

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2016



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INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Indian Head Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Indian Head Park, Illinois (the Village) as of and for the year ended April 30, 2016, and the related notes to 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 of material misstatement.

An audit includes 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 Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of 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, each major fund and the aggregate remaining fund information of the Village of Indian Head Park, Illinois, as of April 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 12, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date*. The implementation of this guidance resulted in changes to the pension-related expense, notes presented in the notes to the financial statements and to the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

A predecessor auditor previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Indian Head Park, Illinois as of and the for the year ended April 30, 2015 and they expressed unmodified opinions on those financial statements (none of which are presented herein) in their report dated August 26, 2015.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplemental data are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental data is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has

been subjected to the auditing procedures applied in the audit of the basic financial statements 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. The supplemental data has not been subjected to the auditing procedures applied in the audit of the basic financial statements. Accordingly, we do not express an opinion or provide any assurance on them. The 2015 comparative information was subjected to the auditing procedures applied in the 2015 audit of the basic financial statements by the predecessor auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2015 financial statements as a whole.

Sikich LLP

Naperville, Illinois
September 9, 2016

**GENERAL PURPOSE
EXTERNAL FINANCIAL STATEMENTS**

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

As the management of the Village of Indian Head Park, we offer readers of the Village's financial statements this discussion and analysis of the Village of Indian Head Park's financial performance. This narrative provides an overview and examination of the financial activities of the Village of Indian Head Park for the fiscal year ended April 30, 2016. Please read it in conjunction with the Village of Indian Head Park's financial statements, which begin on page 4.

Financial Highlights

- The Village of Indian Head Park adopted GASB pronouncement 68, which established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for defined-benefit pension plans. To record the liabilities for the Village's IMRF pension plan required a change in accounting principle adjustments. (It should be noted that the Village does not participate in any other pension plan.) Governmental activities recognized an increase to net position of \$146,941. The change to business-type activities was an increase to net position to \$79,670.
- The Village collected \$3,261,994 in tax and other revenues in its governmental funds in the fiscal year ending April 30. Governmental program expenditures were \$3,273,790. No new programs were added.
- Charges for Service for proprietary funds for business-type activities were \$1,131,421. The business-type activities net position increased by \$79,670.
- The General Fund had an increase to fund balance of \$350,468 because of higher than expected revenues for sales tax and income tax combined with lower than anticipated expenditures.
- The Village of Indian Head Park's total long-term debt increased by \$314,110 to \$4,052,376. This was mostly due to an increase in the Village's adjusted net pension liability of 261,675 and the entering into a 5 year capital financing for a new public works vehicle.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4-6) provide information about the activities of the Village of Indian Head Park as a whole and present a longer-term view of the Village of Indian Head Park's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Indian Head Park's operation in more detail than the government-wide statements by providing information about the Village of Indian Head Park's most significant funds. The remaining statements provide financial information about activities for which the Village of Indian Head Park acts solely as a trustee or agent for the benefit of those outside of the government.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Using this Annual Report – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Indian Head Park's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 4-6 of this report.

The Statement of Net Position reports information on all of the Village of Indian Head Park's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Indian Head Park is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Indian Head Park's property tax base and the condition of the Village of Indian Head Park's roads and other infrastructure, is needed to assess the overall health of the Village of Indian Head Park.

The Statement of Activities presents information showing how the government's net position 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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes.

Both of the government-wide financial statements distinguish functions of the Village of Indian Head Park that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that 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 of Indian Head Park include general government, public safety, highways and streets, capital outlay and debt service. The business-type activities of the Village includes waterworks and sewerage services. The Village provides water and sewerage services to approximately 85% of its residences and businesses.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Indian Head Park, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Indian Head Park can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Using this Annual Report – Continued

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This provides more insight into the long-term impact of Indian Head Park'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 the comparison between governmental funds and governmental activities.

The Village of Indian Head Park maintains four major governmental funds and four individual non-major governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Village's major funds – the General Fund, the Motor Fuel Tax Fund, the Bond Debt Service Fund, and the Road Improvement Fund.

The Village of Indian Head Park adopts an annual appropriation for all governmental funds. Because of the appropriation act is an antiquated method of creating a spending plan that does not reflect the complexities of modern government operations, the Village adopts an internal budget which controls day to day spending. All financial data presented in this report is based on the adopted budget. Compliance with the budget is demonstrated in a budgetary comparison statement for these funds. The Village expects to change its fiscal spending process from the Appropriations Act to the Budget Act in the next fiscal year. The basic governmental fund financial statements can be found on pages 7-12 of this report.

Proprietary Funds

The Village of Indian Head Park has one proprietary fund, which is an enterprise fund. The enterprise fund reports the same functions presented as business-type activities in the government-wide financial statements. The Village's waterworks and sewerage activities are accounted for as an enterprise fund.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Using this Annual Report – Continued

Proprietary Funds – (Continued)

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund, which are considered a major fund of the Village of Indian Head Park. The basic proprietary fund financial statements can be found on pages 13 – 17 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Indian Head Park's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 18 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-40 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Indian Head Park's participation in the I.M.R.F pension plan and the budgetary schedule of revenues, expenditures, and changes in fund balance for the General Fund. Required supplementary information can be found on pages 41-45 of this report.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Government-Wide Financial Analysis

Net position over time may serve as a useful indicator of a government's financial position. For the fiscal year just ended, the assets and deferred outflows of the Village of Indian Head Park exceeded liabilities and deferred outflows by \$3,649,284.

The following table (Table 1) represents a condensed statement of net assets for Governmental Activities, Business-type Activities and the Government as a whole.

Table 1

	Governmental Activities		Business-Type Activities	
	2015-2016	2014-2015	2015-2016	2014-2015
Current and Other Assets	\$ 2,234,899	\$ 2,205,114	\$ 631,349	\$ 460,086
Capital Assets	4,784,858	4,847,192	1,004,932	1,060,656
Deferred Outflows	226,576	-	42,394	-
Total Asset & Deferred Outflows	\$ 7,246,333	\$ 7,052,306	\$ 1,678,675	\$ 1,520,742
Long-Term Debt Outstanding	\$ 4,052,376	\$ 3,438,162	\$ 248,106	\$ 24,881
Other Liabilities	159,296	233,070	164,282	208,970
Deferred Inflows	651,664	684,499	-	-
Total Liabilities & Deferred Inflows	\$ 4,863,336	\$ 4,355,731	\$ 412,388	\$ 233,851
Net position				
Net Investment in Capital Assets	\$ 1,709,404	\$ 2,136,221	1,004,932	1,041,127
Restricted	474,884	342,122	-	-
Unrestricted	198,709	218,232	261,355	245,764
Total Net Position	\$ 2,382,997	\$ 2,696,575	\$ 1,266,287	\$ 1,286,891

Normal Impacts - Statement of Net Position - 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 increase or 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 invested capital assets and an increase in related net debt, which will not change the 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 asset and (b) will reduce unrestricted net position and increase invested in capital assets, net of debt.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Government-Wide Financial Analysis – Continued

Principal Payment on Debt -which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation -which will reduce capital assets and investment in capital assets, net of debt.

Current Year Impacts -Net Assets

After accounting for a change in accounting principle, the Village of Indian Head Park's total net position decreased by \$334,182 in the fiscal year ending to 3,649,284. The decrease is the result in change in accounting for pension liabilities. The Village is reporting unrestricted net position of \$198,709 as of April 30, 2016. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors. Unrestricted net position decreased as a result of recording the Village's unfunded pension liability.

The Village of Indian Head Park's investment in capital assets net of related debt used to acquire capital assets reflects 71.73% of the Village of Indian Head Park's net position. Capital assets include land, buildings, machinery and equipment, roads and utility infrastructure. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate the liabilities. Capital assets net of related debt totaled \$2,714,336 at the end of the fiscal year, which was a decrease of \$463,012 from the fiscal year ending April 30, 2015.

Resources of the Village of Indian Head Park, which are subject to external restrictions on how they may be, used account for 13% of the Village's net position and total \$474,884.

Net Position Restricted for:

Maintenance of Roadways	\$ 239,913
Recreation	29,033
Audit Purposes	17,642
Debt Service	153,198
IMRF	<u>35,098</u>
Total Restricted Net Position	\$ 474,884

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Government-Wide Financial Analysis – Continued

Current Year Impacts -Net Assets – Continued

Net position of the Village of Indian Head Park's governmental activities for the fiscal year ending April 30, 2016 was \$2,382,997, an increase of \$146,391 over the last fiscal year without the change in accounting principle.

Net position of business-type activities for 2016 was \$1,266,287 compared to \$1,286,891 in 2015. The Village of Indian Head Park generally can only use the net position of these activities to finance the continuing operations of the waterworks and sewerage operations. Unrestricted net position was \$261,355 at the end of 2016.

Please refer to the following chart for a depiction of revenues, expenses and change in net position for the Village of Indian Head Park's governmental and business-type activities.

