Amounts		Actual	Variance with Final Budget	2013 Actual
	Original	Final			
REVENUES					
Property taxes	\$ 868,315	\$ 868,315	\$ 904,377	\$ 36,062	\$ 826,826
Other taxes	615,000	615,000	685,009	70,009	644,188
Intergovernmental	426,284	426,284	342,983	(83,301)	564,452
Licenses, permits and fees	343,500	343,500	357,826	14,326	336,801
Fines and forfeiture	30,000	30,000	32,148	2,148	26,662
Charges for services	108,065	108,065	119,965	11,900	121,204
Reimbursements	3,500	3,500	33,558	30,058	678
Investment income	500	500	507	7	650
Miscellaneous	10,700	10,700	30,958	20,258	2,339
Total Revenues	<u>2,405,864</u>	<u>2,405,864</u>	<u>2,507,331</u>	<u>101,467</u>	<u>2,523,800</u>
EXPENDITURES					
General government	967,111	961,111	902,296	58,815	932,508
Public safety	1,221,357	1,221,357	1,124,222	97,135	1,111,599
Public works	198,218	198,218	245,205	(46,987)	154,347
Capital Outlay	36,000	2,000	-	2,000	222,126
Debt service - principal	-	-	1,736	(1,736)	2,109
Debt service - interest	-	-	338	(338)	-
Total Expenditures	<u>2,422,686</u>	<u>2,382,686</u>	<u>2,273,797</u>	<u>108,889</u>	<u>2,422,689</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,822)</u>	<u>23,178</u>	<u>233,534</u>	<u>210,356</u>	<u>101,111</u>
OTHER FINANCING SOURCES					
Sales of capital assets	2,500	2,500	1,212	(1,288)	3,645
Capital lease value	-	-	-	-	7,673
Transfers in	14,000	14,000	13,992	(8)	13,992
Transfers out	(50,000)	(50,000)	(50,000)	-	(50,000)
Total Other Financing Sources	<u>(33,500)</u>	<u>(33,500)</u>	<u>(34,796)</u>	<u>(1,296)</u>	<u>(24,690)</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 - GENERAL FUND
 For the Year Ended April 30, 2014
 With Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
Net Change in Fund Balance	\$ (50,322)	\$ (10,322)	198,738	\$ 209,060	76,421
FUND BALANCE - Beginning of Year			236,875		160,454
FUND BALANCE - END OF YEAR			\$ 435,613		\$ 236,875

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, 2014
With Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				
	Budgeted Amounts		Actual	Variance with Final Budget	2013 Actual
	Original	Final			
REVENUES					
Motor fuel tax	\$ 89,512	\$ 89,512	\$ 126,042	\$ 36,530	\$ 106,704
Investment income	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>	<u>2</u>
Total Revenues	<u>89,562</u>	<u>89,562</u>	<u>126,042</u>	<u>36,480</u>	<u>106,706</u>
EXPENDITURES					
Highways and Streets					
Professional services	3,000	3,000	525	2,475	4,074
Road maintenance	33,944	33,944	33,276	668	28,381
Salt	23,000	23,000	47,221	(24,221)	15,867
Snow removal	10,764	10,764	18,084	(7,320)	10,977
Miscellaneous	200	200	-	200	40
Utilities	<u>25,000</u>	<u>25,000</u>	<u>17,500</u>	<u>7,500</u>	<u>18,467</u>
Total Expenditures	<u>95,908</u>	<u>95,908</u>	<u>116,606</u>	<u>(20,698)</u>	<u>77,806</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,346)</u>	<u>(6,346)</u>	<u>9,436</u>	<u>15,782</u>	<u>28,900</u>
OTHER FINANCING USES					
Transfers (out)	<u>(14,000)</u>	<u>(14,000)</u>	<u>(13,992)</u>	<u>8</u>	<u>(13,992)</u>
Total Other Financing Uses	<u>(14,000)</u>	<u>(14,000)</u>	<u>(13,992)</u>	<u>8</u>	<u>(13,992)</u>
Net Change in Fund Balance	<u>\$ (20,346)</u>	<u>\$ (20,346)</u>	<u>(4,556)</u>	<u>\$ 15,790</u>	<u>14,908</u>
FUND BALANCE - Beginning of Year			<u>227,510</u>		<u>212,602</u>
FUND BALANCE - END OF YEAR			<u>\$ 222,954</u>		<u>\$ 227,510</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, 2014

