



AUDIT REPORT  
FOR THE YEAR ENDED APRIL 30, 2014

**Selden Fox LTD.**  
CERTIFIED PUBLIC ACCOUNTANTS

**Village of La Grange Park  
Annual Financial Report  
For the Year Ended April 30, 2014**

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**Village of La Grange Park  
Annual Financial Report  
For the Year Ended April 30, 2014**

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**INDEPENDENT AUDITOR'S REPORT**

# Selden Fox, LTD.

A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS  
619 Enterprise Drive  
Oak Brook, Illinois 60523-8835

630-954-1400  
630-954-1327 FAX

email@seldenfox.com  
www.seldenfox.com

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Village of La Grange Park  
La Grange Park, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, fiduciary activities, and each major fund of the **Village of La Grange Park, Illinois**, as of and for the year ended April 30, 2014, and the statements of revenues, expenditures and changes in fund balance – budget and actual for the General and major Special Revenue Funds and the related notes to the financial statements, which collectively comprise the Village'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.

### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the fiduciary activities, and each major fund of the Village of La Grange Park, Illinois, as of April 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the major Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As described in Note IV. E. to the financial statements, the statements have been restated to correct a misstatement for member reserves the Village has on deposit with a cooperative health insurance plan and include the liability for certain compensated absences. Our opinions are not modified with respect to this matter.

## **Other Matters**

As described in Note I. D. 8 to the financial statements, the Village adopted the provisions of GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* and GASB Statement No. 65 – *Items Previously Reported as Assets and Liabilities*.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 4-10) and the schedules of funding progress (pages 58-60) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of La Grange Park, Illinois' basic financial statements. The accompanying financial information listed as supplementary information on pages 61-64 in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

**Other Information (cont'd)**

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Seiden Fox, Ltd.*

October 3, 2014

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Village of La Grange Park  
Management's Discussion and Analysis  
April 30, 2014**

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This narrative is offered to provide the reader a better understanding of the accompanying financial statements. It highlights several important aspects of the Village of La Grange Park's financial condition and reviews the relationship between the types of financial statements presented.

**REPORT STRUCTURE**

***Government-Wide Financial Statements***

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

The *Statement of Net Position* presents information on the Village's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates the Village's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. 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 on how the Village's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. The Statement of Activities also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

Both of the government-wide financial statements differentiate functions of the Village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The governmental activities of the Village include general government, public safety and highways and streets. The business-type activities of the Village include water and sewer services.

Excluded from the government-wide financial statements are fiduciary funds, such as the Village's Police Pension Fund. Fiduciary funds are used to report net assets held in a trustee or agency capacity for others and therefore cannot be used to support Village services.

The government-wide financial statements can be found on pages 11 through 13 of this report.

**Village of La Grange Park  
Management's Discussion and Analysis (cont'd)  
April 30, 2014**

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***Fund Financial Statements***

A *fund* is a group of accounts used to maintain control over resources that have been segregated for specific purposes. The Village, like other state and local governments, 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, proprietary funds, and fiduciary funds.

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Sometimes, as is the case for the Village's Motor Fuel Tax Fund, the State requires the Village to account for revenue derived from one specific tax separate from all other Village revenues.

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.

*Proprietary funds* account for those activities primarily supported by user fees. The Village of La Grange Park's two proprietary funds are the Water Fund and the Sewer Fund. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements and use the economic resources measurement focus and accrual basis of accounting.

*Fiduciary funds* account for financial resources held for the benefit of parties outside the government, such as the Village's Police Pension Fund. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The fund financial statements begin on page 14 and continue through page 29.

***Notes to the Financial Statements***

The notes to the financial statements provide information necessary for the full understanding of the statements. These notes begin on page 30 of this audit report.

***Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to employee retirement and other post-employment benefit plans. Required supplementary information can be found on pages 58 through 60 of this report. Other supplementary information may be found on pages 61 through 64.

**Village of La Grange Park  
Management's Discussion and Analysis (cont'd)  
April 30, 2014**

**CONDENSED FINANCIAL INFORMATION AND ANALYSIS**

**Government-wide Financial Analysis**

**Village of La Grange Park  
Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013 (Restated)	2014	2013 (Restated)	2014	2013 (Restated)
<b>Assets:</b>						
Current and other assets	\$ 7,569,866	\$ 7,268,381	\$ 3,827,854	\$ 4,349,773	\$11,397,720	\$11,618,154
Capital assets	5,556,905	4,871,437	13,299,670	12,487,619	18,856,575	17,359,056
<b>Total assets</b>	<b>13,126,771</b>	<b>12,139,818</b>	<b>17,127,524</b>	<b>16,837,392</b>	<b>30,254,295</b>	<b>28,977,210</b>
<b>Liabilities:</b>						
Current liabilities	980,820	765,320	709,169	703,087	1,689,989	1,468,407
Long-term liabilities	233,557	421,718	3,752,776	4,061,500	3,986,333	4,483,218
<b>Total liabilities</b>	<b>1,214,377</b>	<b>1,187,038</b>	<b>4,461,945</b>	<b>4,764,587</b>	<b>5,676,322</b>	<b>5,951,625</b>
<b>Net position:</b>						
Net Investment in capital assets	5,294,811	4,388,907	9,246,764	8,132,649	14,541,575	12,521,556
Restricted	840,616	1,518,683	77,781	68,955	918,397	1,587,638
Unrestricted	5,776,967	5,045,190	3,341,034	3,871,201	9,118,001	8,916,391
<b>Total net position</b>	<b>\$11,912,394</b>	<b>\$10,952,780</b>	<b>\$12,665,579</b>	<b>\$12,072,805</b>	<b>\$24,577,973</b>	<b>\$23,025,585</b>

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 reduce current assets and increase capital assets. There is a second impact, an increase in the investment in capital assets and an increase in related net debt which will not change the net investment in capital assets (net of debt).

*Spending of Non-borrowed Current Assets on New Capital* – which will (a) reduce current assets and increase capital assets and (b) reduce unrestricted net position and increase the 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 the net investment in capital assets.

**Village of La Grange Park  
Management's Discussion and Analysis (cont'd)  
April 30, 2014**

**Government-wide Financial Analysis (cont'd)**

*Reduction of Capital Assets through Depreciation* – which will reduce capital assets and the net investment in capital assets.

The Village had a number of these impacts occur during the fiscal year as well as a restatement of beginning fund balances as described in the notes to the financial statements (page 57) which contributed to the increase in net position. The Village spent current non-borrowed assets on new capital purchases and improvements. The Village also made debt service payments and recorded annual depreciation.

The Village of La Grange Park's assets exceeded its liabilities by \$24,577,973 as of April 30, 2014. This is an increase of \$1,552,388 over the prior year as both the Village's governmental activities and business-type activities resulted in an increase in net position. Net position as of April 30, 2013 (the prior year end) was restated in order to include Village deposits with the Intergovernmental Personnel Benefit Cooperative and the liability for certain compensated absences (see page 57 for more information), resulting in an increase of \$94,231. The two largest components of the Village's assets are its cash and investments of \$7,220,421 and its investment in capital assets which stands at \$18,856,575.

**Village of La Grange Park  
Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013 (Restated)	2014	2013 (Restated)	2014	2013 (Restated)
Program revenues:						
Charges for services	\$ 1,469,519	\$ 1,223,944	\$4,297,029	\$4,021,808	\$ 5,766,548	\$ 5,245,752
Grants and contributions:						
Operating	402,972	458,768	-	-	402,972	458,768
Capital	450,000	-	-	-	450,000	-
General revenues:						
Property taxes	3,258,588	3,245,655	-	-	3,258,588	3,245,655
Other taxes	3,243,209	3,227,846	-	-	3,243,209	3,227,846
Other	468,312	350,520	17,559	30,220	485,871	380,740
<b>Total revenues</b>	<b>9,292,600</b>	<b>8,506,733</b>	<b>4,314,588</b>	<b>4,052,028</b>	<b>13,607,188</b>	<b>12,558,761</b>
Expenses:						
General government	3,090,864	2,624,583	-	-	3,090,864	2,624,583
Public safety	5,281,462	5,184,353	-	-	5,281,462	5,184,353
Water	-	-	2,932,231	2,475,778	2,932,231	2,475,778
Sewer	-	-	750,243	681,725	750,243	681,725
<b>Total expenses</b>	<b>8,372,326</b>	<b>7,808,936</b>	<b>3,682,474</b>	<b>3,157,503</b>	<b>12,054,800</b>	<b>10,966,439</b>
Increase in net position before transfers	920,274	697,797	632,114	894,525	1,552,388	1,592,322
Transfers	39,340	38,200	(39,340)	(38,200)	-	-
<b>Change in net position</b>	<b>\$ 959,614</b>	<b>\$ 735,997</b>	<b>\$ 592,774</b>	<b>\$ 856,325</b>	<b>\$ 1,552,388</b>	<b>\$ 1,592,322</b>

**Village of La Grange Park  
Management's Discussion and Analysis (cont'd)  
April 30, 2014**

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***Government-wide Financial Analysis (cont'd)***

There are eight basic impacts on revenues and expenses as reflected below that affect the comparability of the Statement of Changes in Net Position summary presentation:

**Revenues:**

*Economic Condition* – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales, and utility tax revenue, as well as public spending habits for building permits, elective user fees, and volumes of consumption.

*Increase/Decrease in Village Board Approved Rates* – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, etc.).