	Governmental Activities		Business-Type Activities	
	2015-2016	2014-2015	2015-2016	2014-2015
REVENUES				
Taxes	\$ 2,119,100	\$ 1,621,485	\$ -	\$ -
Intergovernmental	393,174	485,749	-	-
Licenses	428,195	379,752	-	-
Fines	54,649	31,576	-	-
Charges	147,912	156,003	-	-
Reimbursements	489	14,469	-	-
Rentals	61,203	91,871	-	-
Investment	632	1,634	-	-
Miscellaneous	41,476	56,679	26,619	3,852
Water revenue	-	-	1,132,421	946,952
Total revenues	3,246,830	2,840,825	1,159,040	950,804
EXPENSES				
Current				
General Government	1,094,922	1,057,256	-	-
Public Safety	1,280,975	1,356,117	-	-
Public Works	577,996	473,920	-	-
Culture and Recreation	31,086	35,396	-	-
Interest	128,547	116,332	-	-
Sales and services	-	-	999,009	992,429
Depreciation	-	-	66,724	64,814
Total expenses	3,113,526	3,039,921	1,065,733	1,057,243
Transfers	13,637	-	(13,637)	-
Change in net position	146,941	(199,096)	79,670	(106,439)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

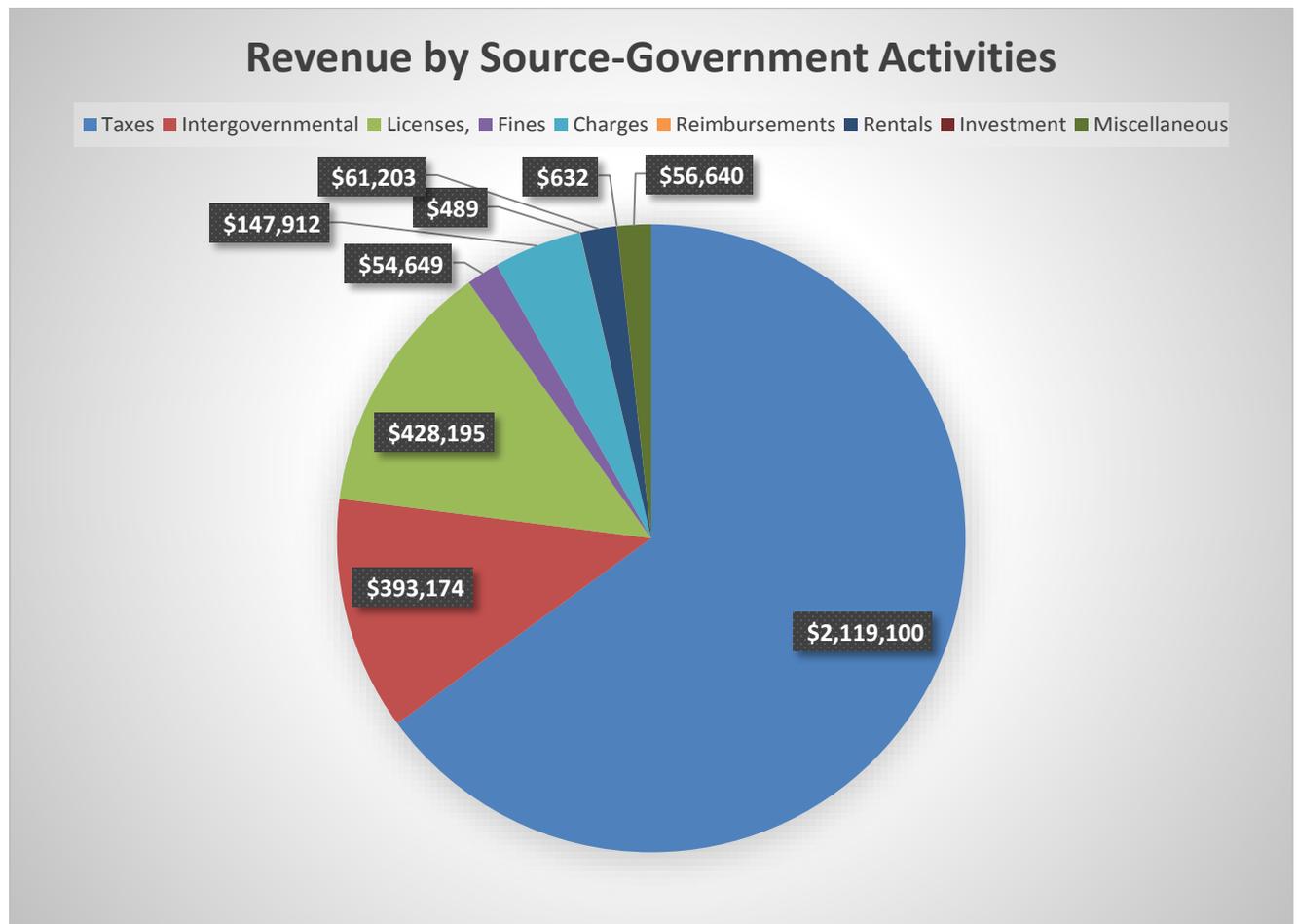
Management's Discussion and Analysis April 30, 2016

Government-Wide Financial Analysis – Continued

Governmental Activities

The 2015-2016 fiscal year revenues for governmental activities were \$3,220,518, while the cost of all governmental functions totaled \$3,113,526.

The following chart depicts the major revenue sources of the Village of Indian Head Park. Sales taxes account for the largest share of governmental activities revenue. Utility taxes also contribute a large share of governmental revenue.

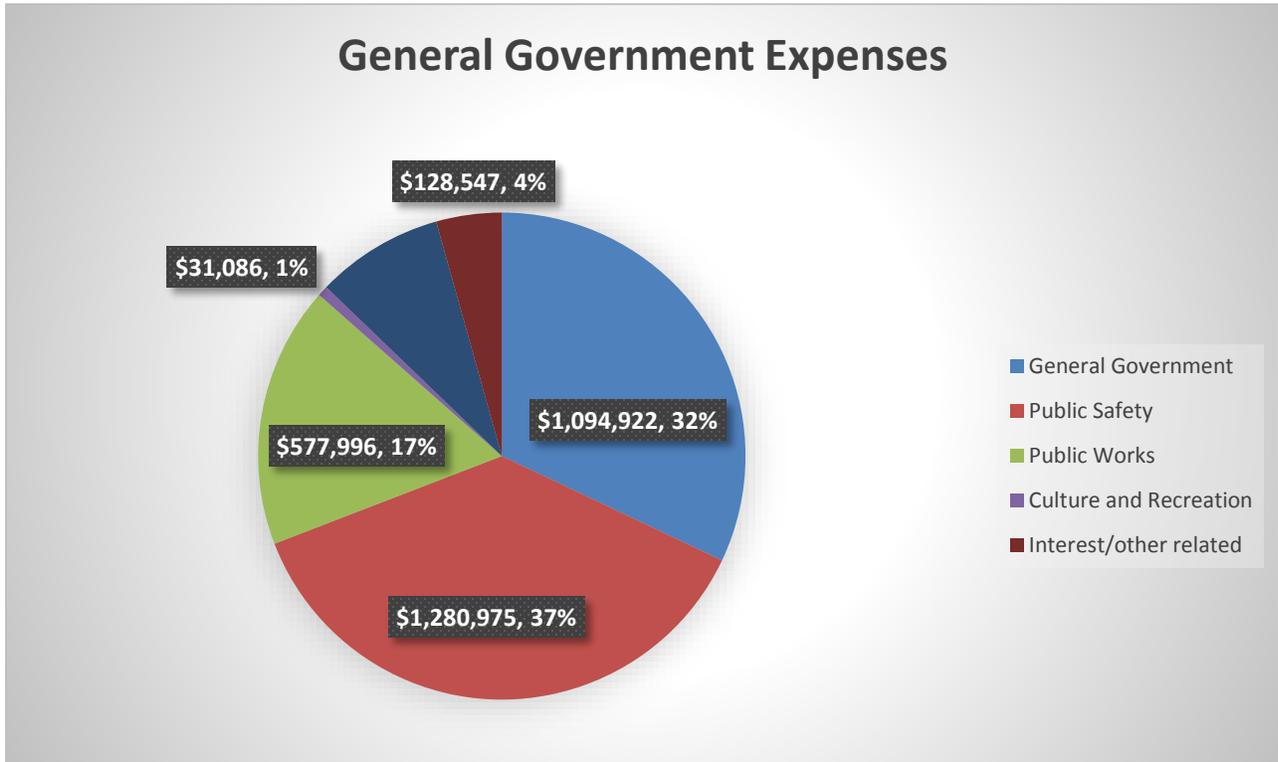


VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Government-Wide Financial Analysis – Continued

Governmental Activities – Continued



The 'Expenses and Program Revenues' chart displays the total program revenue in relation to the applicable functions. As is typical with governmental activities, these programs, especially public safety, are nearly fully supported by general revenues, rather than program revenues.

Since these expenses are heavily reliant on general revenues, which can be impacted by the economy, management is acutely mindful during the budget process to ensure the necessity of all spending. Also as in most cities, public safety represents the majority of expenses at 37% followed by general government at 32% and public works (non-water/sewer) operations at 17%.

Business-Type Activities

Revenues for business-type activities were \$1,159,040 and expenses were \$1,065,733.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Financial Analysis of the Government's Funds

As noted earlier, the Village of Indian Head Park uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental Funds - The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year. For the fiscal year ended April 30, 2016, the Governmental Funds reported a combined ending fund balance of \$1,410,159 which increased by \$154,741 from the prior year.

General Fund - The General Fund is the chief operating fund of the Village. It is the only major governmental fund of the Village. At the end of the current fiscal year, the Village of Indian Head Park had a total General Fund balance of \$707,586, of which \$622,542 is unassigned. It may be useful to compare both unassigned fund balance and total fund balance to total funds available as a measure of liquidity.

- As of the end of the current fiscal year, the General Fund had an ending fund balance of \$707,586, in contrast to last year's \$374,001.
- Revenues in the General Fund increased in total by \$333,585 in 2015 due to an increase in the sales tax receipts and general tax receipts.
- The General Fund expenditures were \$2,613,792 as opposed \$2,663,245 in 2015 a decrease of \$49,453.
- Other factors that affected the General Fund also affected Governmental Activities and were discussed in the MD&A section on governmental activities.

Proprietary Funds -The Village of Indian Head Park's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the Water and Sewer Fund as major proprietary funds, which account for all operations of the municipal water and sewer systems.

- Water is provided from the City of Countryside via the City of Chicago and the Village of McCook.
- Net position for the water and sewer fund was \$1,266,287 compared to \$1,186,617 to start the year after a \$100,274 decrease for change in accounting principle.
- Other factors concerning the finances of these three funds have already been addressed in the Village of Indian Head Park's discussion of business-type activities.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

General Fund Budgetary Highlights

There were only minor changes to the budget done in 2016 to provide for some minor contract changes. Other changes to the budget included carry-forwards from one budget year to the next to pay for items that had delayed delivery.

	Original Budget	2016 Final Budget	Actual	2015 Actual
REVENUES				
Taxes	\$ 1,599,994	\$ 1,599,994	\$ 1,753,636	\$ 1,591,285
Intergovernmental	378,291	378,291	393,174	372,888
Licenses, permits and fees	368,000	368,000	428,195	379,752
Fines and forfeitures	42,000	42,000	54,649	31,576
Charges for services	114,055	114,055	101,153	106,352
Reimbursements	1,000	1,000	489	14,469
Investment income	600	600	461	911
Miscellaneous	71,200	71,200	56,640	56,679
Total revenues	2,575,140	2,575,140	\$ 2,788,397	\$ 2,553,912
EXPENDITURES				
Current	1,003,406	1,003,406	996,914	1,044,693
General government	1,269,279	1,269,279	1,214,093	1,331,951
Public works	239,694	239,694	353,601	264,691
Debt service				
Principal	31,910	31,910	46,873	21,653
Interest	-	-	2,311	257
Total expenditures	\$ 2,544,289	\$ 2,544,289	\$ 2,613,792	\$ 2,663,245

Revenue in the general fund was \$213,257 more than budgeted. The largest budget variances were tax revenue and license and permits. The remainder was spread out among all revenues.