<u>Actuarial Valuation Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/13	\$ 167,226	100.00%	\$ 77,126
12/31/12	144,913	80.00%	77,126
12/31/11	142,703	77.00%	57,939

<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>
12/31/13	\$ 4,320,427	\$ 5,190,327	\$ 869,900	83.24%	\$ 1,240,548	70.12%
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	2,302,801	3,746,325	1,443,524	61.47%	1,268,350	113.81%

Digest of Changes

Assumptions

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$4,879,338. On a market basis, the funded ratio would be 94.01%.

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	12/31/2013
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%

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

VILLAGE OF INDIAN HEAD PARK

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2014

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.

SUPPLEMENTARY INFORMATION

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014
with Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				
	Budgeted Amounts		Actual	Variance with Final Budget	2013 Actual
	Original	Final			
PROPERTY TAXES					
Property taxes	\$ 868,315	\$ 868,315	\$ 904,377	\$ 36,062	\$ 826,826
Total Property Taxes	<u>868,315</u>	<u>868,315</u>	<u>904,377</u>	<u>36,062</u>	<u>826,826</u>
OTHER TAXES					
Sales	300,000	300,000	295,460	(4,540)	279,918
Local use	-	-	65,748	65,748	61,477
Utility taxes	165,000	165,000	178,854	13,854	164,338
Telecommunication	135,000	135,000	124,463	(10,537)	132,846
Other taxes	<u>15,000</u>	<u>15,000</u>	<u>20,484</u>	<u>5,484</u>	<u>5,609</u>
Total Other Taxes	<u>615,000</u>	<u>615,000</u>	<u>685,009</u>	<u>70,009</u>	<u>644,188</u>
INTERGOVERNMENTAL TAXES					
State income tax	425,084	425,084	341,674	(83,410)	357,314
Personal property replacement tax	1,200	1,200	1,309	109	1,144
Federal grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,994</u>
Total Intergovernmental Taxes	<u>426,284</u>	<u>426,284</u>	<u>342,983</u>	<u>(83,301)</u>	<u>564,452</u>
LICENSES, PERMITS AND FEES					
Vehicle license fees	152,000	152,000	155,470	3,470	151,945
Business licenses	67,500	67,500	61,106	(6,394)	68,662
Alarm licenses	1,000	1,000	2,500	1,500	4,400
Building permit fees	48,000	48,000	52,115	4,115	37,630
Franchise fees	<u>75,000</u>	<u>75,000</u>	<u>86,635</u>	<u>11,635</u>	<u>74,164</u>
Total Licenses, Permits and Fees	<u>343,500</u>	<u>343,500</u>	<u>357,826</u>	<u>14,326</u>	<u>336,801</u>
FINES AND FORFEITURE					
Court and traffic fines	<u>30,000</u>	<u>30,000</u>	<u>32,148</u>	<u>2,148</u>	<u>26,662</u>
Total Fines and Forfeiture	<u>30,000</u>	<u>30,000</u>	<u>32,148</u>	<u>2,148</u>	<u>26,662</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014
with Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				
	Budgeted Amounts		Actual	Variance with Final Budget	2013 Actual
	Original	Final			
CHARGES FOR SERVICES					
Public hearing fees	\$ 500	\$ 500	\$ 1,500	\$ 1,000	\$ 3,500
Lyons township hireback	95,815	95,815	106,755	10,940	105,981
Highlands school district patrol	1,750	1,750	2,030	280	1,873
Smoke signals advertisements	3,000	3,000	2,080	(920)	2,750
Elevator inspections	<u>7,000</u>	<u>7,000</u>	<u>7,600</u>	<u>600</u>	<u>7,100</u>
Total Charges for Services	<u>108,065</u>	<u>108,065</u>	<u>119,965</u>	<u>11,900</u>	<u>121,204</u>
REIMBURSEMENTS					
Developer's reimbursements	2,500	2,500	-	(2,500)	-
Miscellaneous reimbursements	<u>1,000</u>	<u>1,000</u>	<u>33,558</u>	<u>32,558</u>	<u>678</u>
Total Reimbursements	<u>3,500</u>	<u>3,500</u>	<u>33,558</u>	<u>30,058</u>	<u>678</u>
INVESTMENT INCOME					
Investment income	<u>500</u>	<u>500</u>	<u>507</u>	<u>7</u>	<u>650</u>
Total Investment Income	<u>500</u>	<u>500</u>	<u>507</u>	<u>7</u>	<u>650</u>
MISCELLANEOUS					
Police seizure	1,000	1,000	5,735	4,735	-
Heritage center contributions	3,000	3,000	1,961	(1,039)	3,064
Contributions	100	100	-	(100)	-
Wolf road contributions	100	100	-	(100)	-
Impact fees	6,000	6,000	7,000	1,000	-
Miscellaneous	<u>500</u>	<u>500</u>	<u>16,262</u>	<u>15,762</u>	<u>(725)</u>
Total Miscellaneous	<u>10,700</u>	<u>10,700</u>	<u>30,958</u>	<u>20,258</u>	<u>2,339</u>
TOTAL REVENUES	<u>\$ 2,405,864</u>	<u>\$ 2,405,864</u>	<u>\$ 2,507,331</u>	<u>\$ 101,467</u>	<u>\$ 2,523,800</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014