*Changing Patterns in Intergovernmental and Grant Revenue (both recurring and nonrecurring)* – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

*Market Impacts on Investment Income* – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

**Expenses:**

*Introduction of New Programs* – within the functional expense categories (general government, public safety, highways and streets, etc.) individual programs may be added or deleted to meet changing community needs.

*Increase in Authorized Personnel* – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent a significant portion of the Village's operating costs.

*Salary Increases (cost of living and merit)* – the ability to attract and retain intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

*Inflation* – while overall inflation continues to be modest, the Village is a major consumer of certain commodities such as fuel and supplies that may experience unusual commodity specific increases.

**Village of La Grange Park  
Management's Discussion and Analysis (cont'd)  
April 30, 2014**

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***Government-wide Financial Analysis (cont'd)***

On the governmental side, revenues increased by over 9%, with the most significant increase the receipt of a \$450,000 grant from the State to help finance the renovation of the Public Works facility. Governmental expenses increased by about 7%. The growth in expenditures resulted from general increases in the cost to provide services, such as personnel and supplies, as well as planned increases in spending for projects and programs including road maintenance and tree removals due to the Emerald Ash Borer.

Revenues and expenses on the business-activity side were most affected by the increase in the cost to purchase water from the Brookfield North Riverside Water Commission (BNRWC). The BNRWC approved an 11.7% increase in the rate charged to their customers effective January 1, 2013. The BNRWC took this action in response to a 15% increase from their supplier, the City of Chicago. The Village Board approved an increase in the Village's water rate from \$5.58 per 100 cubic feet to \$5.99 per 100 cubic feet, a 7.3% adjustment effective May 1, 2013.

***Fund Financial Statement Analysis***

The Village of La Grange Park has six governmental funds. These funds are displayed on the balance sheet found on pages 14 and 15. Governmental funds use a modified accrual basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balance) are found on pages 17 and 18.

The General Fund is used to account for most of the Village's general operating activity. This includes activity for administration, finance, building, police, fire, and public works. Including the effect of operating transfers, the General Fund's revenues were more than its expenditures by \$582,691. Revenues were up 5.8% (\$8,265,490 versus \$7,816,029), while expenditures increased 4.6% (\$7,455,361 this year versus \$7,129,169 last year). The growth in revenues can be attributed to increases in several sources, including the State income tax and local building permits as the economy continues to recover and the Village implemented new fees based on a recent local revenue study. With respect to expenditures, the General Fund finished the year \$408,959, or 5.2%, under budget. The primary reason for the expenditure budget variance was lower than budgeted personnel costs in the Police Department. The General Fund budget was amended during the fiscal year to allow for increased tree services due to the Emerald Ash Borer.

The financial statements for the two proprietary funds begin on page 23. Proprietary funds use the accrual basis of accounting designed to measure total economic resources. Therefore, unlike governmental funds, the balance sheet does show property and equipment assets and long-term bonds payable. The combined increase in net position for the Water and Sewer Funds is \$592,774. These funds are expected to accumulate reserves in some years and then spend those reserves in other years to repair and replace infrastructure. The largest component of property and equipment is infrastructure, which includes reservoirs, water mains, and sewer lines.

The financial statements for the fiduciary funds begin on page 27.

**Village of La Grange Park  
Management's Discussion and Analysis (cont'd)  
April 30, 2014**

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***Capital Assets and Long-term Debt***

The Village of La Grange Park did not issue bonds during the 2014 fiscal year and reduced its outstanding bonded debt by \$510,000 through scheduled payments. The Village is rated Aa2 by Moody's Investors Service.

During fiscal year 2014, the Village completed a major renovation of the Public Works facility which was primarily financed by \$600,000 in State grants. \$450,000 of the grant money was received in the current fiscal year and the remaining in prior fiscal years. The Village transferred \$264,200 of General Fund cash reserves to the Capital Projects Fund to support road programs as well as equipment purchases. The Village also continued water and sewer infrastructure improvements, with over \$1 million in projects completed in fiscal year 2014.

Readers interested in detailed information related to capital assets and long-term debt may refer to the notes on pages 42 through 46.

***Economic Factors***

The Village comprises approximately 2.23 square miles and is primarily a residential community with a small commercial and manufacturing base. In 2010, Forbes listed La Grange Park as one of America's 20 most stable housing markets. According to the 2010 U.S. Census, the Village had a population of 13,579, an increase of about 2% from 2000.

The Village is in a sound financial condition. The national and local economies improved in the past year resulting in higher than budgeted general revenues. However, several revenues, such as sales tax and the telecommunication tax remain below pre-recession levels. In recent years, the Village Board and management have made adjustments to the Village's operating and capital activities due to significant reductions in revenues as a result of the recession. The Village has successfully managed its financial resources through prudent spending and reduced staff while still providing high quality services to residents. More recently, the Village identified and implemented fee and fine adjustments after performing a comprehensive Local Revenue Study.

As is the case with many established municipalities, one of the primary challenges for the Village in the near term is to continue repairing and replacing its aging roads and water and sewer infrastructure. The Village is a non-home rule community and is therefore limited in its ability to expand its revenue base. However, the Village Board and management are actively engaged in planning for both the operating and capital needs of the Village. A five-year capital plan is included with each annual budget and the Village continues to aggressively pursue grant opportunities to supplement its base revenue sources.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for public resources. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, Village of La Grange Park, 447 N. Catherine Avenue, La Grange Park, IL 60526.

## **BASIC FINANCIAL STATEMENTS**

**Village of La Grange Park  
Statement of Net Position  
April 30, 2014**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>Assets</b>			
Cash and investments	\$ 4,375,558	\$ 2,844,863	\$ 7,220,421
Receivables	2,510,067	884,936	3,395,003
Internal balances	30,777	(37,090)	(6,313)
Accrued interest income	825	1,000	1,825
Prepaid items	8,345	3,085	11,430
Restricted cash	13,778	-	13,778
Insurance deposits	630,516	131,060	761,576
Capital assets (net of accumulated depreciation):			
Buildings and building improvements	3,090,859	740,012	3,830,871
Infrastructure	1,225,787	12,138,516	13,364,303
Machinery and equipment	231,340	342,713	574,053
Vehicles	1,008,919	78,429	1,087,348
<b>Total assets</b>	<b>13,126,771</b>	<b>17,127,524</b>	<b>30,254,295</b>
<b>Liabilities</b>			
Accounts payable and other accrued expenses	521,083	309,925	831,008
Accrued interest expense	3,270	66,740	70,010
Noncurrent liabilities:			
Due within one year	456,467	332,504	788,971
Due in more than one year	233,557	3,752,776	3,986,333
<b>Total liabilities</b>	<b>1,214,377</b>	<b>4,461,945</b>	<b>5,676,322</b>
<b>Net Position</b>			
Net investment in capital assets	5,294,811	9,246,764	14,541,575
Restricted for:			
Working cash	158,229	-	158,229
Risk management	175,016	77,781	252,797
Transportation construction projects	184,125	-	184,125
Operation of 911 emergency telephone system	318,550	-	318,550
Debt service	4,696	-	4,696
Unrestricted	5,776,967	3,341,034	9,118,001
<b>Total net position</b>	<b>\$ 11,912,394</b>	<b>\$ 12,665,579</b>	<b>\$ 24,577,973</b>

See accompanying notes.

**Village of La Grange Park  
Statement of Activities  
For the Year Ended April 30, 2014**

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions		Primary Government		Total
				Governmental Activities	Business-type Activities		
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 1,511,088	\$ 1,336,140	\$ -	\$ -	\$ (174,948)	\$ -	\$ (174,948)
Public safety	5,281,462	133,379	-	-	(5,148,083)	-	(5,148,083)
Public works	1,579,776	-	402,972	450,000	(726,804)	-	(726,804)
<b>Total governmental activities</b>	<b>8,372,326</b>	<b>1,469,519</b>	<b>402,972</b>	<b>450,000</b>	<b>(6,049,835)</b>	<b>-</b>	<b>(6,049,835)</b>
Business-type activities:							
Water	2,932,231	3,178,003	-	-	-	245,772	245,772
Sewer	750,243	1,119,026	-	-	-	368,783	368,783
<b>Total business-type activities</b>	<b>3,682,474</b>	<b>4,297,029</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>614,555</b>	<b>614,555</b>
<b>Total primary government</b>	<b>\$ 12,054,800</b>	<b>\$ 5,766,548</b>	<b>\$ 402,972</b>	<b>\$ 450,000</b>	<b>(6,049,835)</b>	<b>614,555</b>	<b>(5,435,280)</b>
General revenues:							
Property taxes					3,258,588	-	3,258,588
Sales taxes					474,410	-	474,410
Income taxes					1,296,773	-	1,296,773
Replacement taxes					54,098	-	54,098
Utility taxes					564,873	-	564,873
Telecommunication taxes					393,327	-	393,327
State use tax					241,045	-	241,045
Other taxes					218,683	-	218,683
Miscellaneous					441,695	508	442,203
Unrestricted investment earnings					26,617	17,051	43,668
Transfers					39,340	(39,340)	-
<b>Total general revenues and transfers</b>					<b>7,009,449</b>	<b>(21,781)</b>	<b>6,987,668</b>
<b>Change in net position</b>					<b>959,614</b>	<b>592,774</b>	<b>1,552,388</b>
Net position, beginning of the year, as previously reported					10,875,845	12,055,509	22,931,354
Restatement of beginning net position					76,935	17,296	94,231
Net position, beginning of the year, as restated					10,952,780	12,072,805	23,025,585
Net position, end of the year					<b>\$ 11,912,394</b>	<b>\$ 12,665,579</b>	<b>\$ 24,577,973</b>

See accompanying notes.