Capital Assets and Debt Administration

Capital Assets

The Village of Indian Head Park's investment in capital assets, net of accumulated depreciation, for all activities as of April 30, 2016 was \$5,789,950, a decrease from the 2015 amount of \$5,907,848. The decrease is a result of depreciation being higher than current year additions.. Capital assets include land and improvements, buildings and improvements, machinery and equipment, roads, sidewalks, bridges and utility infrastructure.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Capital Assets and Debt Administration – Continued

Capital Assets – Continued

The additions to capital assets being depreciated is due to the completion of the 2014 Road Improvement Program. Additional information on capital assets for the Village of Indian Head Park can be found in note 5 in the notes to financial statements of this report.

Debt Administration

At year-end, the Village of Indian Head Park had debt issued in the form of general obligation bonds, debt certificates and capital leases. A capital lease for vehicles and equipment was issued in the current year.

	Balances May1,	Issuances	Retirements	Balances April 30	Current Portion
General obligation bonds	\$ 2,500,000	\$ -	\$ 115,000	\$ 2,385,000	\$ 145,000
Debt certificates	781,000	-	115,000	666,000	120,000
Capital leases	38,280	152,900	46,873	144,307	42,438
Total	\$ 3,319,280	\$ 152,900	\$ 276,873	\$ 3,195,307	\$ 307,438

The Village of Indian Head Park follows a pay-as-we-go capital funding policy whenever practical. The issuance of debt is thoroughly evaluated to ensure pay back to bondholders through the life of the bonds and to ensure sufficient long-term value of the capital assets funded with debt.

The Village of Indian Head Park's is a NON- home rule community and is subject to a legal debt limit. Additional information on the Village of Indian Head Park's long-term debt can be found in Note 6 in the Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budget and Rates

The Village's elected and appointed officials considered many factors when planning the 2016 budget, including tax rates, fees and utility rates for its governmental and business-type activities. In addition to reduced unemployment, indicators of economic recovery occurred in Indian Head Park in 2015 with new businesses locating in the retail sector and an increase in new construction. The per capita income of Indian Head Park continues to exceed the state average. Sales tax has continued to show increases although small it is still positive. Expenditures in 2015 were lower than planned due to employee vacancies in administration, engineering and in the police and fire department. In addition, some contractual and professional services were lower than expected.

The economic forecast for all of these indicators was a consideration when adopting the 2016 budget.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Requests for Information

This financial report is designed to provide a general overview of the Village of Indian Head Park's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Finance Manager, Village of Indian Head Park, 201 Acacia Drive, Indian Head Park, IL 60525.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 1,178,734	\$ 144,562	\$ 1,323,296
Receivables (net, where applicable, of allowance for uncollectibles)			
Property taxes	613,920	-	613,920
Accounts	-	445,327	445,327
Other taxes	148,831	-	148,831
Intergovernmental	102,935	-	102,935
Miscellaneous	50,929	-	50,929
Deposits	107,246	30,692	137,938
Prepaid insurance	32,304	10,768	43,072
Capital assets not being depreciated	868,988	-	868,988
Capital assets being depreciated (net of accumulated depreciation)	3,915,870	1,004,932	4,920,802
Total assets	7,019,757	1,636,281	8,656,038
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	226,576	42,394	268,970
Total deferred outflows of resources	226,576	42,394	268,970
Total assets and deferred outflows of resources	7,246,333	1,678,675	8,925,008
LIABILITIES			
Accounts payable	73,105	85,749	158,854
Accrued payroll	28,118	2,798	30,916
Deposits payable	-	159,559	159,559
Accrued interest payable	58,073	-	58,073
Long-term liabilities			
Due within one year	314,110	2,032	316,142
Due in more than one year	3,738,266	162,250	3,900,516
Total liabilities	4,211,672	412,388	4,624,060
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	651,664	-	651,664
Total deferred inflows of resources	651,664	-	651,664
Total liabilities and deferred inflows of resources	4,863,336	412,388	5,275,724
NET POSITION			
Net investment in capital assets	1,709,404	1,004,932	2,714,336
Restricted for			
Audit	17,642	-	17,642
IMRF	35,098	-	35,098
Streets and highways	239,913	-	239,913
Debt service	153,198	-	153,198
Recreational programs	29,033	-	29,033
Unrestricted	198,709	261,355	460,064
TOTAL NET POSITION	\$ 2,382,997	\$ 1,266,287	\$ 3,649,284

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 1,094,922	\$ 404,457	\$ -	\$ -
Public safety	1,280,975	159,626	-	-
Public works	577,996	-	93,920	-
Culture and recreation	31,086	-	-	-
Interest	128,547	-	-	-
Total governmental activities	3,113,526	564,083	93,920	-
Business-Type Activities				
Water and Sewer	1,065,733	1,132,421	-	-
Total business-type activities	1,065,733	1,132,421	-	-
TOTAL PRIMARY GOVERNMENT	\$ 4,179,259	\$ 1,696,504	\$ 93,920	\$ -

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (690,465)	\$ -	\$ (690,465)
	(1,121,349)	-	(1,121,349)
	(484,076)	-	(484,076)
	(31,086)	-	(31,086)
	(128,547)	-	(128,547)
	<u>(2,455,523)</u>	-	<u>(2,455,523)</u>
	-	66,688	66,688
	-	66,688	66,688
	<u>(2,455,523)</u>	66,688	<u>(2,388,835)</u>
General Revenues			
Taxes			
Property	1,308,573	-	1,308,573
Sales	303,363	-	303,363
Local use	90,366	-	90,366
Telecommunication	197,686	-	197,686
Utility	257,828	-	257,828
Intergovernmental - unrestricted			
Income tax	392,037	-	392,037
Personal property replacement tax	1,137	-	1,137
Investment income	632	-	632
Miscellaneous	37,205	26,619	63,824
Transfers	13,637	(13,637)	-
Total	<u>2,602,464</u>	<u>12,982</u>	<u>2,615,446</u>
CHANGE IN NET POSITION	<u>146,941</u>	<u>79,670</u>	<u>226,611</u>
NET POSITION, MAY 1	2,696,575	1,286,891	3,983,466
Prior period adjustment	(16,883)	(2,837)	(19,720)
Change in accounting principle	(443,636)	(97,437)	(541,073)
NET POSITION, MAY 1, RESTATED	<u>2,236,056</u>	<u>1,186,617</u>	<u>3,422,673</u>
NET POSITION, APRIL 30	<u>\$ 2,382,997</u>	<u>\$ 1,266,287</u>	<u>\$ 3,649,284</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2016

	General	Motor Fuel Tax	Bond Debt Service	Road Improvement Bond	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 477,086	\$ 248,663	\$ 152,243	\$ 119,853	\$ 180,889	\$ 1,178,734
Receivables						
Property taxes	483,072	-	117,376	-	13,472	613,920
Other taxes	140,162	8,669	-	-	-	148,831
Intergovernmental	102,935	-	-	-	-	102,935
Miscellaneous	42,437	-	-	-	8,492	50,929
Deposits	107,246	-	-	-	-	107,246
Advances to other funds	-	-	-	-	53,805	53,805
Prepaid insurance	32,304	-	-	-	-	32,304
TOTAL ASSETS	\$ 1,385,242	\$ 257,332	\$ 269,619	\$ 119,853	\$ 256,658	\$ 2,288,704

	General	Motor Fuel Tax	Bond Debt Service	Road Improvement Bond	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 55,686	\$ 17,419	\$ -	\$ -	\$ -	\$ 73,105
Advances from other funds	-	-	-	-	53,805	53,805
Accrued payroll	28,118	-	-	-	-	28,118
Total liabilities	83,804	17,419	-	-	53,805	155,028
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - IRMA	71,853	-	-	-	-	71,853
Unavailable revenue - property taxes	521,999	-	116,421	-	13,244	651,664
Total deferred inflows of resources	593,852	-	116,421	-	13,244	723,517
Totals liabilities and deferred inflows of resources	677,656	17,419	116,421	-	67,049	878,545
FUND BALANCES						
Nonspendable						
Prepaid items	32,304	-	-	-	-	32,304
Restricted						
Audit	17,642	-	-	-	-	17,642
IMRF	35,098	-	-	-	-	35,098
Streets and highways	-	239,913	-	119,853	-	359,766
Debt service	-	-	153,198	-	-	153,198
Recreational programs	-	-	-	-	29,033	29,033
Unrestricted						
Assigned - capital projects	-	-	-	-	205,889	205,889
Unassigned (deficit)	622,542	-	-	-	(45,313)	577,229
Total fund balances	707,586	239,913	153,198	119,853	189,609	1,410,159
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,385,242	\$ 257,332	\$ 269,619	\$ 119,853	\$ 256,658	\$ 2,288,704

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2016

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,410,159
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 governmental funds	4,784,858
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements	71,853
Differences between expected and actual experiences, assumption changes, net difference between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows or resources on these statement of net position	226,576
Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position	
Bonds payable	(2,385,000)
Debt certificates payable	(666,000)
Capital leases	(144,307)
Compensated absences payable	(33,360)
Net pension liability	(823,709)
Accrued interest	(58,073)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,382,997</u></u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	General	Motor Fuel Tax	Bond Debt Service	Road Improvement Bond	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 1,753,636	\$ 93,920	\$ 244,437	\$ -	\$ 27,107	\$ 2,119,100
Intergovernmental	393,174	-	-	-	-	393,174
Licenses, permits and fees	428,195	-	-	-	-	428,195
Fines and forfeiture	54,649	-	-	-	-	54,649
Charges for services	101,153	-	-	-	46,759	147,912
Reimbursements	489	-	-	-	-	489
Rentals	-	-	-	-	61,203	61,203
Investment income	461	-	-	114	57	632
Miscellaneous	56,640	-	-	-	-	56,640
Total revenues	2,788,397	93,920	244,437	114	135,126	3,261,994
EXPENDITURES						
Current						
General government	996,914	-	-	-	52,381	1,049,295
Public safety	1,214,093	-	-	-	-	1,214,093
Public works	353,601	91,395	-	123,736	-	568,732
Culture and recreation	-	-	-	-	22,550	22,550
Debt service						
Principal retirement	46,873	-	115,000	-	115,000	276,873
Interest and fiscal charges	2,311	-	97,297	-	42,639	142,247
Total expenditures	2,613,792	91,395	212,297	123,736	232,570	3,273,790
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	174,605	2,525	32,140	(123,622)	(97,444)	(11,796)