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

GENERAL GOVERNMENT	2014				
	Budgeted Amounts		Actual	Variance with Final Budget	2013 Actual
	Original	Final			
President and Village Board					
Salaries	\$ 33,750	\$ 33,750	\$ 25,500	\$ 8,250	\$ 33,050
Meeting/conferences /training	2,000	2,000	68	1,932	1,103
Membership fees	8,200	8,200	7,797	403	8,115
Miscellaneous	<u>250</u>	<u>250</u>	<u>263</u>	<u>(13)</u>	<u>(74)</u>
Total President and Village Board	<u>44,200</u>	<u>44,200</u>	<u>33,628</u>	<u>10,572</u>	<u>42,194</u>
Administration					
Salaries	\$ 157,219	\$ 157,219	\$ 147,699	\$ 9,520	\$ 153,936
Overtime	500	500	515	(15)	996
Salaries - smoke signal	1,600	1,600	1,600	-	1,200
Equipment maintenance	1,000	1,000	515	485	595
Budget preparation	1,250	1,250	1,200	50	-
Meeting/conference/training	-	-	-	-	15
Membership fees	175	175	155	20	175
Postage	2,500	2,500	2,408	92	1,456
Professional services - data processing	12,500	12,500	11,667	833	11,758
Publications - legal notices	1,000	1,000	699	301	893
Administrative	150	150	9	141	27
Office supplies	4,500	4,500	5,111	(611)	4,205
Periodicals	50	50	-	50	54
Vehicle licenses / decals	3,000	3,000	3,838	(838)	3,081
Computer software	1,000	1,000	867	133	62
Office equipment	2,000	2,000	2,015	(15)	352
Miscellaneous	500	500	517	(17)	2,562
Professional services - consulting	1,000	1,000	1,281	(281)	850
IMRF contributions	145,700	145,700	149,376	(3,676)	116,685
Social security	<u>102,192</u>	<u>102,192</u>	<u>97,326</u>	<u>4,866</u>	<u>78,862</u>
Total Administration	<u>437,836</u>	<u>437,836</u>	<u>426,798</u>	<u>11,038</u>	<u>377,764</u>