**Village of La Grange Park  
Balance Sheet  
Governmental Funds  
April 30, 2014**

	General	Motor Fuel Tax	Emergency 911	Capital Projects	Working Cash	Debt Service	Total Governmental Funds
<b>Assets</b>							
Cash	\$ 2,756,415	\$ 159,092	\$ 87,949	\$ 308,075	\$ 10,827	\$ 4,696	\$ 3,327,054
Investments	700,000	-	201,157	-	147,347	-	1,048,504
Accounts receivable:							
Property taxes - net of allowance for loss on collection	1,563,174	-	-	-	-	-	1,563,174
Interest	731	-	39	-	55	-	825
Utility taxes and telephone surcharge	188,068	-	27,738	-	-	-	215,806
Other	83,871	-	21,068	10,000	-	-	114,939
Due from other funds	30,777	-	-	-	-	-	30,777
Due from other governments	591,115	25,033	-	-	-	-	616,148
Prepaid items	8,345	-	-	-	-	-	8,345
Restricted cash	13,778	-	-	-	-	-	13,778
Insurance deposits	630,516	-	-	-	-	-	630,516
<b>Total assets</b>	<b>\$ 6,566,790</b>	<b>\$ 184,125</b>	<b>\$ 337,951</b>	<b>\$ 318,075</b>	<b>\$ 158,229</b>	<b>\$ 4,696</b>	<b>\$ 7,569,866</b>
<b>Liabilities</b>							
Liabilities:							
Accounts payable	\$ 166,268	\$ -	\$ 19,401	\$ 122,530	\$ -	\$ -	\$ 308,199
Security deposits	13,778	-	-	-	-	-	13,778
Accrued wages	162,871	-	-	-	-	-	162,871
Due to other governments	36,235	-	-	-	-	-	36,235
<b>Total liabilities</b>	<b>379,152</b>	<b>-</b>	<b>19,401</b>	<b>122,530</b>	<b>-</b>	<b>-</b>	<b>521,083</b>
<b>Deferred Inflows of Resources</b>							
Property taxes	1,563,174	-	-	-	-	-	1,563,174
<b>Total liabilities and deferred inflows of resources</b>	<b>1,942,326</b>	<b>-</b>	<b>19,401</b>	<b>122,530</b>	<b>-</b>	<b>-</b>	<b>2,084,257</b>
<b>Fund Balances</b>							
Nonspendable	8,345	-	-	-	158,229	-	166,574
Restricted, reported in:							
General Fund	175,016	-	-	-	-	-	175,016
Special Revenue Funds	-	184,125	318,550	-	-	-	502,675
Working Cash Fund	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	4,696	4,696
Committed, Capital Projects Fund	-	-	-	195,545	-	-	195,545
Unassigned, reported in:							
General Fund	4,441,103	-	-	-	-	-	4,441,103
<b>Total fund balances</b>	<b>4,624,464</b>	<b>184,125</b>	<b>318,550</b>	<b>195,545</b>	<b>158,229</b>	<b>4,696</b>	<b>5,485,609</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 6,566,790</b>	<b>\$ 184,125</b>	<b>\$ 337,951</b>	<b>\$ 318,075</b>	<b>\$ 158,229</b>	<b>\$ 4,696</b>	<b>\$ 7,569,866</b>

See accompanying notes.

**Village of La Grange Park  
Reconciliation of Balance Sheet of Governmental Funds  
to the Statement of Net Position  
April 30, 2014**

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Total fund balance - governmental funds (pages 14 and 15)	\$ 5,485,609
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	5,556,905
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position.	1,563,174
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(313,891)
Bonds payable	(262,094)
Accrued interest payable	(3,270)
Net pension obligation	(65,946)
Net other post-employment benefit obligation	(48,093)
Net position of governmental activities (page 11)	\$ 11,912,394

See accompanying notes.

Village of La Grange Park  
 Combined Statement of Revenues, Expenditures  
 and Changes in Fund Balances -  
 Governmental Funds  
 For the Year Ended April 30, 2014

	General	Motor Fuel Tax	Emergency 911
Revenues:			
Property taxes	\$ 3,256,187	\$ -	\$ -
Other local taxes	1,651,293	-	133,379
Licenses and permits	629,039	-	-
Intergovernmental	1,591,916	392,972	-
Charges for services	500,087	-	-
Fines and forfeitures	207,014	-	-
Interest and investment income	25,221	262	305
Miscellaneous	404,733	-	36,200
<b>Total revenues</b>	<b>8,265,490</b>	<b>393,234</b>	<b>169,884</b>
Expenditures:			
Current:			
General government	1,233,927	-	-
Public safety	5,060,168	-	82,798
Highways and streets	1,148,766	235,000	-
Debt service:			
Principal	12,500	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>7,455,361</b>	<b>235,000</b>	<b>82,798</b>
<b>Revenues over (under) expenditures before other financing sources (uses)</b>	<b>810,129</b>	<b>158,234</b>	<b>87,086</b>
Other financing sources (uses):			
Operating transfers in	36,000	-	-
Operating transfers out	(264,200)	(223,203)	(36,000)
Sale of capital assets	762	-	-
<b>Total other financing sources (uses)</b>	<b>(227,438)</b>	<b>(223,203)</b>	<b>(36,000)</b>
<b>Net changes in fund balances</b>	<b>582,691</b>	<b>(64,969)</b>	<b>51,086</b>
Fund balance, beginning of the year, as previously reported	3,657,536	249,094	267,464
Restatement of beginning fund balance	384,237	-	-
Fund balance, beginning of the year, as restated	4,041,773	249,094	267,464
Fund balance, end of the year	<b>\$ 4,624,464</b>	<b>\$ 184,125</b>	<b>\$ 318,550</b>

	Capital Projects	Working Cash	Debt Service	Total Governmental Funds
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ 3,256,187
Other local taxes	-	-	-	1,784,672
Licenses and permits	-	-	-	629,039
Intergovernmental	460,000	-	-	2,444,888
Charges for services	-	-	-	500,087
Fines and forfeitures	-	-	-	207,014
Interest and investment income	598	225	6	26,617
Miscellaneous	-	-	-	440,933
<b>Total revenues</b>	<b>460,598</b>	<b>225</b>	<b>6</b>	<b>9,289,437</b>
Expenditures:				
Current:				
General government	2,210	-	500	1,236,637
Public safety	47,615	-	-	5,190,581
Highways and streets	1,177,218	-	-	2,560,984
Debt service:				
Principal	-	-	207,936	220,436
Interest	-	-	15,268	15,268
<b>Total expenditures</b>	<b>1,227,043</b>	<b>-</b>	<b>223,704</b>	<b>9,223,906</b>
<b>Revenues over (under) expenditures before other financing sources (uses)</b>	<b>(766,445)</b>	<b>225</b>	<b>(223,698)</b>	<b>65,531</b>
Other financing sources (uses):				
Operating transfers in	303,540	-	223,203	562,743
Operating transfers out	-	-	-	(523,403)
Sale of capital assets	-	-	-	762
<b>Total other financing sources (uses)</b>	<b>303,540</b>	<b>-</b>	<b>223,203</b>	<b>40,102</b>
<b>Net changes in fund balances</b>	<b>(462,905)</b>	<b>225</b>	<b>(495)</b>	<b>105,633</b>
Fund balance, beginning of the year, as previously reported	658,450	158,004	5,191	4,995,739
Restatement of beginning fund balance	-	-	-	384,237
Fund balance, beginning of the year, as restated	658,450	158,004	5,191	5,379,976
Fund balance, end of the year	<b>\$ 195,545</b>	<b>\$ 158,229</b>	<b>\$ 4,696</b>	<b>\$ 5,485,609</b>

See accompanying notes.

**Village of La Grange Park  
Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balance of  
Governmental Funds to the Statement of Activities  
For the Year Ended April 30, 2014**

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

Net changes in fund balance - total governmental funds (pages 17 and 18)	\$	105,633
Governmental funds report capital outlays as expenditures. However, they are capitalized and depreciated in the statement of activities.		1,337,051
Depreciation on capital assets is reported as an expense in the statement of activities.		(651,583)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		2,401
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal repayments - general obligation debt		220,436
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore are not recorded in the governmental funds:		
Decrease in accrued interest expense		3,119
Increase in compensated absences liability		(6,589)
Amortization of issuance costs		(2,374)
Increase in net pension obligation		(387)
Net other post-employment benefit obligation		(48,093)
		(48,093)
Change in net position of governmental activities (pages 12 and 13)	\$	959,614

See accompanying notes.