	General	Motor Fuel Tax	Bond Debt Service	Road Improvement Bond	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)						
Issuance of capital lease	\$ 152,900	\$ -	\$ -	\$ -	\$ -	\$ 152,900
Transfers in	26,463	-	-	-	3,500	29,963
Transfers (out)	(3,500)	(12,826)	-	-	-	(16,326)
Total other financing sources (uses)	175,863	(12,826)	-	-	3,500	166,537
NET CHANGE IN FUND BALANCES	350,468	(10,301)	32,140	(123,622)	(93,944)	154,741
FUND BALANCES, MAY 1	374,001	250,214	121,058	243,475	283,553	1,272,301
Prior period adjustment	(16,883)	-	-	-	-	(16,883)
FUND BALANCES, MAY 1, RESTATED	357,118	250,214	121,058	243,475	283,553	1,255,418
FUND BALANCES, APRIL 30	\$ 707,586	\$ 239,913	\$ 153,198	\$ 119,853	\$ 189,609	\$ 1,410,159

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 154,741
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities	
Capital expenditures capitalized	160,487
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	(222,821)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements	(15,164)
The change in the net pension liability and deferred inflows and outflows for the Illinois Municipal Retirement Fund is reported only on the statement of activities	(76,371)
The issuance of capital leases are reported as an other financing source in governmental funds, but as an increase in principal outstanding on the statement of activities	(152,900)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
Bonds payable	115,000
Debt certificates payable	115,000
Capital leases	46,873
Compensated absences payable	8,396
Change in interest payable	13,700
	<hr/>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 146,941

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2016

	Business-Type Activities
	Water and Sewer
CURRENT ASSETS	
Cash and cash equivalents	\$ 144,562
Receivables	
Accounts	445,327
Deposits	30,692
Prepaid insurance	10,768
	<hr/>
Total current assets	631,349
	<hr/>
NONCURRENT ASSETS	
Capital assets	
Capital assets, net of depreciation	
Depreciable buildings, property and infrastructure	4,924,923
Accumulated depreciation	(3,919,991)
	<hr/>
Total capital assets	1,004,932
	<hr/>
Total noncurrent assets	1,004,932
	<hr/>
Total assets	1,636,281
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	42,394
	<hr/>
Total deferred outflows of resources	42,394
	<hr/>
Total assets and deferred outflows of resources	1,678,675
	<hr/>

(This statement is continued on the following page.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2016

	Business-Type Activities
	Water and Sewer
CURRENT LIABILITIES	
Accounts payable	\$ 85,749
Accrued payroll	2,798
Deposits payable	159,559
Compensated absences, current	2,032
	<hr/>
Total current liabilities	250,138
	<hr/>
LONG-TERM LIABILITIES	
Compensated absences, noncurrent	8,130
Net pension liability	154,120
	<hr/>
Total long-term liabilities	162,250
	<hr/>
Total liabilities	412,388
	<hr/>
NET POSITION	
Net investment in capital assets	1,004,932
Unrestricted	261,355
	<hr/>
TOTAL NET POSITION	\$ 1,266,287
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See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended April 30, 2016

	Business-Type Activities
	Water and Sewer
OPERATING REVENUES	
Charges for services	\$ 1,132,421
OPERATING EXPENSES	
Operating	999,009
Depreciation	66,724
Total operating expenses	1,065,733
OPERATING INCOME	66,688
NON-OPERATING REVENUES (EXPENSES)	
Miscellaneous	26,619
Total non-operating revenues (expenses)	26,619
OTHER FINANCING SOURCES (USES)	
Transfers (out)	(13,637)
CHANGE IN NET POSITION	79,670
NET POSITION, MAY 1	1,286,891
Prior period adjustment	(2,837)
Change in accounting principle	(97,437)
NET POSITION, MAY 1, RESTATED	1,186,617
NET POSITION, APRIL 30	<u>\$ 1,266,287</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities
	Water and Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 1,089,087
Paid to suppliers for goods and services	(763,476)
Paid to employees for services	(212,538)
Miscellaneous income	26,619
	<hr/>
Net cash from operating activities	139,692
	<hr/>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
None	-
	<hr/>
Net cash from noncapital financing activities	-
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal repayments on capital leases	(19,529)
Acquisition of capital assets	(11,000)
	<hr/>
Net cash from capital and related financing activities	(30,529)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
None	-
	<hr/>
Net cash from investing activities	-
	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	109,163
CASH AND CASH EQUIVALENTS, MAY 1	35,399
	<hr/>
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 144,562
	<hr/> <hr/>

(This statement is continued on the following page.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities
	Water and Sewer
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 66,688
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	66,724
Changes in assets and liabilities	
Accounts receivable	(183,797)
Advance from other funds	139,827
Prepaid expenses	(139)
Deposits	(7,846)
Accounts payable	30,550
Changes in pension related items	14,289
Accrued payroll	105
Compensated absences	4,810
Deposits payable	8,481
NET CASH FROM OPERATING ACTIVITIES	\$ 139,692

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUND**

April 30, 2016

	<u>Agency</u>
ASSETS	
Cash and investments	\$ 28,812
TOTAL ASSETS	<u>\$ 28,812</u>
LIABILITIES	
Other liabilities	\$ 12,912
Refundable deposits	15,900
TOTAL LIABILITIES	<u>\$ 28,812</u>

See accompanying notes to financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Indian Head Park, Illinois (the Village) are in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Village.

a. Reporting Entity

The Village is a non-home rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The Village was incorporated in 1959. The Village operates under a President-Board form of government. The Village Board is comprised of the Village President and six trustees. The Village provides services to the community including; public safety (police protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning and general administrative services.

The Village has defined its reporting entity in accordance with GASB Statement No. 14 and No. 61. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village. The Village has no component units.

b. Fund Accounting

The Village uses funds to report its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted, committed or assigned funds (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds restricted, committed or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes an agency fund to account for assets that the Village holds in an agent capacity.

c. 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 of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on 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 standard revenues 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 enterprise funds are reported as separate columns in the fund financial statements.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village and is used to account for all financial resources of the Village unless accounted for in another fund.

The Motor Fuel Tax Fund, a special revenue fund, is used to account for state shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys and signals.

The Bond Debt Service Fund, a debt service fund, is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of long-term debt principal, interest and related costs.

The Road Improvement Bond Fund, a capital projects fund, is used to account for financial resources to be used for the acquisition and construction of major capital improvements not being financed by proprietary funds.

In addition, the Village reports the following major enterprise fund:

The Water and Sewer Fund is used to account for the revenues and expenses related to the sale of water and sewer collection services to the Village's residents and other customers.

Agency funds are used to account for the assets held by the Village in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except the agency funds which do not have a measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and telecommunication taxes owed by the state at year end, franchise fees, licenses, court fines, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Other fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports deferred/unearned/unavailable revenue on its financial statements. Deferred/unearned/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred/unearned/unavailable revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability or deferred inflow of resources for deferred/unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand and in interest-bearing and non-interest-bearing checking accounts along with any highly liquid investments with an initial maturity of three months or less.

f. Investments

Investments of the Village consist of money market accounts, certificates of deposit with various local financial institutions and pooled investments. Investments are stated at fair value, except for non-negotiable certificates, if any, with a maturity of less than one year at date of purchase which are stated at cost or amortized cost.

g. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered (interfund services). These receivables and payables are classified as “due from other funds” or “due to other funds” on the financial statements as are short-term interfund loans. Long-term interfund loans, if any, are classified as advances to/from other funds.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses using the consumption method.

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, storm sewers 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, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The Village has reported its retroactive infrastructure assets in these financial statements for governmental activities. The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset 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 business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	50
Land improvements	50
Machinery and equipment	8-12
Infrastructure	20-67
Water and distribution system	20-67
Well houses	20-67

k. Compensated Absences

Vested or accumulated vacation leave related to employees that have retired or terminated at year end but are not yet paid out is reported as an expenditure and a fund liability of the governmental fund (general fund) that will pay it. Vested and accumulated vacation leave of the proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees. Sick leave does not vest and, therefore, is not recorded as a liability. These amounts are recorded as liabilities of the governmental activities.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses.

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. Premiums received on debt issuances are 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 expenditures.

m. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. 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 or from enabling legislation adopted by the Village. 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 of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has the authority to assign fund balance. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Net investment in capital assets is the book value of the capital assets net of any debt outstanding that was issued to construct or acquire the capital assets.

The Village's flow of funds assumption prescribes that the 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. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses in the effected funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

o. Accounting Estimates

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

2. CASH AND INVESTMENTS

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

Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it.

Village Investments

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. The Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. Illinois Funds is rated AAA by Standard and Poor's.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. Illinois Funds are not subject to custodial credit risk.

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

Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village utilizes diversification of the investment portfolio to minimize risk of loss resulting from over concentration in a particular type of security, risk factor, issue or maturity.

3. RECEIVABLE - TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a tax levy ordinance). Tax bills are prepared by the County and issued on or about February 1, 2016 and July 1, 2016, and are payable in two installments, on or about March 1, 2016 and August 1, 2016. The County collects such taxes and remits them periodically. The second half of the 2014 levy and the first half of the 2015 levy are recognized as revenue in the 2016 fiscal year. The second half of the 2015 levy is intended to finance the 2017 fiscal year and, accordingly, is reported as unavailable revenue. The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has not been recorded as a receivable as of April 30, 2016, as the tax has not yet been levied by the Village and will not be levied until December 2016 and, therefore, the levy is not measurable at April 30, 2016.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. INDIVIDUAL FUND DISCLOSURES

- a. Interfund advances at April 30, 2016 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Improvement Fund	\$ 53,805
TOTAL		<u>\$ 53,805</u>

These amounts are not expected to be repaid within one year and, therefore, are reported as advances.

- b. Transfers between funds at April 30, 2016 consist of the following:

	Transfers In	Transfers Out
General	\$ 26,463	\$ 3,500
Motor Fuel Tax	-	12,826
Water	-	13,637
Nonmajor Governmental Capital Improvements	3,500	-
TOTAL	<u>\$ 29,963</u>	<u>\$ 29,963</u>

Significant interfund transfers are as follows:

- \$12,826 transferred from the Motor Fuel Tax Fund to the General Fund is for the transfer of revenues collected by the Motor Fuel Tax Fund to be used by the General Fund.
- \$13,637 transferred from the Water Fund to the General Fund is to repay the General Fund for its share of the capital lease expenditures recognized in the General Fund for a shared capital asset.