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014

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

GENERAL GOVERNMENT (cont.)	2014				2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
Liability Insurance					
Insurance premium	\$ 55,415	\$ 55,415	\$ 46,566	\$ 8,849	\$ 56,521
IRMA deductible	7,500	7,500	691	6,809	2,981
Total Liability					
Insurance	62,915	62,915	47,257	15,658	59,502
Buildings and Grounds					
Maintenance					
services - garage	6,500	6,500	7,137	(637)	8,839
Maintenance					
services - village					
hall/police	8,000	8,000	16,096	(8,096)	5,513
Custodial services	14,000	14,000	13,808	192	13,560
Garage supplies	2,000	2,000	1,270	730	2,655
Maintenance -					
heritage	2,000	2,000	3,795	(1,795)	3,431
Landscape supplies	2,000	2,000	7,843	(5,843)	2,837
Maintenance					
supplies - village					
hall/police	2,500	2,500	1,338	1,162	1,280
Heritage center	250	250	388	(138)	413
Fountain -					
Blackhawk Park	-	-	-	-	123,875
Streets and					
Parkways					
Construction	-	-	-	-	65,223
Blacktop municipal					
facility	2,500	2,500	-	2,500	-
Office Equipment	6,000	-	-	-	1,161
Buildings-Village					
Hall/Police	-	-	-	-	16,800
Total Buildings					
and Grounds	45,750	39,750	51,675	(11,925)	245,587
Building Department					
Professional					
services - building					
inspector	3,000	3,000	2,700	300	3,020
Professional					
services - electrical					
inspector	1,500	1,500	1,450	50	940
Professional					
services - elevator					
inspector	2,000	2,000	2,320	(320)	1,763

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014

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

GENERAL GOVERNMENT (cont.)	2014				
	Budgeted Amounts		Actual	Variance with Final Budget	2013 Actual
	Original	Final			
Professional services - plan review	\$ 10,000	\$ 10,000	\$ 6,059	\$ 3,941	\$ 9,454
Professional services - plumbing inspector	1,500	1,500	1,050	450	775
Office supplies	<u>200</u>	<u>200</u>	<u>134</u>	<u>66</u>	<u>55</u>
Total Building Department	<u>18,200</u>	<u>18,200</u>	<u>13,713</u>	<u>4,487</u>	<u>16,007</u>
Fire and Police Commission					
Membership fees	400	400	-	400	375
Professional services - legal	1,500	1,500	-	1,500	-
Salaries	700	700	700	-	-
Meeting/conference/training	-	-	375	(375)	-
Publication/legal notices	1,500	1,500	-	1,500	-
Office supplies	<u>100</u>	<u>100</u>	<u>119</u>	<u>(19)</u>	<u>18</u>
Total Fire and Police Commission	<u>4,200</u>	<u>4,200</u>	<u>1,194</u>	<u>3,006</u>	<u>393</u>
Planning and Zoning					
Salaries	1,250	1,250	1,500	(250)	1,625
Publications/legal notices	500	500	406	94	474
Office supplies	<u>250</u>	<u>250</u>	<u>17</u>	<u>233</u>	<u>-</u>
Total Planning and Zoning	<u>2,000</u>	<u>2,000</u>	<u>1,923</u>	<u>77</u>	<u>2,099</u>
Outside Services					
Employee relations	700	700	573	127	140
Community relations	1,500	1,500	588	912	1,531
Health and life insurance	205,492	205,492	200,178	5,314	226,707
Professional services - legal	77,000	77,000	68,093	8,907	101,181
Professional services - prosecutor	11,000	11,000	10,200	800	10,450
Smoke signals	8,000	8,000	7,258	742	6,377
Telephone/communications	24,000	24,000	15,221	8,779	24,932

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014

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

GENERAL GOVERNMENT (cont.)	2014				2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
Unemployment insurance	\$ 2,500	\$ 2,500	\$ 2,110	\$ 390	\$ 2,030
Accounting	21,818	21,818	21,887	(69)	21,080
Miscellaneous expenses	-	-	-	-	432
Total Outside Services	352,010	352,010	326,108	25,902	394,860
Total General Government	967,111	961,111	902,296	58,815	1,138,406
PUBLIC SAFETY					
Salaries	878,163	878,163	799,125	79,038	778,995
Overtime	110,000	110,000	103,543	6,457	109,884
Lyons township hireback	59,280	59,280	63,356	(4,076)	66,965
Central dispatch assessment	68,264	68,264	62,793	5,471	68,598
Vehicle/equipment maintenance	30,000	30,000	23,954	6,046	24,778
Safety equipment	3,000	3,000	1,027	1,973	1,489
Maintenance materials	1,000	1,000	56	944	771
Gas and oil	33,000	33,000	28,345	4,655	29,113
Meeting/conference/training	7,500	7,500	10,696	(3,196)	10,334
Membership fees	500	500	1,010	(510)	760
Clothing and uniforms	15,000	15,000	10,828	4,172	6,711
Vehicles/Other Equipment	-	-	-	-	1,799
Telephone/communications	6,000	6,000	8,242	(2,242)	4,596
Postage	500	500	258	242	71
Office supplies	3,500	3,500	2,257	1,243	2,180
Animal control	250	250	-	250	1,215
Miscellaneous	500	500	1,028	(528)	239
Office equipment	2,500	2,500	5,254	(2,754)	-
CALEA consulting	2,400	2,400	2,450	(50)	4,900
Total Public Safety	1,221,357	1,221,357	1,124,222	97,135	1,113,398