**Village of La Grange Park  
General Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 3,300,000	\$ 3,300,000	\$ 3,256,187	\$ (43,813)
Other local taxes	1,627,400	1,627,400	1,651,293	23,893
Licenses and permits	479,800	479,800	629,039	149,239
Intergovernmental	1,467,000	1,467,000	1,591,916	124,916
Charges for services	409,200	409,200	500,087	90,887
Fines and forfeitures	164,400	164,400	207,014	42,614
Interest and investment income	4,000	4,000	25,221	21,221
Miscellaneous	321,000	321,000	404,733	83,733
<b>Total revenues</b>	<b>7,772,800</b>	<b>7,772,800</b>	<b>8,265,490</b>	<b>492,690</b>
<b>Expenditures:</b>				
Current:				
General government	1,195,130	1,250,130	1,233,927	16,203
Public safety	5,424,790	5,369,790	5,060,168	309,622
Highways and streets	1,166,900	1,231,900	1,148,766	83,134
Debt service - principal	12,500	12,500	12,500	-
<b>Total expenditures</b>	<b>7,799,320</b>	<b>7,864,320</b>	<b>7,455,361</b>	<b>408,959</b>
<b>Revenues over (under) expenditures before other financing sources (uses)</b>	<b>(26,520)</b>	<b>(91,520)</b>	<b>810,129</b>	<b>901,649</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	36,000	36,000	36,000	-
Operating transfers out	(264,200)	(264,200)	(264,200)	-
Sale of capital assets	-	-	762	762
<b>Total other financing sources (uses)</b>	<b>(228,200)</b>	<b>(228,200)</b>	<b>(227,438)</b>	<b>762</b>
<b>Net changes in fund balance</b>	<b>\$ (254,720)</b>	<b>\$ (319,720)</b>	<b>582,691</b>	<b>\$ 902,411</b>
Fund balance, beginning of the year, as previously reported			<b>3,657,536</b>	
Restatement of beginning fund balance			<b>384,237</b>	
Fund balance, beginning of the year, as restated			<b>4,041,773</b>	
Fund balance, end of the year			<b>\$ 4,624,464</b>	

See accompanying notes.

**Village of La Grange Park  
Motor Fuel Tax Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ 330,000	\$ 330,000	\$ 392,972	\$ 62,972
Interest and investment income	200	200	262	62
<b>Total revenues</b>	<b>330,200</b>	<b>330,200</b>	<b>393,234</b>	<b>63,034</b>
Expenditures - current - highways and streets	235,000	235,000	235,000	-
<b>Revenues over expenditures before other financing uses</b>	<b>95,200</b>	<b>95,200</b>	<b>158,234</b>	<b>63,034</b>
Other financing uses - operating transfers out	(224,000)	(224,000)	(223,203)	797
<b>Net changes in fund balance</b>	<b>\$ (128,800)</b>	<b>\$ (128,800)</b>	<b>(64,969)</b>	<b>\$ 63,831</b>
Fund balance, beginning of the year			<b>249,094</b>	
Fund balance, end of the year			<b>\$ 184,125</b>	

See accompanying notes.

**Village of La Grange Park  
Emergency 911 Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Other local taxes	\$ 130,000	\$ 130,000	\$ 133,379	\$ 3,379
Interest and investment income	200	200	305	105
Miscellaneous	7,000	7,000	36,200	29,200
<b>Total revenues</b>	<b>137,200</b>	<b>137,200</b>	<b>169,884</b>	<b>32,684</b>
Expenditures - current - public safety	117,500	117,500	82,798	34,702
<b>Revenues over expenditures     before other financing uses</b>	<b>19,700</b>	<b>19,700</b>	<b>87,086</b>	<b>67,386</b>
Other financing uses - operating transfers out	(36,000)	(36,000)	(36,000)	-
<b>Net changes in fund balance</b>	<b>\$ (16,300)</b>	<b>\$ (16,300)</b>	<b>51,086</b>	<b>\$ 67,386</b>
Fund balance, beginning of the year			<b>267,464</b>	
Fund balance, end of the year			<b>\$ 318,550</b>	

See accompanying notes.

**Village of La Grange Park  
Proprietary Funds  
Statement of Net Position  
April 30, 2014**

<b>Assets</b>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Current assets:</b>			
Cash	\$ 1,138,946	\$ 96,365	\$ 1,235,311
Investments	905,356	704,196	1,609,552
Accrued interest receivable	578	422	1,000
Water sales receivable	333,282	-	333,282
Prepaid items	2,576	509	3,085
Due from other funds	-	162,838	162,838
Unbilled usage	408,876	142,778	551,654
<b>Total current assets</b>	<u>2,789,614</u>	<u>1,107,108</u>	<u>3,896,722</u>
<b>Long-term assets:</b>			
Insurance deposits	107,823	23,237	131,060
Property and equipment, net of accumulated depreciation of \$5,435,986	4,769,228	8,530,442	13,299,670
<b>Total long-term assets</b>	<u>4,877,051</u>	<u>8,553,679</u>	<u>13,430,730</u>
<b>Total assets</b>	<u>7,666,665</u>	<u>9,660,787</u>	<u>17,327,452</u>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable	266,902	16,523	283,425
Security deposits	2,411	-	2,411
Accrued wages	16,480	7,609	24,089
Compensated absences	13,066	6,532	19,598
Interest payable	186	66,554	66,740
Bond payable	11,822	301,084	312,906
Due to other funds	199,928	-	199,928
<b>Total current liabilities</b>	<u>510,795</u>	<u>398,302</u>	<u>909,097</u>
<b>Long-term liabilities:</b>			
Compensated absences	4,622	2,311	6,933
Bond payable	-	3,740,000	3,740,000
Net other post-employment benefit obligation	4,034	1,809	5,843
<b>Total long-term liabilities</b>	<u>8,656</u>	<u>3,744,120</u>	<u>3,752,776</u>
<b>Total liabilities</b>	<u>519,451</u>	<u>4,142,422</u>	<u>4,661,873</u>
<b>Net Position</b>			
Net investment in capital assets	4,757,406	4,489,358	9,246,764
Restricted to risk management	71,100	6,681	77,781
Unrestricted	2,318,708	1,022,326	3,341,034
<b>Total net position</b>	<u>\$ 7,147,214</u>	<u>\$ 5,518,365</u>	<u>\$ 12,665,579</u>

See accompanying notes.

**Village of La Grange Park  
 Combined Statement of Revenues, Expenses  
 and Changes in Net Position -  
 Proprietary Fund Types  
 For the Year Ended April 30, 2014**

	Water	Sewer	Total
Operating revenues - charges for sales and services - water and sewer	\$ 3,178,003	\$ 1,119,026	\$ 4,297,029
Operating expenses:			
Cost of sales and services	2,543,769	158,136	2,701,905
Administration	156,337	127,336	283,673
Depreciation	231,430	256,250	487,680
<b>Total operating expenses</b>	<b>2,931,536</b>	<b>541,722</b>	<b>3,473,258</b>
<b>Income from operations</b>	<b>246,467</b>	<b>577,304</b>	<b>823,771</b>
Nonoperating revenue (expense):			
Interest and investment income	15,584	1,467	17,051
Interest expense	(695)	(208,521)	(209,216)
Gain on sale of capital assets	508	-	508
<b>Total nonoperating revenue (expense)</b>	<b>15,397</b>	<b>(207,054)</b>	<b>(191,657)</b>
<b>Income before transfer</b>	<b>261,864</b>	<b>370,250</b>	<b>632,114</b>
Transfer to Capital Projects Fund	-	(39,340)	(39,340)
<b>Changes in net position</b>	<b>261,864</b>	<b>330,910</b>	<b>592,774</b>
Net position:			
Beginning of the year, as previously reported	6,869,508	5,186,001	12,055,509
Restatement of beginning net position	15,842	1,454	17,296
Beginning of the year, as restated	6,885,350	5,187,455	12,072,805
End of the year	\$ 7,147,214	\$ 5,518,365	\$ 12,665,579

See accompanying notes.

**Village of La Grange Park  
Combined Statement of Cash Flows -  
Proprietary Funds  
For the Year Ended April 30, 2014**

	Water	Sewer	Total
Cash flows from operating activities:			
Receipts from customers	\$ 3,018,560	\$ 1,075,249	\$ 4,093,809
Payments to suppliers	(2,283,417)	(233,798)	(2,517,215)
Payments to employees	(321,823)	(143,017)	(464,840)
Deposits with joint venture	(14,011)	(3,472)	(17,483)
Advances from other funds	61,792	(60,915)	877
<b>Net cash provided by operating activities</b>	<b>461,101</b>	<b>634,047</b>	<b>1,095,148</b>
Cash flows from noncapital financing activities - transfers to other funds			
	-	(39,340)	(39,340)
Cash flows from capital and related financing activities:			
Principal paid on capital debt	(11,590)	(290,474)	(302,064)
Interest paid on capital debt	(873)	(170,602)	(171,475)
Purchases of capital assets	(867,877)	(431,854)	(1,299,731)
Proceeds from sale of capital assets	508	-	508
<b>Net cash from capital and related financing activities</b>	<b>(879,832)</b>	<b>(892,930)</b>	<b>(1,772,762)</b>
Cash flows from investing activities:			
Purchase of investments	(1,408,480)	(1,106,301)	(2,514,781)
Proceeds from maturities of investments	1,419,697	1,204,652	2,624,349
Interest and dividends	15,666	1,270	16,936
<b>Net cash from investing activities</b>	<b>26,883</b>	<b>99,621</b>	<b>126,504</b>
<b>Net change in cash</b>	<b>(391,848)</b>	<b>(198,602)</b>	<b>(590,450)</b>
Cash, beginning of the year	1,530,794	294,967	1,825,761
Cash, end of the year	<b>\$ 1,138,946</b>	<b>\$ 96,365</b>	<b>\$ 1,235,311</b>

(cont'd)

**Village of La Grange Park  
 Combined Statement of Cash Flows -  
 Proprietary Funds (cont'd)  
 For the Year Ended April 30, 2014**

	Water	Sewer	Total
Reconciliation of income from operations to net cash provided by operating activities:			
Income from operations	\$ 246,467	\$ 577,304	\$ 823,771
Adjustments to reconcile income from operations to net cash provided by operating activities:			
Depreciation expense	231,430	256,250	487,680
Increase in water sales receivable/ unbilled usage	(159,443)	(43,777)	(203,220)
Increase in prepaid items	(513)	(94)	(607)
Increase in insurance deposits	(14,011)	(3,472)	(17,483)
Increase in accounts payable/ security deposits	86,057	(89,258)	(3,201)
Increase in accrued wages/ compensated absences	5,288	(3,800)	1,488
Increase in net other post-employment benefit	4,034	1,809	5,843
Due to/from other funds	61,792	(60,915)	877
<b>Net cash provided by operating activities</b>	<b>\$ 461,101</b>	<b>\$ 634,047</b>	<b>\$ 1,095,148</b>

See accompanying notes.