None of the transfers will be repaid.

- c. The 911 Fund had a deficit fund balance as of April 30, 2016 of \$40,798.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS

The following is a summary of capital asset activity during the fiscal year:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 868,988	\$ -	\$ -	\$ 868,988
Construction in progress	2,186,675	1,667	2,188,342	-
Total capital assets not being depreciated	3,055,663	1,667	2,188,342	868,988
Capital assets being depreciated				
Land improvements	360,756	-	-	360,756
Buildings and improvements	2,024,237	-	-	2,024,237
Equipment	516,511	158,820	9,900	665,431
Infrastructure	484,167	2,188,342	-	2,672,509
Vehicles	56,105	-	-	56,105
Total capital assets being depreciated	3,441,776	2,347,162	9,900	5,779,038
Less accumulated depreciation for				
Land improvements	244,835	18,038	-	262,873
Buildings and improvements	829,618	42,936	-	872,554
Equipment	427,679	22,234	9,900	440,013
Infrastructure	141,102	132,600	-	273,702
Vehicles	7,013	7,013	-	14,026
Total accumulated depreciated	1,650,247	222,821	9,900	1,863,168
Total capital assets being depreciated, net	1,791,529	2,124,341	-	3,915,870
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,847,192	\$ 2,126,008	\$ 2,188,342	\$ 4,784,858
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ 380,771	\$ 11,000	\$ 391,771	\$ -
Total capital assets not being depreciated	380,771	11,000	391,771	-
Capital assets being depreciated				
Well houses	481,000	-	-	481,000
Water and distribution system	2,515,529	391,771	-	2,907,300
Equipment	362,869	-	-	362,869
Infrastructure	1,173,754	-	-	1,173,754
Total capital assets being depreciated	4,533,152	391,771	-	4,924,923
Less accumulated depreciation for				
Well houses	481,000	-	-	481,000
Water and distribution system	2,057,282	40,604	-	2,097,886
Equipment	307,816	8,601	-	316,417
Infrastructure	1,007,169	17,519	-	1,024,688
Total accumulated depreciation	3,853,267	66,724	-	3,919,991
Total capital assets being depreciated, net	679,885	325,047	-	1,004,932
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 1,060,656	\$ 336,047	\$ 391,771	\$ 1,004,932

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

General government	\$ 23,579
Public safety	22,025
Public works	166,014
Health and human services	1,000
Culture and recreation	10,203

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 222,821</u>
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6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities, refunding prior issuances and providing working capital for the Village.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village and are payable from governmental activities/funds and business-type activities/enterprise funds. General obligation bonds currently outstanding are as follows:

Governmental Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$2,500,000 General Obligation Bonds, Series 2014, dated July 5, 2014, due in annual installments of \$115,000 to \$205,000 through December 1, 2029, interest at 2.0% to 3.5% payable each June 1 and December 1	Debt Service	Road Improvements	\$ 2,500,000	\$ -	\$ 115,000	\$ 2,385,000	\$ 145,000
TOTAL GOVERNMENTAL ACTIVITIES			<u>\$ 2,500,000</u>	<u>\$ -</u>	<u>\$ 115,000</u>	<u>\$ 2,385,000</u>	<u>\$ 145,000</u>

b. Debt Certificates

The Village issues debt certificates to provide funds for the repayment of prior obligations, for capital projects and to pay the cost of issuance. Debt certificates are direct obligations and pledge the full faith and credit of the Village.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Certificates (Continued)

Debt certificates currently outstanding are as follows:

Governmental Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$1,050,000 Debt Certificate, Series 2009, dated August 19, 2009, due in annual installments of \$115,000 to \$146,000 through December 15, 2020, interest at 2.5% to 5.9% payable each June 5 and December 15	Debt Service	Road Improvements	\$ 781,000	\$ -	\$ 115,000	\$ 666,000	\$ 120,000
TOTAL GOVERNMENTAL ACTIVITIES			\$ 781,000	\$ -	\$ 115,000	\$ 666,000	\$ 120,000

c. Capital Leases

The Village acquired through capital assets through lease/purchase agreements. The gross amount of these assets under capital leases is \$139,745, which are include in capital assets in the governmental and business-type activities.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds		Governmental Activities Debt Certificates		Governmental Activities Capital Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 145,000	\$ 68,318	\$ 120,000	\$ 36,373	\$ 42,438	\$ 4,638
2018	145,000	65,418	127,000	30,373	24,422	2,852
2019	150,000	62,518	133,000	23,706	25,106	2,169
2020	155,000	59,518	140,000	16,524	25,809	1,466
2021	155,000	56,418	146,000	8,614	26,532	743
2022	160,000	51,768	-	-	-	-
2023	165,000	46,968	-	-	-	-
2024	170,000	42,018	-	-	-	-
2025	175,000	36,918	-	-	-	-
2026	180,000	31,668	-	-	-	-
2027	185,000	26,044	-	-	-	-
2028	195,000	20,262	-	-	-	-
2029	200,000	13,926	-	-	-	-
2030	205,000	7,176	-	-	-	-
TOTAL	\$ 2,385,000	\$ 588,938	\$ 666,000	\$ 115,590	\$ 144,307	\$ 11,868

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities for governmental activities:

	Balances May 1, restated	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General obligation bonds	\$ 2,500,000	\$ -	\$ 115,000	\$ 2,385,000	\$ 145,000
Debt certificates	781,000	-	115,000	666,000	120,000
Capital leases	38,280	152,900	46,873	144,307	42,438
Net pension liability - IMRF	562,034	261,675	-	823,709	-
Compensated absences	41,756	63,467	71,863	33,360	6,672
TOTAL	\$ 3,923,070	\$ 478,042	\$ 348,736	\$ 4,052,376	\$ 314,110

The compensated absences and net pension liability are normally liquidated by the General Fund.

During the fiscal year, the following changes occurred in long-term liabilities for business-type activities:

	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
Capital leases	\$ 19,529	\$ -	\$ 19,529	\$ -	\$ -
Net pension liability - IMRF	105,182	48,938	-	154,120	-
Compensated absences	5,352	8,150	3,340	10,162	2,032
TOTAL	\$ 130,063	\$ 57,088	\$ 22,869	\$ 164,282	\$ 2,032

e. Legal Debt Margin

2015 assessed valuation (latest information available)	<u>\$ 123,631,035</u>
Legal debt limit - 8.625% of assessed valuation	\$ 10,663,177
Amount of debt applicable to debt limit	
General obligation bonds	2,385,000
Debt certificates	<u>666,000</u>
Total	<u>3,051,000</u>
LEGAL DEBT MARGIN	<u><u>\$ 7,612,177</u></u>

7. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; employee health; and injuries to the Village's employees.

a. Intergovernmental Personnel Benefit Cooperative

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

IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into the subsequent years experience factor for premiums.

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

b. Intergovernmental Risk Management Agency

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an insurance pool whose members are Illinois municipalities. IRMA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its member municipalities. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Each member assumes the first \$2,500 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. There have been no significant changes from the prior year and settlements have not exceeded coverage in any of the prior three years.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Risk Manager and a Treasurer. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

8. RISK MANAGEMENT (Continued)

b. Intergovernmental Risk Management Agency (Continued)

Initial contributions are determined in advance of each membership year based on the individual member's eligible revenue as defined in the by-laws of IRMA and assessment factors based on past member experience and the funding need for the membership year. The Board of Directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the membership year. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. The Village is not aware of any additional amounts owed to IRMA at April 30, 2016 for the current or prior claim years.

9. COMMITMENTS AND CONTINGENCIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

10. RETIREMENT FUND COMMITMENTS

The District's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2015, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	14
Active employees	18
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TOTAL	47
	<hr/> <hr/>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual covered salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2015 was 12.28% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustment	3.00%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Village's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.48% used to determine the total pension liability.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 6,936,810	\$ 6,269,594	\$ 667,216
Changes for the period			
Service cost	150,833	-	150,833
Interest	516,423	-	516,423
Difference between expected and actual experience	(187,363)	-	(187,363)
Changes in assumptions	9,464	-	9,464
Employer contributions	-	172,475	(172,475)
Employee contributions	-	64,283	(64,283)
Net investment income	-	31,353	(31,353)
Benefit payments and refunds	(234,785)	(234,785)	-
Administrative expense	-	-	-
Other (net transfer)	-	(89,367)	89,367
Net changes	254,572	(56,041)	310,613
BALANCES AT DECEMBER 31, 2015	\$ 7,191,382	\$ 6,213,553	\$ 977,829

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2015, the Village recognized pension expense of \$763,261. At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ -	\$ 141,026
Changes in assumption	7,123	-
Net difference between projected and actual earnings on pension plan investments	348,471	-
Contributions made between measurement date and fiscal year end	<u>54,402</u>	-
TOTAL	<u><u>\$ 409,996</u></u>	<u><u>\$ 141,026</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2016	\$ 97,524
2017	43,122
2018	43,122
2019	85,202
2020	-
Thereafter	<u>-</u>
TOTAL	<u><u>\$ 268,970</u></u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.48% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net pension liability	\$ 2,009,912	\$ 977,829	\$ 141,042

11. OTHER POSTEMPLOYMENT BENEFITS

The Village has evaluated its potential other postemployment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Village's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Village had no former employees for which the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Village has not recorded any postemployment benefit liability as of April 30, 2016.