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014

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

	2014					2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget		
	Original	Final				
PUBLIC WORKS						
Salaries	\$ 46,348	\$ 46,348	\$ 48,429	\$ (2,081)	\$ 44,795	
Salaries - temporary	1,000	1,000	-	1,000	-	
Overtime	16,320	16,320	38,469	(22,149)	13,001	
Meeting/conference/training	1,500	1,500	560	940	1,008	
Membership fees	550	550	564	(14)	417	
Clothing and uniforms	1,000	1,000	735	265	1,219	
Office supplies	1,750	1,750	1,370	380	1,627	
Office equipment	1,000	1,000	-	1,000	-	
Postage	250	250	98	152	133	
Telephone/communications	6,500	6,500	4,034	2,466	5,927	
Electricity	7,500	7,500	3,046	4,454	5,832	
Professional services - engineering	18,000	18,000	78,685	(60,685)	29,114	
Professional services - landscaping/leaf removal	2,500	2,500	1,602	898	917	
Engineering - developer/prop C	2,500	2,500	-	2,500	-	
Utility expense	8,600	8,600	8,026	574	2,460	
Tree maintenance	10,000	10,000	8,921	1,079	7,425	
Streets and parkways maintenance	6,500	6,500	1,459	5,041	(1,374)	
Vehicles/other equipment	12,000	12,000	23,839	(11,839)	21,103	
Vehicles/other equipment	36,000	-	-	-	-	
Equipment/vehicle maintenance	5,500	5,500	3,280	2,220	3,357	
Equipment rental	6,000	6,000	1,858	4,142	1,465	
Streets and parkways materials	4,000	4,000	2,144	1,856	2,701	
Storm sewer materials	1,000	1,000	-	1,000	-	
Tree program	500	500	2,598	(2,098)	985	
Tools and hardware	1,000	1,000	1,140	(140)	674	
Gas and oil	11,000	11,000	11,644	(644)	8,475	

VILLAGE OF INDIAN HEAD PARK

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended April 30, 2014

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

	2014				2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
Storm sewer maintenance	\$ 23,150	\$ 23,150	\$ 701	\$ 22,449	\$ 15,865
Safety equipment	1,750	1,750	1,222	528	1,389
Drainage materials	2,000	2,000	781	1,219	1,193
Professional services - tree consultant	250	250	-	250	-
Miscellaneous	250	250	-	250	(932)
Total Public Works	236,218	200,218	245,205	(44,987)	168,776
DEBT SERVICE					
Debt service - principal	-	-	1,736	(1,736)	2,109
Debt service - interest	-	-	338	(338)	-
Total Debt Service	-	-	2,074	(2,074)	2,109
TOTAL EXPENDITURES	\$ 2,424,686	\$ 2,382,686	\$ 2,273,797	\$ 108,889	\$ 2,422,689