**Village of La Grange Park  
Fiduciary Funds  
Statement of Net Position  
April 30, 2014**

<b>Assets</b>	<u>Total</u>	<u>Police Pension Fund</u>	<u>Restricted Fund</u>
<b>Assets:</b>			
Cash	\$ 1,562,870	\$ 1,450,372	\$ 112,498
Investments	11,473,139	11,411,531	61,608
Accounts receivable:			
Property taxes - net of allowance for loss on collection	384,412	384,412	-
Interest	28,576	28,541	35
Prepaid items	12,103	12,103	-
Due from other funds	6,313	-	6,313
<b>Total assets</b>	<b>\$ 13,467,413</b>	<b>\$ 13,286,959</b>	<b>\$ 180,454</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 44,003	\$ 1,845	\$ 42,158
Due to participants	31,920	-	31,920
<b>Total liabilities</b>	<b>75,923</b>	<b>1,845</b>	<b>74,078</b>
Net position - restricted - held in trust for pension benefits and other purposes	13,391,490	13,285,114	106,376
<b>Total liabilities and net position</b>	<b>\$ 13,467,413</b>	<b>\$ 13,286,959</b>	<b>\$ 180,454</b>

See accompanying notes.

**Village of La Grange Park**  
**Fiduciary Funds - Pension Trust Fund**  
**Statement of Changes in Net Position**  
**April 30, 2014**

Additions:

Contributions:

Employer/property taxes	\$ 760,568
Plan members	173,819

<b>Total contributions</b>	<b>934,387</b>
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Investment earnings:

Interest	251,382
Net increase in fair value of investments	863,146

<b>Total investment earnings</b>	<b>1,114,528</b>
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Less investment expense	63,188
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<b>Net investment earnings</b>	<b>1,051,340</b>
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<b>Total additions</b>	<b>1,985,727</b>
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Deductions:

Benefits	1,066,146
Refunds of contributions	1,373
Administrative expenses	36,501
Rollover distribution	80,156

<b>Total deductions</b>	<b>1,184,176</b>
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<b>Changes in net position</b>	<b>801,551</b>
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Net position:

Beginning of the year	12,483,563
End of the year	<b>\$ 13,285,114</b>

See accompanying notes.

**Village of La Grange Park  
Fiduciary Funds - Restricted Fund  
Statement of Changes in Net Position  
April 30, 2014**

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Revenues:	
Miscellaneous other	\$ 49,551
Interest	<u>69</u>
<b>Total revenues</b>	<b>49,620</b>
Expenditures - current - general government	<u>4,172</u>
<b>Changes in net position</b>	<b>45,448</b>
Net position:	
Beginning of the year	<u>60,928</u>
End of the year	<u><b>\$ 106,376</b></u>

See accompanying notes.

**Village of La Grange Park**  
**Notes to the Financial Statements**

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**I. Summary of Significant Accounting Policies**

**A. The Reporting Entity**

The Village of La Grange Park, Cook County, Illinois is duly organized and existing under the provisions of the laws of the State of Illinois. The Village operates under the manager-board form of government and provides public safety (police and fire), streets, water, public improvements, planning and zoning, and general administrative services. The Village is governed by an elected Board of six Trustees and a Village President. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Village, as there are no other organizations for which it has financial accountability.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 properly included among program revenues are reported instead as general revenues.

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

**C. Measurement Focus, Basis of Accounting and Basis of Presentation**

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

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period, or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, interest, utility taxes and telephone surcharges are susceptible to accrual and so have been recognized as revenues of the current fiscal period. Replacement taxes, State income taxes and sales taxes collected and held by the State are also susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received.

The Village reports the following major governmental funds:

**General Fund** – The General Fund is the general operating fund of the Village. It is used to account for administrative, maintenance and all other financial resources, except those required to be accounted for in another fund. Tax levies and expenditures for Illinois Municipal Retirement, Police Pension, Social Security, and Ambulance Service are included in this fund.

**Motor Fuel Tax Fund** – A Special Revenue Fund used to account for the receipt and disbursement of State tax sharing derived from the sale of vehicle fuel in Illinois. The fund provides the funding for a majority of the Village's transportation construction projects.

**Emergency 911 Fund** – A Special Revenue Fund used to account for the receipt and disbursement of the Village's surcharges for the operation of its 911 emergency telephone system.

**Capital Projects Fund** – Accounts for the revenues and expenditures related to all major nonproprietary vehicles and equipment and certain construction projects.

**Working Cash Fund** – A fund to provide cash for contingencies in other governmental funds.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest of the Series 2004 general obligation bond issue.

**Proprietary Funds** are accounted for on the flow of economic resources measurement focus, and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

The Village reports the following major proprietary funds:

**Water Fund** – Accounts for the provision of water services within the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, finance, billing and collection.

**Sewer Fund** – Accounts for the provision of sewer services within the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, finance, billing and collection.

Additionally, the Village reports the following fiduciary funds to account for assets held by the Village in a trustee capacity or as an agent on behalf of others:

**Police Pension Fund** – Accumulates resources for pension benefit payments to qualified police personnel.

**Restricted Fund** – Accumulates grant and other funds for the benefit of the government, but restricted for specific purposes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the Village's water and sewer functions and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including any special assessments. Internally dedicated resources are reported as general revenues, rather than program revenues. Likewise, general revenues include all taxes.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

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 proprietary funds are charges to customers for sales and services. The proprietary funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the systems. Operating expenses for the proprietary funds include the costs 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.

**Use of Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenue and expenses during the accounting period. Actual results could differ from those estimates.

**Certain Significant Concentrations** – Substantially all revenues in the Water and Sewer Funds are from water and wastewater service billings, respectively. The billings are charged to Village residents and various other customers. The Village grants unsecured credit to its residents and various other customers for water usage. The Village monitors exposure for credit losses.

**Allocation of Expenses** – All indirect salaries and other costs are recorded into the fund to which they apply.

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance**

**1. Deposits and Investments**

Cash and investments are held separately by each of the Village's funds. Investments with maturities of one year or more from the date of purchase and investments of the Police Pension Fund are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase are stated at amortized cost. All other investments which do not consider market rates are stated at cost. Investment income has been allocated to each fund based on investments held by the fund.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance (cont'd)**

**1. Deposits and Investments (cont'd)**

Statutes authorize the Village to make deposits or invest in commercial banks, savings and loan institutions, obligations of the United States Treasury and United States government agencies, certain insured credit union shares, money market mutual funds with portfolios issued or guaranteed by the United States government, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

The Illinois Funds Investment Pool is managed by the Office of the Treasurer of the State of Illinois, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission as an investment company, but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940 and has received Standard & Poor's highest rating (AAAm). Investments in Illinois Funds are valued at the share price.

**2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as "internal balances." Any advances between funds are offset by a fund balance reserve account, to indicate that they are not available for appropriation, and are not expendable available resources.

The Village's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk not later than the last Tuesday in December of each year. Taxes are due and collectible one-half on March 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1.

Property taxes are based on the assessed valuation of the Village's real property as equalized by the State of Illinois. The equalized assessed valuation of real property totaled \$336,131,046 for calendar year 2012. Property tax receivables are shown net of allowances for doubtful amounts. The property tax receivable allowance is equal to 2.00 percent of the current year's tax levy.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance (cont'd)**

**3. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid assets. Such amounts are offset by fund balance reserved for prepaid items.

**4. Restricted Assets**

The Village required a security deposit from its cable television provider to guarantee compliance of contract provisions. As of April 30, 2014, security deposits of the Village's cable company amounted to \$13,778.

The Village is a member of the Intergovernmental Risk Management Agency (IRMA). The Village is required to maintain a deposit with IRMA to fund future possible claims. As of April 30, 2014, insurance deposits amounted to \$252,797 (\$175,016 in the governmental funds and \$77,781 in the proprietary funds).

**5. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the Village as assets with an initial cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost where historical records are available, or estimated historical cost where historical records do not exist. Donated capital assets are recorded at their estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives, are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental activities is not capitalized.

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance (cont'd)**

**5. Capital Assets (cont'd)**

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	45
Equipment	6 - 15

**6. Compensated Absences**

Employees are allowed to accumulate vacation days up to no more than ten days over their annual vacation accrual rate. Employees receive payment for all accumulated vacation days as of the date of separation of employment. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements. It is the Village's policy to permit employees to accumulate earned but unused sick pay benefits. Employees may accumulate up to 120 days of sick time as of the end of any fiscal year. Upon separation, employees do not receive any payment for unused sick time. Upon retirement, employees receive payment for 25 percent of unused sick time.