12. CHANGES IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT

With the implementation of GASB Statement No. 68, the Village is required to retroactively record the net pension liability and deferred outflows of resources and write-off the net pension liability. Additionally, IMRF expenditures and expenses were adjusted from the prior year to record in the proper period.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. CHANGES IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT
(Continued)

The Village recorded the following change in accounting principle and prior period adjustment during the year ended April 30, 2016:

	<u>Increase (Decrease)</u>
CHANGE IN ACCOUNTING PRINCIPLE/PRIOR PERIOD ADJUSTMENT - GOVERNMENTAL ACTIVITIES	
Change in accounting principle	
To remove the net pension liability reported for IMRF before implementation of GASB-S34	\$ 77,126
To record the IMRF net pension liability	(562,034)
To record the deferred outflows of resources	<u>41,272</u>
Total change in accounting principles	(443,636)
Prior period adjustment	
To record IMRF expenditures in the proper period	<u>(16,883)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE/PRIOR PERIOD ADJUSTMENT - GOVERNMENTAL ACTIVITIES	<u><u>\$ (460,519)</u></u>
CHANGE IN ACCOUNTING PRINCIPLE/PRIOR PERIOD ADJUSTMENT - BUSINESS-TYPE ACTIVITIES/WATER FUND	
Change in accounting principle	
To record the IMRF net pension liability	\$ (105,182)
To record the deferred outflows of resources	<u>7,745</u>
Total change in accounting principles	(97,437)
Prior period adjustment	
To record IMRF expenditures in the proper period	<u>(2,837)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE/PRIOR PERIOD ADJUSTMENT - BUSINESS-TYPE ACTIVITIES/WATER FUND	<u><u>\$ (100,274)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016		2015	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes	\$ 1,599,994	\$ 1,599,994	\$ 1,753,636	\$ 1,591,285
Intergovernmental	378,291	378,291	393,174	372,888
Licenses, permits and fees	368,000	368,000	428,195	379,752
Fines and forfeitures	42,000	42,000	54,649	31,576
Charges for services	114,055	114,055	101,153	106,352
Reimbursements	1,000	1,000	489	14,469
Investment income	600	600	461	911
Miscellaneous	71,200	71,200	56,640	56,679
Total revenues	2,575,140	2,575,140	2,788,397	2,553,912
EXPENDITURES				
Current				
General government	1,003,406	1,003,406	996,914	1,044,693
Public safety	1,269,279	1,269,279	1,214,093	1,331,951
Public works	239,694	239,694	353,601	264,691
Debt service				
Principal	31,910	31,910	46,873	21,653
Interest	-	-	2,311	257
Total expenditures	2,544,289	2,544,289	2,613,792	2,663,245
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	30,851	30,851	174,605	(109,333)
OTHER FINANCING SOURCES (USES)				
Issuance of capital lease	-	-	152,900	56,105
Sale of capital assets	-	-	-	7,465
Transfers in	14,000	14,000	26,463	74,676
Transfers (out)	(3,500)	(3,500)	(3,500)	(90,525)
Total other financing sources (uses)	10,500	10,500	175,863	47,721
NET CHANGE IN FUND BALANCE	\$ 41,351	\$ 41,351	350,468	(61,612)
FUND BALANCE, MAY 1			374,001	435,613
Prior period adjustment			(16,883)	-
FUND BALANCE, MAY 1, RESTATED			357,118	435,613
FUND BALANCE, APRIL 30			<u>\$ 707,586</u>	<u>\$ 374,001</u>

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Motor fuel tax	\$ 90,654	\$ 90,654	\$ 93,920	\$ 112,861
Total revenues	90,654	90,654	93,920	112,861
EXPENDITURES				
Highways and streets				
Professional services	7,750	7,750	2,746	868
Road maintenance	18,944	18,944	23,613	18,396
Salt	38,250	38,250	30,278	22,455
Snow removal	10,764	10,764	15,393	12,087
Utilities	20,000	20,000	19,365	17,803
Miscellaneous	200	200	-	-
Total expenditures	95,908	95,908	91,395	71,609
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,254)	(5,254)	2,525	41,252
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(14,000)	(14,000)	(12,826)	(13,992)
NET CHANGE IN FUND BALANCE	\$ (19,254)	\$ (19,254)	(10,301)	27,260
FUND BALANCE, MAY 1			250,214	222,954
FUND BALANCE, APRIL 30			\$ 239,913	\$ 250,214

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

	<u>2016</u>
Actuarially determined contribution	\$ 165,412
Contributions in relation to the actuarially determined contribution	<u>165,412</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 1,404,516
Contributions as a percentage of covered-employee payroll	11.78%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 28 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4% to 16.0% compounded annually and postretirement benefit increases of 3.0% compounded annually.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

	2016
TOTAL PENSION LIABILITY	
Service cost	\$ 150,833
Interest	516,423
Changes of benefit terms	-
Differences between expected and actual experience	(187,363)
Changes of assumptions	9,464
Benefit payments, including refunds of member contributions	(234,785)
Net change in total pension liability	254,572
Total pension liability - beginning	6,936,810
TOTAL PENSION LIABILITY - ENDING	\$ 7,191,382
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 172,475
Contributions - member	64,283
Net investment income	31,353
Benefit payments, including refunds of member contributions	(234,785)
Administrative expense	(89,367)
Net change in plan fiduciary net position	(56,041)
Plan fiduciary net position - beginning	6,269,594
PLAN FIDUCIARY NET POSITION - ENDING	\$ 6,213,553
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 977,829
Plan fiduciary net position as a percentage of the total pension liability (asset)	86.40%
Covered-employee payroll	\$ 1,404,516
Employer's net pension liability as a percentage of covered-employee payroll	69.62%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

The Village implemented GASB Statement No 68 for the fiscal year end April 30, 2016.

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2016

1. BUDGETARY INFORMATION

Budgets (appropriations) are adopted on a basis consistent with generally accepted accounting principles for the general, special revenue, debt service and enterprise funds. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriations to the Village Administrator so that a budget may be prepared. The budget is prepared by fund, department and division, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations before approving the final appropriation ordinance. The appropriation may be amended by the governing body through a supplemental appropriation.

The Board of Trustees approves transfers between departments within a fund and transfers between funds. Expenditures may not legally exceed budgeted appropriations at the department level. During the current fiscal year, no supplementary appropriations were made.

2. EXPENDITURES OVER BUDGET

Actual expenditures of \$2,613,792 exceeded budgeted expenditures of \$2,544,289 in the General Fund, and actual expenditures of \$52,381 exceeded budgeted expenditures of \$46,705 in the 911 Fund.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
TAXES				
Property taxes	\$ 920,298	\$ 920,298	\$ 1,037,029	\$ 912,107
Sales taxes	302,500	302,500	303,363	316,163
Local use taxes	73,896	73,896	90,366	74,738
Utility taxes	166,500	166,500	142,767	121,031
Telecommunication	108,000	108,000	112,277	104,816
Other	28,800	28,800	67,834	16,379
Total taxes	1,599,994	1,599,994	1,753,636	1,545,234
INTERGOVERNMENTAL				
State income tax	377,091	377,091	392,037	371,611
Personal property	1,200	1,200	1,137	1,277
Total intergovernmental	378,291	378,291	393,174	372,888
LICENSES, PERMITS AND FEES				
Vehicle license fees	152,000	152,000	163,175	154,260
Business licenses	65,000	65,000	76,231	69,670
Alarm licenses	1,000	1,000	4,365	1,125
Building permit fees	60,000	60,000	98,547	64,599
Franchise fees	90,000	90,000	85,877	90,098
Total licenses, permits and fees	368,000	368,000	428,195	379,752
FINES AND FORFEITURES				
Court and traffic fines	42,000	42,000	54,649	31,576
Total fines and forfeitures	42,000	42,000	54,649	31,576
CHARGES FOR SERVICES				
Public hearing fees	2,000	2,000	-	2,750
Lyons township hireback	102,055	102,055	94,818	95,490
Highlands school district patrol	1,800	1,800	-	207
Smoke signals advertisements	1,200	1,200	1,035	1,555
Elevator inspections	7,000	7,000	5,300	6,350
Total charges for services	114,055	114,055	101,153	106,352
REIMBURSEMENTS				
Miscellaneous reimbursements	1,000	1,000	489	14,469
Total reimbursements	1,000	1,000	489	14,469
INVESTMENT INCOME				
Investment income	600	600	461	911
Total investment income	600	600	461	911

(This schedule is continued on the following page.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
MISCELLANEOUS				
Developer contributions	\$ 1,500	\$ 1,500	\$ -	\$ -
Police seizure	6,000	6,000	4,759	6,774
Heritage centre contributions	500	500	-	322
Contributions	100	100	-	50
Wolf Road contributions	100	100	-	-
Impact fees	60,000	60,000	-	46,000
Sale of capital assets	2,500	2,500	100	7,465
Miscellaneous	500	500	51,781	3,533
Total miscellaneous	71,200	71,200	56,640	64,144
TOTAL REVENUES	\$ 2,575,140	\$ 2,575,140	\$ 2,788,397	\$ 2,515,326

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
CURRENT				
General government				
President and Village Board				
Salaries	\$ 1,000	\$ 1,000	\$ 292	\$ 24,292
Meeting/conferences/training	1,500	1,500	607	-
Membership fees	2,000	2,000	1,897	8,849
Office equipment	2,400	2,400	-	338
Miscellaneous	250	250	-	1,478
Total President and Village Board	7,150	7,150	2,796	34,957
Administration				
Salaries	230,408	230,408	223,147	164,147
Overtime	2,000	2,000	2,158	4,125
Salaries - smoke signal	-	-	-	200
Equipment maintenance	2,500	2,500	2,225	2,717
Membership fees	175	175	1,584	140
Postage	1,500	1,500	2,287	1,556
Professional services - data processing	12,500	12,500	12,877	11,945
Professional services - IT consulting	4,000	4,000	3,328	-
Publications - legal notices	1,000	1,000	1,075	1,079
Office supplies	3,000	3,000	3,630	2,380
Periodicals	50	50	38	68
Vehicle licenses/decals	4,750	4,750	3,607	4,271
Computer software	13,750	13,750	13,783	13,450
Telephone/communication	-	-	122	-
Office equipment	9,350	9,350	7,878	9,030
Miscellaneous	500	500	2,700	249
Professional services - consulting	3,200	3,200	28,614	1,275
IMRF contributions	153,812	153,812	145,807	152,075
Social Security	108,875	108,875	101,483	105,669
Website redesign	8,000	8,000	8,489	-
Codification of ordinances	6,000	6,000	3,500	-
Total administration	565,370	565,370	568,332	474,376
Liability insurance				
Insurance premium	-	-	1,812	59,171
IRMA deductible	7,500	7,500	15,101	3,530
Total liability insurance	7,500	7,500	16,913	62,701