VILLAGE OF INDIAN HEAD PARK

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of April 30, 2014

	Special Revenue		Capital Projects		
	911	Special Parks	Road Improvement Bond	Public Works Facility	Capital Improvements
ASSETS					
Cash and investments	\$ -	\$ 18,350	\$ 20,364	\$ 146,966	\$ 110,889
Receivables					
Property taxes	-	15,386	-	-	-
Other receivables	4,515	-	-	-	-
Due from other funds	-	-	-	-	42,945
TOTAL ASSETS	<u>\$ 4,515</u>	<u>\$ 33,736</u>	<u>\$ 20,364</u>	<u>\$ 146,966</u>	<u>\$ 153,834</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Due to other funds	\$ 42,945	\$ -	\$ -	\$ 27,947	\$ -
Total Liabilities	<u>42,945</u>	<u>-</u>	<u>-</u>	<u>27,947</u>	<u>-</u>
Deferred Inflows of Resources					
Property taxes levied for future periods	-	15,268	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>15,268</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted for recreational programs	-	18,449	-	-	-
Restricted for debt service	-	-	-	-	-
Assigned for capital projects	-	-	20,364	119,019	153,834
Assigned for recreational programs	-	19	-	-	-
Assigned for debt service	-	-	-	-	-
Unassigned	(38,430)	-	-	-	-
Total Fund Balances	<u>(38,430)</u>	<u>18,468</u>	<u>20,364</u>	<u>119,019</u>	<u>153,834</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 4,515</u>	<u>\$ 33,736</u>	<u>\$ 20,364</u>	<u>\$ 146,966</u>	<u>\$ 153,834</u>

<u>Debt Service</u>	
<u>Bond Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 90,470	\$ 387,039
-	15,386
-	4,515
<u>30,588</u>	<u>73,533</u>
<u>\$ 121,058</u>	<u>\$ 480,473</u>

<u>\$ -</u>	<u>\$ 70,892</u>
<u>-</u>	<u>70,892</u>

<u>-</u>	<u>15,268</u>
<u>-</u>	<u>15,268</u>

-	18,449
119,418	119,418
-	293,217
-	19
1,640	1,640
<u>-</u>	<u>(38,430)</u>
<u>121,058</u>	<u>394,313</u>

<u>\$ 121,058</u>	<u>\$ 480,473</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, 2014

	Special Revenue		Capital Projects		
	911	Special Parks	Road Improvement Bond	Public Works Facility	Capital Improvements
REVENUES					
Property taxes	\$ -	\$ 30,914	\$ -	\$ -	\$ -
911 surcharge	55,064	-	-	-	-
Rentals	-	-	-	89,390	-
Investment income	-	-	-	86	-
Total Revenues	55,064	30,914	-	89,476	-
EXPENDITURES					
Current					
Public safety	45,536	-	-	-	-
Culture and recreation	-	24,616	-	-	-
Debt Service					
Debt service - principal	-	-	-	104,000	-
Debt service - interest	-	-	-	50,901	-
Other interest and fiscal charges	-	-	-	25	-
Total Expenditures	45,536	24,616	-	154,926	-
Excess (deficiency) of revenues over expenditures	9,528	6,298	-	(65,450)	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	50,000	-
Total Other Financing Sources (Uses)	-	-	-	50,000	-
Net Change in Fund Balances	9,528	6,298	-	(15,450)	-
FUND BALANCES (DEFICIT)					
- Beginning of Year	(47,958)	12,170	20,364	134,469	153,834
FUND BALANCES (DEFICIT) - END OF YEAR	\$ (38,430)	\$ 18,468	\$ 20,364	\$ 119,019	\$ 153,834

<u>Debt Service</u>	
<u>Bond Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 30,914
-	55,064
-	89,390
-	86
<u>-</u>	<u>175,454</u>
-	45,536
-	24,616
-	104,000
-	50,901
-	25
<u>-</u>	<u>225,078</u>
<u>-</u>	<u>(49,624)</u>
-	50,000
-	50,000
-	376
<u>121,058</u>	<u>393,937</u>
<u>\$ 121,058</u>	<u>\$ 394,313</u>

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, 2014
With Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
REVENUES					
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Total Expenditures	-	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	-	\$ -	-
FUND BALANCE - Beginning of Year			121,058		121,058
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, 2014
With Comparative Actual Amounts for the Year Ended April 30, 2013