**7. Deferred Property Tax Revenue**

Property tax revenues are recorded on the "deferred method." Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the county collector, property taxes are not "available" to finance the current year's expenditures. For those funds on the modified accrual basis of accounting, the uncollected portion of the current year's tax levy, less amounts expected to be collected within sixty (60) days after year end, are recorded as deferred tax revenue.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance (cont'd)**

**8. Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position - Reclassification**

For the year ended April 30, 2014, the Village adopted the provisions of GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* and GASB Statement No. 65 – *Items Previously Reported as Assets and Liabilities*. Statement No. 63 amends the net asset reporting requirements in Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. Statement No. 65 established 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.

The implementation of these standards eliminated \$42,449 of unamortized bond issuance costs in the government-wide financial statements. This adjustment has been included in the statement of activities for the year ended April 30, 2014.

The implementation of these standards resulted in a reclassification of deferred property tax revenue, formerly presented as a current liability, as a deferred inflow of resources.

**9. Long-term Obligations**

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, net pension obligation, and net other post-employment benefits obligation, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a straight-line method that approximates the interest method. Bond issuance costs are reported as expenses/expenditures at the time of issuance.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance (cont'd)**

**10. Net Position/Fund Balance Classifications**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net position – consists of the remaining net position that does not meet the definition of restricted or invested in capital assets, net of related debt.

**Fund Statements** - In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's management. Any residual fund balance is reported as unassigned in the General Fund.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position/Fund Balance (cont'd)**

**10. Net Position/Fund Balance Classifications (cont'd)**

The Village's fund balances have the following restrictions, commitments, and assignments:

**General Fund** – A portion of the fund balance is considered nonspendable fund balance. The nonspendable portion of the fund balance totaling \$8,345 is intended as an offset to prepaid items. The restricted portion of \$175,016 represents insurance deposits.

**Special Revenue Funds** – The Village maintains Special Revenue Funds, the balances of which are considered restricted for the purposes of their respective funds.

**Capital Projects Fund** – The Village maintains a Capital Projects Fund, the balance of which is committed for purposes of the fund.

**Working Cash Fund** – The Village maintains a Working Cash Fund, the balance of which is considered nonspendable and available for short-term cash needs of the other funds, on a reimbursement basis.

**Debt Service Fund** – The Village maintains a Debt Service Fund, the balance of which is considered restricted for purposes of the fund.

The Village assumes that funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If unrestricted funds are available for spending, committed funds are spent first followed by assigned and then unassigned funds.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**II. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual budgeted amounts lapse at year end. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The budget is prepared in tentative form by the Village Manager, reviewed and approved by the Village Board, and is made available for public inspection at least 10 days prior to final Board action. A public hearing is held on the tentative budget to obtain taxpayer comments.
- Prior to May 1, the budget is legally adopted by the Board of Trustees. All actual expenditures contained herein have been compared to the annual operating budget.
- The Village Manager may transfer within any department amounts budgeted for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred or to be incurred against the budget.
- The Board of Trustees may:
  - By two-thirds vote amend the budget, or transfer amounts between departments and funds. No amendment or transfer shall be made increasing the budget, in the event funds are not available to effectuate the purpose of the amendment or transfer.
  - Adopt a supplemental budget in an amount not to exceed any additional revenue available, including unbudgeted fund balances, or amounts estimated to be received after adoption of the annual budget.
- Expenditures may exceed budgeted amounts at the sub-object level.
- The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system in accordance with various legal requirements which govern the Village.

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

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**III. Detailed Notes for All Funds**

**A. Deposits and Investments**

At April 30, 2014, cash and investments as reported on the statement of net position consisted of:

Cash on hand	\$ 1,525
Carrying amount:	
Deposits	2,530,961
Illinois Funds Investment Pool	2,029,878
Certificates of deposit	<u>2,658,057</u>
	<u>\$ 7,220,421</u>

**Interest Rate Risk** – Interest rate risk is the risk that market interest rate changes will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does have a policy that limits investment maturities to two years from the date of purchase, unless matched to a specific cash flow, as a means of managing interest rate risk. Its practice is to structure investment portfolio maturity dates in order to meet cash requirements for operations, capital projects and debt repayment schedules. At April 30, 2014, the Village is invested in twenty-seven certificates of deposit totaling \$2,658,057, with maturities ranging from May 1, 2014 to October 15, 2015.

**Custodial Credit Risk – Deposits** – This is the risk that in the event of a bank failure, the Village's deposits may not be returned. At April 30, 2014, the carrying amount of the Village's deposits was \$5,251,143 and the bank balance was \$5,299,920. Of the bank balance, \$3,428,336 was covered by federal depository insurance, and the remaining balance of \$1,871,584 was collateralized with securities held by the pledging institution's trust department or agent in the Village's name.

**Other Information** – The Illinois Funds Investment Pool (Pool) is not registered with the Securities and Exchange Commission. The Illinois State Treasury administers the Pool, and oversight is provided by the Auditor General's Office of the State of Illinois. The fair value of the positions in this Pool is the same as the value of the Pool shares.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Funds (cont'd)**

**B. Capital Assets**

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

	May 1, 2013	Additions	Deductions	April 30, 2014
Governmental activities:				
Capital assets being depreciated:				
Buildings and building improvements	\$ 2,075,104	\$ 730,386	\$ -	\$ 2,805,490
Infrastructure	4,362,753	536,784	-	4,899,537
Machinery and equipment	1,091,020	20,992	-	1,112,012
Vehicles	2,694,976	48,889	(20,025)	2,723,840
<b>Capital assets being depreciated</b>	<b>10,223,853</b>	<b>1,337,051</b>	<b>(20,025)</b>	<b>11,540,879</b>
Less accumulated depreciation for:				
Buildings and building improvements	1,519,702	60,001	-	1,579,703
Infrastructure	1,488,938	319,741	-	1,808,679
Machinery and equipment	769,720	110,951	-	880,671
Vehicles	1,574,056	160,890	(20,025)	1,714,921
<b>Total accumulated depreciation</b>	<b>5,352,416</b>	<b>651,583</b>	<b>(20,025)</b>	<b>5,983,974</b>
Governmental activities, capital assets, net	<b>\$ 4,871,437</b>	<b>\$ 685,468</b>	<b>\$ -</b>	<b>\$ 5,556,905</b>

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Funds (cont'd)**

**B. Capital Assets (cont'd)**

	May 1, 2013	Additions	Deductions	April 30, 2014
Business-type activities:				
Capital assets being depreciated:				
Buildings	\$ 859,234	\$ 316,143	\$ -	\$ 1,175,377
Infrastructure	14,714,076	951,594	-	15,665,670
Machinery and equipment	1,470,985	25,270	-	1,496,255
Vehicles	421,086	6,724	(29,456)	398,354
<b>Capital assets being depreciated</b>	<b>17,465,381</b>	<b>1,299,731</b>	<b>(29,456)</b>	<b>18,735,656</b>
Less accumulated depreciation for:				
Buildings	409,338	26,027	-	435,365
Infrastructure	3,188,882	338,272	-	3,527,154
Machinery and equipment	1,054,146	99,396	-	1,153,542
Vehicles	325,396	23,985	(29,456)	319,925
<b>Total accumulated depreciation</b>	<b>4,977,762</b>	<b>487,680</b>	<b>(29,456)</b>	<b>5,435,986</b>
Business-type activities, capital assets, net	<b>\$ 12,487,619</b>	<b>\$ 812,051</b>	<b>\$ -</b>	<b>\$ 13,299,670</b>

Depreciation expense was charged to the various functions/programs as follows:

Governmental activities:	
General government	\$ 48,143
Public safety	184,469
Public works	418,971
<b>Total depreciation expense – governmental activities</b>	<b>\$ 651,583</b>
Business-type activities:	
Water	\$ 231,430
Sewer	256,250
<b>Total depreciation expense – business-type activities</b>	<b>\$ 487,680</b>

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Funds (cont'd)**

**C. Interfund Receivables and Payables**

The composition of interfund due to/from balances as of April 30, 2014 is as follows:

Receivable Fund	Payable Fund	Amount
General	Water	\$ 30,777
Sewer	Water	162,838
Agency	Water	6,313
<b>Total</b>		<b>\$ 199,928</b>

The balances are expected to be liquidated in the subsequent year through the normal course of operations.

**D. Long-term Obligations**

The following is a summary of long-term obligation activity for the Village associated with its governmental activities and business-type activities for the year ended April 30, 2014:

	Balance May 1 (restated)	Additions	Deletions	Balance April 30	Amounts Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 420,030	\$ -	\$ (207,936)	\$ 212,094	\$ 212,094
Note payable	62,500	-	(12,500)	50,000	12,500
Net pension obligation	65,559	387	-	65,946	-
Net OPEB	-	48,093	-	48,093	-
Compensated absences	307,302	6,589	-	313,891	231,873
	<u>\$ 855,391</u>	<u>\$ 55,069</u>	<u>\$ (220,436)</u>	<u>\$ 690,024</u>	<u>\$ 456,467</u>
<b>Business-type activities:</b>					
General obligation bonds	\$ 4,354,970	\$ -	\$ (302,064)	\$ 4,052,906	\$ 312,906
Compensated absences	27,325	-	(794)	26,531	19,598
Net OPEB	-	5,843	-	5,843	-
	<u>\$ 4,382,295</u>	<u>\$ 5,843</u>	<u>\$ (302,858)</u>	<u>\$ 4,085,280</u>	<u>\$ 332,504</u>

The net pension obligation for business-type activities of \$12,549 is included in other accrued expenses on the statement of net position.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Funds (cont'd)**