(This schedule is continued on the following pages.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
General government (Continued)				
Buildings and grounds maintenance				
Maintenance services - garage	\$ 6,500	\$ 6,500	\$ 7,553	\$ 14,681
Maintenance services - village hall/police	8,000	8,000	9,398	12,195
Custodial services	14,000	14,000	14,512	14,498
Garage supplies	2,000	2,000	962	1,202
Maintenance/improve heritage	2,000	2,000	3,045	3,159
Landscape supplies	2,000	2,000	758	-
Kelli's Playground/Sacajawea Park	6,000	6,000	12,462	-
Maintenance supplies - village hall/police	2,500	2,500	1,275	2,321
Heritage center	500	500	361	112
Wolf and Plainfield Park	-	-	85	-
Other equipment	31,000	31,000	-	-
Blacktop municipal facility parking lot	8,000	8,000	6,188	-
Total buildings and grounds	82,500	82,500	56,599	48,168
Building department				
Professional services - building inspector	3,300	3,300	10,200	4,050
Professional services - electrical inspector	1,650	1,650	3,825	2,099
Professional services - elevator inspector	2,200	2,200	2,820	2,148
Professional services - engineering	-	-	500	-
Professional services - plan review	12,000	12,000	18,407	12,622
Professional services - plumbing inspector	1,650	1,650	2,985	1,550
Office supplies	200	200	158	71
Total building department	21,000	21,000	38,895	22,540
Fire and police commission				
Professional services - legal	-	-	658	47
Meeting/conference/training	500	500	110	375
Professional services - testing	-	-	485	978
Publication/legal notices	-	-	40	298
Total fire and police commission	500	500	1,293	1,698
Planning and zoning				
Salaries	-	-	-	500
Publications/legal notices	1,000	1,000	-	891
Office supplies	250	250	-	-
Total planning and zoning	1,250	1,250	-	1,391

(This schedule is continued on the following pages.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
General government (Continued)				
Outside services				
Employee relations	\$ 500	\$ 500	\$ 1,260	\$ 354
Executive consulting services	-	-	10,551	-
Community relations	500	500	78	781
Health and life insurance	177,552	177,552	175,917	227,128
Professional services - legal	80,000	80,000	72,485	112,964
Professional services - prosecutor	11,000	11,000	5,950	10,350
Smoke signals	5,000	5,000	3,928	6,701
Telephone/communications	18,624	18,624	17,113	20,860
Unemployment insurance	2,500	2,500	2,273	2,232
Audit	22,460	22,460	22,460	17,492
Other general government	-	-	71	-
Total outside services	318,136	318,136	312,086	398,862
Total general government	1,003,406	1,003,406	996,914	1,044,693
Public safety				
Salaries	913,897	913,897	916,269	909,870
Overtime	100,000	100,000	83,345	121,912
Lyons township hireback	59,280	59,280	48,317	57,950
Central dispatch assessment	77,452	77,452	78,009	69,932
Vehicle/equipment maintenance	20,000	20,000	14,869	33,793
Safety equipment	3,000	3,000	3,498	2,695
Maintenance materials	750	750	-	316
Gas and oil	24,000	24,000	19,593	24,060
Meeting/conference/training	6,000	6,000	5,759	5,767
Membership fees	2,200	2,200	4,435	1,628
Clothing and uniforms	12,000	12,000	7,461	9,818
Vehicles/other equipment	20,000	20,000	60	71,860
Telephone/communications	9,500	9,500	9,595	8,046
Postage	500	500	179	407
Office supplies	2,500	2,500	3,608	3,245
Animal control	250	250	230	90
Miscellaneous	500	500	1,930	521
Office equipment	15,000	15,000	14,486	5,085
CALEA consulting	2,450	2,450	2,450	4,956
Total public safety	1,269,279	1,269,279	1,214,093	1,331,951
Public works				
Salaries	51,904	51,904	43,328	51,796
Salaries - temporary	-	-	-	3,008

(This schedule is continued on the following page.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Public works (Continued)				
Overtime	\$ 35,000	\$ 35,000	\$ 26,842	\$ 55,943
Meeting/conference/training	375	375	375	375
Membership fees	700	700	155	596
Clothing and uniforms	1,000	1,000	867	501
Office supplies	1,750	1,750	2,940	1,452
Postage	250	250	(1,127)	228
Telephone/communications	3,400	3,400	4,884	2,924
Street light maintenance	4,000	4,000	3,290	3,532
Professional services - engineering	18,000	18,000	21,989	18,000
Engineering - developer/property owner	1,500	1,500	-	-
Professional services - landscaping/leaf removal	1,650	1,650	3,135	1,497
Professional services - tree consultant	-	-	350	-
Utility expense	7,500	7,500	7,031	6,444
Tree maintenance	15,000	15,000	19,393	23,450
Streets and parkways maintenance	2,000	2,000	539	240
Equipment/vehicle maintenance	15,000	15,000	28,415	30,872
Vehicles/other equipment	-	-	-	4,216
Materials to maintain vehicles/equipment	4,500	4,500	3,510	5,585
Streets and parkways materials	4,000	4,000	3,250	2,867
Equipment rental	2,000	2,000	1,947	2,207
Storm sewer materials	1,000	1,000	1,454	505
Tree program	2,100	2,100	4,903	1,043
Tools and hardware	1,000	1,000	749	1,174
Gas and oil	9,500	9,500	4,802	10,519
Storm sewer maintenance	15,000	15,000	10,238	20,543
Storm sewer construction	17,500	17,500	-	-
Safety equipment	1,750	1,750	1,245	1,289
Drainage materials	3,500	3,500	6,177	13,580
Capital outlay - vehicles	18,465	18,465	152,900	-
Office supplies	100	100	-	-
Miscellaneous	250	250	20	305
Total public works	239,694	239,694	353,601	264,691
DEBT SERVICE				
Debt service - principal	31,910	31,910	46,873	21,653
Debt service - interest	-	-	2,311	257
Total debt service	31,910	31,910	49,184	21,910
TOTAL EXPENDITURES	\$ 2,544,289	\$ 2,544,289	\$ 2,613,792	\$ 2,663,245

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
BOND DEBT SERVICE FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016		Actual	2015
	Original Budget	Final Budget		Actual
REVENUES				
Property taxes	\$ 331,023	\$ 331,023	\$ 244,437	\$ -
Total revenues	331,023	331,023	244,437	-
EXPENDITURES				
Debt service				
Principal	115,000	115,000	115,000	-
Interest	97,297	97,297	97,297	-
Total expenditures	212,297	212,297	212,297	-
NET CHANGE IN FUND BALANCE	\$ 118,726	\$ 118,726	32,140	-
FUND BALANCE, MAY 1			121,058	121,058
FUND BALANCE, APRIL 30			\$ 153,198	\$ 121,058

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ROAD IMPROVEMENT FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016		Actual	2015
	Original Budget	Final Budget		Actual
REVENUES				
Investment income	\$ -	\$ -	\$ 114	\$ 660
Total revenues	-	-	114	660
EXPENDITURES				
Public works				
Road improvements	243,475	243,475	123,736	2,202,579
Total expenditures	243,475	243,475	123,736	2,202,579
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(243,475)	(243,475)	(123,622)	(2,201,919)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	-	(60,684)
Note proceeds	-	-	-	2,485,714
Total other financing sources (uses)	-	-	-	2,425,030
NET CHANGE IN FUND BALANCE	<u>\$ (243,475)</u>	<u>\$ (243,475)</u>	(123,622)	223,111
FUND BALANCE, MAY 1			243,475	20,364
FUND BALANCE, APRIL 30			<u>\$ 119,853</u>	<u>\$ 243,475</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

	Special Revenue		Capital Projects		Total
	911	Special Parks	Capital Improvements	Bond	
ASSETS					
Cash and investments	\$ -	\$ 28,805	\$ 128,529	\$ 23,555	\$ 180,889
Receivables					
Property taxes	-	13,472	-	-	13,472
Other	8,492	-	-	-	8,492
Advances to other funds	-	-	53,805	-	53,805
TOTAL ASSETS	\$ 8,492	\$ 42,277	\$ 182,334	\$ 23,555	\$ 256,658
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Advances to other funds	\$ 53,805	\$ -	\$ -	\$ -	\$ 53,805
Total liabilities	53,805	-	-	-	53,805
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	-	13,244	-	-	13,244
Total deferred inflows of resources	-	13,244	-	-	13,244
Total liabilities and deferred inflows of resources	53,805	13,244	-	-	67,049
FUND BALANCES					
Restricted					
Recreational programs	-	29,033	-	-	29,033
Unrestricted - assigned					
Capital projects	-	-	182,334	23,555	205,889
Unassigned	(45,313)	-	-	-	(45,313)
Total fund balances	(45,313)	29,033	182,334	23,555	189,609
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 8,492	\$ 42,277	\$ 182,334	\$ 23,555	\$ 256,658

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	Special Revenue		Capital Projects		Total
	911	Special Parks	Capital Improvements	Bond	
REVENUES					
Property taxes	\$ -	\$ 27,107	\$ -	\$ -	\$ 27,107
911 surcharge	46,759	-	-	-	46,759
Rentals	-	-	-	61,203	61,203
Investment income	-	-	-	57	57
Total revenues	46,759	27,107	-	61,260	135,126
EXPENDITURES					
Current					
Public safety	52,381	-	-	-	52,381
Culture and recreation	-	22,550	-	-	22,550
Debt service					
Principal	-	-	-	115,000	115,000
Interest	-	-	-	42,639	42,639
Total expenditures	52,381	22,550	-	157,639	232,570
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,622)	4,557	-	(96,379)	(97,444)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	3,500	-	3,500
Total other financing sources (uses)	-	-	3,500	-	3,500
NET CHANGE IN FUND BALANCES	(5,622)	4,557	3,500	(96,379)	(93,944)
FUND BALANCES (DEFICIT), MAY 1	(39,691)	24,476	178,834	119,934	283,553
FUND BALANCES (DEFICIT), APRIL 30	\$ (45,313)	\$ 29,033	\$ 182,334	\$ 23,555	\$ 189,609

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
911 FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
REVENUES				
911 surcharge	\$ 50,000	\$ 50,000	\$ 46,759	\$ 49,651
Total revenues	50,000	50,000	46,759	49,651
EXPENDITURES				
Current				
Public safety				
Ameritech lines	4,500	4,500	3,319	4,288
Equipment maintenance	500	500	274	-
Central dispatch assessment	41,705	41,705	48,788	46,624
Total expenditures	46,705	46,705	52,381	50,912
NET CHANGE IN FUND BALANCE	\$ 3,295	\$ 3,295	(5,622)	(1,261)
FUND BALANCE (DEFICIT), MAY 1			(39,691)	(38,430)
FUND BALANCE (DEFICIT), APRIL 30			\$ (45,313)	\$ (39,691)