	2014					2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget		
	Original	Final				
REVENUES						
911 surcharge	\$ 65,000	\$ 65,000	\$ 55,064	\$ (9,936)		\$ 64,985
Investment income	-	-	-	-		6
Total						
Revenues	<u>65,000</u>	<u>65,000</u>	<u>55,064</u>	<u>(9,936)</u>		<u>64,991</u>
EXPENDITURES						
Ameritech lines	5,000	5,000	4,254	746		4,405
Equipment						
maintenance	1,000	1,000	270	730		40
Central dispatch						
assessment	<u>45,510</u>	<u>45,510</u>	<u>41,012</u>	<u>4,498</u>		<u>44,160</u>
Total						
Expenditures	<u>51,510</u>	<u>51,510</u>	<u>45,536</u>	<u>5,974</u>		<u>48,605</u>
Net Change in						
Fund Balance	<u>\$ 13,490</u>	<u>\$ 13,490</u>	9,528	<u>\$ (3,962)</u>		16,386
FUND BALANCE						
(DEFICIT) -						
Beginning of Year			<u>(47,958)</u>			<u>(64,344)</u>
FUND BALANCE						
(DEFICIT) - END						
OF YEAR			<u>\$ (38,430)</u>			<u>\$ (47,958)</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, 2014
With Comparative Actual Amounts for the Year Ended April 30, 2013

	2014				2013 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
REVENUES					
Property taxes	\$ 31,101	\$ 31,101	\$ 30,914	\$ (187)	\$ 28,995
Total					
Revenues	<u>31,101</u>	<u>31,101</u>	<u>30,914</u>	<u>(187)</u>	<u>28,995</u>
EXPENDITURES					
Special parks	<u>24,807</u>	<u>24,807</u>	<u>24,616</u>	<u>191</u>	<u>28,351</u>
Total					
Expenditures	<u>24,807</u>	<u>24,807</u>	<u>24,616</u>	<u>191</u>	<u>28,351</u>
Net Change in Fund Balance	<u>\$ 6,294</u>	<u>\$ 6,294</u>	6,298	<u>\$ 4</u>	644
FUND BALANCE - Beginning of Year			<u>12,170</u>		<u>11,526</u>
FUND BALANCE - END OF YEAR			<u>\$ 18,468</u>		<u>\$ 12,170</u>

VILLAGE OF INDIAN HEAD PARK

PROPRIETARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For the Years Ended April 30, 2014 and 2013

	Business-type Activities Enterprise Fund	
	Water	
	2014	2013
OPERATING REVENUES		
Water usage	\$ 832,917	\$ 805,362
Finance charges - water	11,427	10,678
Finance charges - sewer	1,260	992
Sewer charges	89,091	90,312
Total Operating Revenues	934,695	907,344
 OPERATING EXPENSES		
Water:		
Water purchases	473,251	432,739
Personnel services	105,315	115,689
Professional services	13,511	9,304
IMRF contributions	22,069	15,540
Social security	14,866	7,381
Maintenance	41,215	35,543
Materials	7,843	12,271
Equipment	3,028	105
Electricity	5,827	5,377
Sewer:		
Personnel services	72,859	75,370
Professional services	18,783	12,466
Water - Administration:		
Equipment and vehicle maintenance	3,002	1,640
Pump maintenance	3,226	2,397
Equipment Rental	114	359
Health and life insurance	40,446	39,490
Meetings and conferences	145	230
Membership fees	320	305
Postage	1,548	1,150
Telephone and communications	3,539	3,599
Tools and hardware	537	718
Clothing and uniforms	735	744
Gas and oil	169	122
Office supplies	154	1,183
Safety equipment	276	578
Miscellaneous	66	35
Building	235	300

VILLAGE OF INDIAN HEAD PARK

PROPRIETARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For the Years Ended April 30, 2014 and 2013