**D. Long-term Obligations (cont'd)**

Issues	Balances May 1, 2013	Additions	Retirements	Balances April 30, 2014
General obligation bonds: Series 2004 (\$2,260,000), due in one remaining annual installment of \$255,000 with an interest rate of 3.70%.	\$ 505,000	\$ -	\$ (250,000)	\$ 255,000
Series 2006 (\$5,645,000), due in annual installments of \$270,000 to \$410,000 with interest rates from 3.75% to 4.125%.	4,270,000	-	(260,000)	4,010,000
	4,775,000	-	(510,000)	4,265,000
Interest free note payable – Illinois Finance Authority (\$100,000) due in annual installments of \$12,500.	62,500	-	(12,500)	50,000
	<u>\$ 4,837,500</u>	<u>\$ -</u>	<u>\$ (522,500)</u>	<u>\$ 4,315,000</u>

The annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	Total	Principal	Interest
Governmental activities due in 2015:			
Series 2004 bonds	\$ 219,941	\$ 212,094	\$ 7,847
Note payable	12,500	12,500	-
2015	232,441	224,594	7,847
2016	12,500	12,500	-
2017	12,500	12,500	-
2018	12,500	12,500	-
	<u>269,941</u>	<u>262,094</u>	<u>7,847</u>

(cont'd)

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Funds (cont'd)**

**D. Long-term Obligations (cont'd)**

Fiscal Year Ending April 30,	Total	Principal	Interest
Business-type activities, due in 2015:			
Series 2004 bonds	\$ 44,494	\$ 42,906	\$ 1,588
Series 2006 bonds	428,556	270,000	158,556
2015	473,050	312,906	160,144
2016	428,431	280,000	148,431
2017	427,931	290,000	137,931
2018	427,056	300,000	127,056
2019	425,806	310,000	115,806
2020 – 2024	2,137,231	1,755,000	382,231
2025 – 2026	855,120	805,000	50,120
	<u>5,174,625</u>	<u>4,052,906</u>	<u>1,121,719</u>
<b>Totals</b>	<u>\$ 5,444,566</u>	<u>\$ 4,315,000</u>	<u>\$ 1,129,566</u>

**E. Transfers**

Receiving Fund	Paying Fund	Amount
General	Emergency 911	\$ 36,000
Capital Projects	Sewer	39,340
Capital Projects	General	264,200
Debt Service	Motor Fuel Tax	<u>223,203</u>
<b>Total all funds</b>		<u>\$ 562,743</u>

The transfer of \$223,203 from the Motor Fuel Tax Fund to the Debt Service Fund is to move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due. All other transfers were done in the ordinary course of business.

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Funds (cont'd)**

**F. Fund Equity**

The amounts reported on the statement of net position for the fiduciary funds as restricted are comprised of the following:

Agency Fund:			
Ambulance donations	\$	5,290	
Foreign fire insurance tax		695	
SB 740 – DUI fines		4,671	
Police department donations		1,299	
Justice assistance grant		921	
Christmas walk		431	
Storm water management fee		93,000	
Interest on investments		69	
		106,376	
Pension trust		13,285,114	
		\$ 13,391,490	

**IV. Other Information**

**A. Risk Management**

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois which have formed an association, under the Illinois Intergovernmental Cooperations 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. IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**A. Risk Management (cont'd)**

Initial contributions are determined each year based on the individual member's eligible revenue, as defined in the by-laws 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 a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

At April 30, 2014, the Village has a deposit of \$252,797 representing the Village's members' reserve with IRMA.

Intergovernmental Personal Benefit Cooperative – The Village, along with other area municipalities, is a member of the West Central Municipal Conference of the Intergovernmental Personal Benefit Cooperative (IPBC). IPBC is a cooperative public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs available to the officers, employees, and retirees of certain other nonmember governmental, quasi-governmental, and nonprofit public service units. These benefit programs include, but are not limited to, medical expense claim payments, dental, and life insurance. The cooperative receives, processes, and pays such claims that may come within the benefit programs of each participating unit. All units participating in IPBC pool their risks and funds and do share in the cost of losses or surpluses. The Village contributed \$493,703 to the cooperative during the current fiscal year.

IPBC is governed by a Board of Directors, which consists of one appointed representative from each member entity as defined in its bylaws. Each Director has an equal vote. The officers of IPBC are chosen by the Board of Directors from among their membership. The Board of Directors determines the general policies of IPBC; makes all appropriations; approves contracts and renewal terms; adopts bylaws, rules, and regulations; and exercises such powers and performs such duties as may be prescribed in its bylaws. The Board of Directors created a nine member Executive Board that is responsible for implementing the policy decisions of the Board of Directors and is responsible for the regular activities of the IPBC. The Village does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

As of April 30, 2014, IPBC deposits totaled \$508,779 (\$455,500 in the governmental funds and \$53,279 in the proprietary funds).

Copies of separate financial statements for the IRMA and IPBC can be obtained at the Village of La Grange Park, 447 North Catherine, La Grange Park, Illinois.

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

**IV. Other Information (cont'd)**

**B. Jointly Governed Organizations and Related Organizations**

The Village, along with other area municipalities, is a member of the West Central Cable Agency (Agency), an agency established to administer the franchise agreements between the cable television company and the member villages. The Agency promulgates rules for access to the cable television system by citizens and organizations, and promotes the use of the cable television system delegated to the Agency by the member villages. The Village did not contribute to the Agency during the current fiscal year. The Village does not have a direct financial interest in the Agency and, therefore, its investment therein is not reported within the financial statements.

A copy of the financial statements for the Agency can be obtained from the Village of La Grange Park at 447 North Catherine, La Grange Park, Illinois.

**C. Pension and Retirement Commitments**

The Village participates in two contributory retirement plans. Law enforcement officers are covered under the Police Pension Fund of the Village of La Grange Park (a single employer plan administered by a separate Police Pension Board of Trustees). The Illinois Municipal Retirement Fund (a statewide plan) covers substantially all full-time employees except law enforcement officers.

**1. Police Pension Retirement Plan**

**Plan Description** – Police sworn personnel are covered by the La Grange Park Police Pension Plan (Plan), which is a defined benefit, single-employer pension plan. The Village's payroll for employees covered by the Plan for the year ended April 30, 2014 was \$1,753,976 out of a total Village payroll of \$4,309,133. At April 30, 2014, the Police Pension Plan's membership consisted of:

Retirees and beneficiaries	
currently receiving benefits	19
Participants currently receiving	
disability benefits	2
Active employees:	
Fully vested	6
Partially vested	10
Nonvested	5
Terminated employees	1
	43

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**C. Pension and Retirement Commitments (cont'd)**

**1. Police Pension Retirement Plan (cont'd)**

The Police Pension Plan provides retirement benefits, as well as death and disability benefits. Employees attaining the age of 50 or more, with 20 or more years of creditable service, are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, and 1 percent of such salary for each additional year of service over 30 years, to a maximum of 75 percent of such salary.

Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retires with 20 or more years of service shall be increased annually, by 3 percent of the original pension, following the first anniversary date of retirement, and be paid upon reaching the age of at least 55 years, and by an additional 3 percent of the original pension in January of each year thereafter.

**Basis of Accounting** – The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

**Valuation of Investments** – The Police Pension Fund records investments at fair value. The composition of Plan investments at fair value on April 30, 2014 was as follows:

Common stock and options	\$ 4,052,655
Mutual funds	1,420,234
Closed-end funds	1,457,552
Government securities	2,996,519
Corporate bonds	1,484,571
	<hr/>
	\$ 11,411,531

The amortized cost of Plan investments at April 30, 2014 was \$9,309,406.

**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**C. Pension and Retirement Commitments (cont'd)**

**1. Police Pension Retirement Plan (cont'd)**

**Contributions** – Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes, and may be amended only by the Illinois legislature.

The Plan's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. All costs of administering the Plan are paid for by the Plan, except certain accounting functions, which are provided by the Village of La Grange Park at no cost.

Covered employees are required to contribute to the Police Pension Plan 9.91 percent of their base salary. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village of La Grange Park is required to contribute the remaining amounts necessary to finance the Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan.

**Funding Status and Progress** – The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and stop-rate benefits, estimated to be payable in the future as a result of employee service to date.

The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits, and is independent of the funding method used to determine contributions to the Plan.

Actuarial valuation	May 1, 2013
Actuarial cost method	Entry age normal cost
Amortization method	Level percentage of payroll
Remaining amortization period	24 years
Actuarial assumptions:	
Rate of return on investment of present and future assets	7.00% per annum, compounded annually (net of expenses)
Projected salary increases – attributable to inflation	4.00% compounded annually
Mortality rate assumption	RP-2000 mortality tables
Disability and separation	Demographic experience tables



**Village of La Grange Park  
Notes to the Financial Statements (cont'd)**

**IV. Other Information (cont'd)**

**C. Pension and Retirement Commitments (cont'd)**

**2. Illinois Municipal Retirement Fund**

The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

As set by statute, the Village's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual required contribution rate for calendar year 2013 was 11.07 percent. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

For fiscal year ending 2014, the Village's actual contributions for pension cost for the regular plan were \$191,473. Its required contribution for fiscal year 2014 was \$191,473. Trend information for the three most recent plan years ended April 30 is as follows:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2014	\$ 191,473	100 %	\$ 78,495
2013	172,281	100	76,933
2012	166,561	90	75,322

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**C. Pension and Retirement Commitments (cont'd)**

**2. Illinois Municipal Retirement Fund (cont'd)**

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 at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread 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 Village's regular plan unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2013, the most recent actuarial valuation date, the regular plan was 96.19 percent funded. The actuarial accrued liability for benefits was \$5,664,175 and the actuarial value of assets was \$5,448,268, resulting in an underfunded actuarial accrued liability (UAAL) of \$215,907. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$1,679,912 and the ratio of the UAAL to the covered payroll was 13 percent.