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL PARKS FUND**

For the Year Ended April 30, 2016
(with comparative actual)

	2016		Actual	2015
	Original Budget	Final Budget		Actual
REVENUES				
Property taxes	\$ 21,414	\$ 21,414	\$ 27,107	\$ 30,200
Total revenues	21,414	21,414	27,107	30,200
EXPENDITURES				
Current				
Culture and recreation	23,858	23,858	22,550	24,192
Total expenditures	23,858	23,858	22,550	24,192
NET CHANGE IN FUND BALANCE	\$ (2,444)	\$ (2,444)	4,557	6,008
FUND BALANCE, MAY 1			24,476	18,468
FUND BALANCE, APRIL 30			\$ 29,033	\$ 24,476

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS FUND**

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	3,500	3,500	3,500	25,000
NET CHANGE IN FUND BALANCE	<u>\$ 3,500</u>	<u>\$ 3,500</u>	3,500	25,000
FUND BALANCE, MAY 1			178,834	153,834
FUND BALANCE, APRIL 30			<u>\$ 182,334</u>	<u>\$ 178,834</u>

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BOND FUND**

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	
REVENUES				
Rental income	\$ 82,634	\$ 82,634	\$ 61,203	\$ 91,870
Investment income	100	100	57	64
Total revenues	82,734	82,734	61,260	91,934
EXPENDITURES				
Debt service				
Principal	115,000	115,000	115,000	109,000
Interest and fiscal charges	42,636	42,636	42,639	47,544
Total expenditures	157,636	157,636	157,639	156,544
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(74,902)	(74,902)	(96,379)	(64,610)
OTHER FINANCING SOURCES (USES)				
Transfers in	74,902	74,902	-	65,525
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(96,379)	915
FUND BALANCE, MAY 1			119,934	119,019
FUND BALANCE, APRIL 30			\$ 23,555	\$ 119,934

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015 Actual
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Water usage	\$ 1,004,000	\$ 1,004,000	\$ 998,572	\$ 830,521
Finance charges - water	11,000	11,000	11,762	11,533
Finance charges - sewer	1,200	1,200	1,389	1,260
Tap fees - water	350	350	800	-
Tap fees - sewer	350	350	800	-
Sewer charges	109,000	109,000	119,098	103,638
Total operating revenues	1,125,900	1,125,900	1,132,421	946,952
OPERATING EXPENSES				
Water				
Water purchases	553,200	553,200	499,103	492,917
Personnel services	102,046	117,046	125,451	135,362
Professional services	8,600	8,600	11,763	8,771
IMRF contributions	27,573	27,573	19,605	27,872
Social Security	14,096	14,096	12,918	15,268
Maintenance	56,000	56,000	73,622	59,377
Materials	14,650	14,650	13,283	14,410
Equipment	-	-	297	2,103
Electricity	5,000	5,000	7,036	5,247
Sewer				
Personnel services	67,210	67,210	48,330	67,453
Professional services	28,000	32,000	48,964	22,638
Water - administration				
Equipment and vehicle maintenance	2,000	2,000	3,707	948
Pump maintenance	1,500	1,500	-	26
Equipment rental	500	500	205	-
Health and life insurance	34,548	34,548	35,359	37,459
Meetings and conferences	1,650	1,650	1,339	232
Membership fees	450	450	895	317
Postage	1,750	1,750	1,113	2,070
Telephone and communications	3,500	3,500	4,090	4,004
Tools and hardware	500	500	622	199
Clothing and uniforms	1,000	1,000	303	501
Gas and oil	600	600	254	712
Office supplies	1,000	1,000	2,304	114
Safety equipment	1,500	1,500	696	722
Miscellaneous	200	200	198	18
Chemicals/lab equipment	500	500	-	289

(This schedule is continued on the following page.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND (Continued)

For the Year Ended April 30, 2016
(with comparative actual)

	2016			2015
	Original Budget	Final Budget	Actual	Actual
OPERATING EXPENSES (Continued)				
Sewer - administration				
Meetings and conferences	\$ 250	\$ 250	\$ -	89
Tools and hardware	300	300	-	322
Sewer system maintenance materials	1,000	1,000	20	981
Accounting	10,091	10,091	10,091	7,859
Illinois EPA fees	1,000	1,000	1,000	1,000
Professional services - televising	35,000	35,000	44,209	23,431
Gas and oil	300	300	118	-
Equipment	1,250	1,250	1,573	257
Insurance premium	16,750	16,750	15,838	18,388
Construction	-	-	414	41,073
Total operating expenses	993,514	1,012,514	984,720	992,429
OPERATING INCOME (LOSS)	132,386	113,386	147,701	(45,477)
NON-OPERATING REVENUES (EXPENSES)				
Miscellaneous	250	250	26,619	3,852
Total non-operating revenues (expenses)	250	250	26,619	3,852
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(13,637)	-
NET INCOME (LOSS)	132,636	113,636	160,683	(41,625)
ADJUSTMENTS TO GAAP BASIS				
IMRF pension expense	-	-	(14,289)	-
Depreciation	-	94,000	(66,724)	(64,814)
Total adjustments to GAAP basis	-	94,000	(81,013)	(64,814)
CHANGE IN NET POSITION	\$ 132,636	\$ 207,636	79,670	(106,439)
NET POSITION, MAY 1			1,286,891	1,393,330
Prior period adjustment			(2,837)	-
Change in accounting principle			(97,437)	-
NET POSITION, MAY 1, RESTATED			1,186,617	1,393,330
NET POSITION, APRIL 30			\$ 1,266,287	\$ 1,286,891

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

For the Year Ended April 30, 2016

	Balances			Balances
	May 1	Additions	Deductions	April 30
Clearing Fund				
ASSETS				
Cash and cash equivalents	\$ 82,733	\$ 15,900	\$ 69,821	\$ 28,812
TOTAL ASSETS	\$ 82,733	\$ 15,900	\$ 69,821	\$ 28,812
LIABILITIES				
Other liabilities	\$ 12,912	\$ -	\$ -	\$ 12,912
Refundable deposits	69,821	15,900	69,821	15,900
TOTAL LIABILITIES	\$ 82,733	\$ 15,900	\$ 69,821	\$ 28,812

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**FIVE YEAR SUMMARY OF EQUALIZED ASSESSED VALUATIONS,
TAX RATES AND EXTENSIONS**

April 30, 2016

	2011	2012	2013	2014	2015
EQUALIZED ASSESSED VALUATION	\$ 145,920,676	\$ 133,658,087	\$ 124,584,548	\$ 123,631,035	\$ 123,631,035
TAX RATES					
General					
Corporate	0.3947	0.4375	0.4375	0.3957	0.3947
IMRF	0.0622	0.0898	0.1215	0.1479	0.1601
Social Security	0.0594	0.0726	0.0931	0.1109	0.1200
Audit	0.0187	0.0207	0.0243	0.0296	0.0320
Police protection	0.0000	0.0000	0.0000	0.0000	0.0000
Liability insurance	0.0548	0.0428	0.0486	0.0592	0.0640
Debt service	0.0000	0.0000	0.0000	0.1803	0.1861
Street and bridge	0.0000	0.0000	0.0000	0.0000	0.0000
Special parks	0.0205	0.0231	0.0248	0.0200	0.0214
TOTALS	0.6103	0.6865	0.7498	0.9436	0.9783
TAX EXTENSIONS					
General					
Corporate	\$ 576,000	\$ 584,754	\$ 545,057	\$ 489,250	\$ 475,155
IMRF	90,824	120,083	151,342	182,854	192,734
Social Security	86,738	96,991	116,029	137,136	144,460
Audit	27,247	27,713	30,269	36,571	38,522
Police protection	-	-	-	-	-
Liability insurance	79,926	57,272	60,537	73,141	77,045
Debt service	-	-	-	222,912	223,995
Special parks	29,870	30,900	30,900	24,720	25,750
TOTALS	\$ 890,605	\$ 917,713	\$ 934,134	\$ 1,166,584	\$ 1,177,661

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION LIMITED DEBT CERTIFICATES SERIES 2009**

April 30, 2016

Date of Issue	August 19, 2009
Final Maturity	December 15, 2020
Authorized Issue	\$ 1,050,000
Actual Issue	\$ 1,050,000
Interest Rate	2.5% to 5.9%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	\$ 120,000	\$ 36,373	\$ 156,373	2016	\$ 18,187	2016	\$ 18,186
2018	127,000	30,373	157,373	2017	15,187	2017	15,186
2019	133,000	23,706	156,706	2018	11,853	2018	11,853
2020	140,000	16,524	156,524	2019	8,262	2019	8,262
2021	146,000	8,614	154,614	2020	4,307	2020	4,307
	<u>\$ 666,000</u>	<u>\$ 115,590</u>	<u>\$ 781,590</u>		<u>\$ 57,796</u>		<u>\$ 57,794</u>

(See independent auditor's report.)

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS SERIES 2014

April 30, 2016

Date of Issue	July 15, 2014
Final Maturity	December 1, 2029
Authorized Issue	\$ 2,500,000
Actual Issue	\$ 2,500,000
Interest Rate	2.0% to 3.5%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			June 1	Interest Due on		
	Principal	Interest	Total		Amount	December 1	Amount
2017	\$ 145,000	\$ 68,318	\$ 213,318	2016	\$ 34,159	2016	\$ 34,159
2018	145,000	65,418	210,418	2017	32,709	2017	32,709
2019	150,000	62,518	212,518	2018	31,259	2018	31,259
2020	155,000	59,518	214,518	2019	29,759	2019	29,759
2021	155,000	56,418	211,418	2020	28,209	2020	28,209
2022	160,000	51,768	211,768	2021	25,884	2021	25,884
2023	165,000	46,968	211,968	2022	23,484	2022	23,484
2024	170,000	42,018	212,018	2023	21,009	2023	21,009
2025	175,000	36,918	211,918	2024	18,459	2024	18,459
2026	180,000	31,668	211,668	2025	15,834	2025	15,834
2027	185,000	26,044	211,044	2026	13,022	2026	13,022
2028	195,000	20,262	215,262	2027	10,131	2027	10,131
2029	200,000	13,926	213,926	2028	6,963	2028	6,963
2030	205,000	7,176	212,176	2029	3,588	2029	3,588
	<u>\$ 2,385,000</u>	<u>\$ 588,938</u>	<u>\$ 2,973,938</u>		<u>\$ 294,469</u>		<u>\$ 294,469</u>

(See independent auditor's report.)