	Business-type Activities Enterprise Fund	
	Water	
	2014	2013
OPERATING EXPENSES (cont.)		
Sewer - Administration:		
Meetings and conferences	\$ 30	\$ -
Equipment and vehicle maintenance	-	341
Sewer system maintenance materials	1,241	240
Accounting	9,833	9,471
Illinois EPA fees	1,000	1,000
Professional Services - Televising	4,420	-
Safety Equipment	253	-
Equipment	338	-
Insurance premium	17,199	19,672
Construction	800	-
Depreciation	56,817	65,251
Total Operating Expenses	925,010	870,610
Operating Income (Loss)	9,685	36,734
NONOPERATING REVENUES		
Grants	259,396	25,604
Miscellaneous	23,341	2,009
Total Nonoperating Revenues	282,737	27,613
Change in net position	292,422	64,347
NET POSITION - Beginning of Year	1,100,908	1,036,561
NET POSITION - END OF YEAR	\$ 1,393,330	\$ 1,100,908

VILLAGE OF INDIAN HEAD PARK

AGENCY FUNDS SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES For the Year Ended April 30, 2014

	<u>Balance</u> <u>April 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>April 30, 2014</u>
<u>CLEARING FUNDS:</u>				
ASSETS				
Cash and cash equivalent	\$ 81,818	\$ 15,000	\$ 13,000	\$ 83,818
Total Assets	<u>\$ 81,818</u>	<u>\$ 15,000</u>	<u>\$ 13,000</u>	<u>\$ 83,818</u>
LIABILITIES				
Other liabilities	\$ 12,912	\$ -	\$ -	\$ 12,912
Refundable deposits	<u>68,906</u>	<u>8,000</u>	<u>6,000</u>	<u>70,906</u>
Total Liabilities	<u>\$ 81,818</u>	<u>\$ 8,000</u>	<u>\$ 6,000</u>	<u>\$ 83,818</u>

VILLAGE OF INDIAN HEAD PARK

FIVE YEAR SUMMARY OF EQUALIZED ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS April 30, 2014

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
EQUALIZED ASSESSED VALUATION	<u>\$ 174,728,538</u>	<u>\$ 184,758,423</u>	<u>\$ 182,912,155</u>	<u>\$ 145,920,676</u>	<u>\$ 133,658,087</u>
TAX RATES					
General:					
Corporate	0.3056	0.2977	0.3030	0.3947	0.4375
Illinois Municipal					
Retirement Fund	0.0549	0.0474	0.0514	0.0622	0.0898
Social Security	0.0549	0.0474	0.0514	0.0594	0.0726
Auditing	0.0137	0.0131	0.0144	0.0187	0.0207
Police Protection	0.0000	0.0000	0.0000	0.0000	0.0000
Liability Insurance	0.0412	0.0406	0.0431	0.0548	0.0428
Debt Service	0.0632	0.0599	0.0605	0.0000	0.0000
Street and Bridge	0.0000	0.0000	0.0000	0.0000	0.0000
Special Parks	<u>0.0146</u>	<u>0.0146</u>	<u>0.0152</u>	<u>0.0205</u>	<u>0.0231</u>
Totals	<u>0.5481</u>	<u>0.5207</u>	<u>0.5390</u>	<u>0.6103</u>	<u>0.6865</u>
TAX EXTENSIONS					
General:					
Corporate	\$ 534,055	\$ 550,020	\$ 554,140	\$ 576,000	\$ 584,754
Illinois Municipal					
Retirement Fund	96,011	87,515	94,067	90,824	120,083
Social Security	96,011	87,515	94,067	86,738	96,991
Auditing	24,002	24,167	26,250	27,247	27,713
Police Protection	0	-	-	-	-
Liability Insurance	72,009	75,008	78,836	79,926	57,272
Debt Service	110,371	110,707	110,670	-	-
Street and Bridge	0	-	-	-	-
Special Parks	<u>25,505</u>	<u>26,931</u>	<u>27,810</u>	<u>29,870</u>	<u>30,900</u>
Totals	<u>\$ 957,964</u>	<u>\$ 961,863</u>	<u>\$ 985,840</u>	<u>\$ 890,605</u>	<u>\$ 917,713</u>

VILLAGE OF INDIAN HEAD PARK

DEBT SERVICE REQUIREMENTS 2009 GENERAL OBLIGATION LIMITED DEBT CERTIFICATES April 30, 2014

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	-	-	-
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>\$ 160,000</u>	<u>\$ 890,000</u>	<u>\$ 204,167</u>	<u>\$ 1,094,167</u>

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