The schedule of funding progress, presented as required supplementary information 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.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

**IV. Other Information (cont'd)**

**D. Other Post-employment Benefits (OPEB)**

**Plan Description** – The Village provides limited health care insurance coverage for its eligible retired employees. Full-time employees who retire and are eligible for a pension under either the IMRF Plan, or Police Pension Plan can elect to continue their medical insurance for life by paying the full price of the insurance. They also have the option to continue their dental coverage. The Village accounts for the plan in the government-wide financial statements. The plan does not issue a stand-alone financial report.

At April 30, 2014, the OPEB Retiree Healthcare Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	12
Current employees:	
Vested	6
Nonvested	<u>32</u>
<b>Total</b>	<u>50</u>

**Funding Policy** – The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

**Annual OPEB Cost and Net OPEB Obligation** – The Village's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of time not to exceed thirty years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the net OPEB obligation:

Annual required contribution	\$ 141,169
Interest on net OPEB obligation	-
Adjustment to the ARC	<u>-</u>
Annual OPEB cost	141,169
Estimated contributions	<u>87,233</u>
Increase in net OPEB obligation	53,936
Net OPEB obligation at April 30, 2013	<u>-</u>
Net OPEB obligation at April 30, 2014	<u>\$ 53,936</u>

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

**IV. Other Information (cont'd)**

**D. Other Post-employment Benefits (OPEB) (cont'd)**

The Village has recorded the net OPEB obligation of \$53,936 (\$48,093 in the government-wide statement of net position and \$5,843 in the proprietary funds).

The Village's annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan, and the net OPEB obligation for the current and only year available was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/14	\$ 141,169	61.8 %	\$ 53,936

**Funding Status and Funding Progress** – The OPEB plan is being funded on a pay-as-you-go basis. At May 1, 2013, the most recent actuarial valuation date, the Unfunded Actuarial Accrued Liability (UAAL) for benefits was \$1,712,950. Annual covered payroll was \$2,965,807 and the ratio of the UAAL to the covered payroll was 58%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Actuarial Methods and Assumptions** – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

**Village of La Grange Park**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**D. Other Post-employment Benefits (OPEB) (cont'd)**

In the May 1, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), including a 3.0 percent inflation assumption, projected salary increases of 4.0 percent annually, and an annual healthcare inflation rate of 6.0 percent initially, reduced by decrements to an ultimate rate of 5.0 percent. The actuarial value of assets was not determined as the Village has not advanced funded its obligation. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2014 was 30 years.

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

The Village provides a \$3,000 post-retirement death benefit for certain beneficiaries of retirees who were Village employees prior to August 1, 1983. As of April 30, 2014, there were 14 retired Village employees who met the eligibility requirements. The Village has established an Agency Fund to provide for the present value of these benefits. At April 30, 2014, the balance of the fund totaled \$31,920.

**E. Restatement**

The 2013 Village financial statements have been restated to correct misstatements for not previously recording an asset for member reserves on deposit with a cooperative health insurance plan that Village employees participate in. As a result of this change, the net position of Governmental and Business-type activities at April 30, 2013 have been restated to include this deposit, with increases of \$384,237 and \$44,621, respectively. In addition to the foregoing, the Village had not previously provided a liability for certain compensated absences in the government-wide financial statements. This correction decreased the net position of the Governmental and Business-type activities at April 30, 2013 by \$307,302 and \$27,325, respectively. Collectively, net position of the Village at April 30, 2013 increased by a net of \$94,231 from the amount previously reported. The change in net position for the year ended April 30, 2013 increased due to the foregoing restatements by \$30,847 and \$5,506, respectively, for Governmental and Business-type activities.

**F. Contractual Commitments**

At April 30, 2014, the Village approved paving and patching contracts of approximately \$446,000 for projects to commence no sooner than May 1, 2014.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Village of La Grange Park  
Illinois Municipal Retirement Fund  
Required Supplementary Information  
Schedule of Funding Progress  
April 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 5,448,268	\$ 5,664,175	\$ 215,907	96.19%	\$ 1,679,912	12.85%
12/31/12	4,923,644	5,437,649	514,005	90.55%	1,621,089	31.71%
12/31/11	4,454,469	5,158,158	703,689	86.36%	1,572,278	44.76%
12/31/10	4,516,138	5,003,226	487,088	90.26%	1,668,173	29.20%
12/31/09	4,102,417	4,877,890	775,473	84.10%	1,752,020	44.26%
12/31/08	3,609,403	4,467,399	857,996	80.79%	1,653,852	51.88%
12/31/07	5,294,888	4,508,074	(786,814)	117.45%	1,607,684	0.00%
12/31/06	4,635,492	3,901,586	(733,906)	118.81%	1,462,907	0.00%
12/31/05	4,558,205	3,971,039	(587,166)	114.79%	1,405,551	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$6,474,851.  
On a market basis, the funded ratio would be 114.31%.

See independent auditor's report.

**Village of La Grange Park  
Police Pension Fund  
Required Supplementary Information  
Schedule of Funding Progress  
April 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
05/01/13	\$ 12,044,839	\$ 21,275,009	\$ 9,230,170	56.61%	\$ 1,671,292	552.28%
05/01/12	11,170,440	20,659,204	9,488,764	54.07%	1,677,197	565.75%
05/01/11	10,291,801	19,978,792	9,686,991	51.51%	1,635,939	592.14%
04/30/10	10,411,235	19,904,650	9,493,415	52.31%	1,465,136	647.95%
04/30/09	9,008,649	19,157,908	10,149,259	47.02%	1,628,620	623.18%
04/30/08	10,637,549	18,414,470	7,776,921	57.77%	1,567,668	496.08%
04/30/07	10,775,734	17,374,346	6,598,612	62.02%	1,454,934	453.53%
04/30/06	10,061,561	16,940,943	6,879,382	59.39%	1,390,760	494.65%
04/30/05	9,509,329	16,996,253	7,486,924	55.95%	1,292,974	579.05%

Analysis of the dollar amounts of the actuarial value of assets, actuarially accrued liability, and unfunded actuarially accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarially accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded actuarially accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarially accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation, and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

See independent auditor's report.

**Village of La Grange Park  
Other Post-employment Benefits Healthcare Plan  
Required Supplementary Information  
Schedule of Funding Progress  
April 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
05/01/13	\$ -	\$ 1,712,950	\$ 1,712,950	0.00%	\$ 2,965,807	57.76%

Note - The Village has elected to have an actuarial valuation prepared on an annual basis for the other post-employment benefits healthcare plan.

See independent auditor's report.

**SUPPLEMENTARY INFORMATION**

**Village of La Grange Park  
Capital Projects Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ 600,000	\$ 600,000	\$ 460,000	\$ (140,000)
Interest and investment income	300	300	598	298
<b>Total revenues</b>	<u>600,300</u>	<u>600,300</u>	<u>460,598</u>	<u>(139,702)</u>
Expenditures - current:				
General government	9,400	9,400	2,210	7,190
Public safety	45,026	45,026	47,615	(2,589)
Highways and streets	1,225,010	1,225,010	1,177,218	47,792
<b>Total expenditures</b>	<u>1,279,436</u>	<u>1,279,436</u>	<u>1,227,043</u>	<u>52,393</u>
<b>Revenues under expenditures     before other financing sources</b>	(679,136)	(679,136)	(766,445)	(87,309)
Other financing sources - transfers in	303,540	303,540	303,540	-
<b>Net changes in fund balance</b>	<u>\$ (375,596)</u>	<u>\$ (375,596)</u>	<u>(462,905)</u>	<u>\$ (87,309)</u>
Fund balance, beginning of the year			<u>658,450</u>	
Fund balance, end of the year			<u>\$ 195,545</u>	

See independent auditor's report.

**Village of La Grange Park  
Working Cash Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2014**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenue - interest and investment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225</u>	<u>\$ 225</u>
Fund balance, beginning of the year			<u>158,004</u>	
Fund balance, end of the year			<u>\$ 158,229</u>	

See independent auditor's report.

**Village of La Grange Park  
Debt Service Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenue - interest and investment income	\$ 100	\$ 100	\$ 6	\$ (94)
Expenditures:				
Current - general government	500	500	500	-
Debt service:				
Principal	208,000	208,000	207,936	64
Interest	16,000	16,000	15,268	732
<b>Total expenditures</b>	<b>224,500</b>	<b>224,500</b>	<b>223,704</b>	<b>796</b>
<b>Revenues under expenditures before other financing sources</b>	<b>(224,400)</b>	<b>(224,400)</b>	<b>(223,698)</b>	<b>702</b>
Other financing sources - operating transfers in	224,000	224,000	223,203	(797)
<b>Net changes in fund balance</b>	<b>\$ (400)</b>	<b>\$ (400)</b>	<b>(495)</b>	<b>\$ (95)</b>
Fund balance, beginning of the year			<b>5,191</b>	
Fund balance, end of the year			<b>\$ 4,696</b>	

See independent auditor's report.

**Village of La Grange Park  
Computation of Legal Debt Margin  
April 30, 2014**

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	<u>2013 Tax Levy Year</u>
Assessed valuation	\$ 317,519,480
Statutory debt limitation - percent of assessed valuation	<u>8.625%</u>
Legal debt margin	<u>\$ 27,386,055</u>

See independent auditor's report.