

VILLAGE OF DEER PARK, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2014



VILLAGE OF DEER PARK, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR'S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management's Discussion and Analysis.....	MD&A 1-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	3
Statement of Activities	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	7
Statement of Revenues, Expenditures and Changes in Fund Balances.....	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	9
Proprietary Fund	
Statement of Net Position.....	10
Statement of Revenues, Expenses and Changes in Fund Net Position	11
Statement of Cash Flows.....	12
Fiduciary Funds	
Statement of Fiduciary Net Position.....	13
Notes to Financial Statements	14-25

VILLAGE OF DEER PARK, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)	
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	26
Roads and Drainage Fund.....	27
Notes to Required Supplementary Information.....	28
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
MAJOR GOVERNMENTAL FUNDS	
GENERAL FUND	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	29-33
NONMAJOR SPECIAL REVENUE FUNDS	
Combining Balance Sheet	34
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances.....	35
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	36
Tourism and Commerce Fund	37
FIDUCIARY FUNDS	
Combining Schedule of Changes in Assets and Liabilities - Agency Funds	38-42



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Deer 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 Deer Park, Illinois (the Village), as of and for the year ended April 30, 2014, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Deer Park, Illinois as of April 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Schick LLP

Naperville, Illinois
August 8, 2014

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF DEER PARK, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2014

This section of the Village of Deer Park's Annual Financial Report (AFR) presents our discussion and analysis of the Village's financial activities during the fiscal year ended April 30, 2014. This should be read in conjunction with the Village's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- Net position and performance in total – The Village's total net position at April 30, 2014 was \$13,628,360, an amount that is slightly higher than the prior year. Increase due to revenue remaining strong despite expenses increasing 11% compared to last year.
- Governmental activity summary – Total net position at April 30, 2014 allocated to governmental activities increased due to an increase in capital expenditures in the governmental funds.
- Business-type activity summary – Net position for business-type activities decreased by \$37,400 mainly due to increased sewer charges during the year that were less than increases in the costs of providing sewer services.
- General fund summary – The fund experienced an increase of its fund balance of \$232,374 due to revenue sources continuing to be strong despite increased spending for roads and drainage and parks and recreation.
- Budget vs. actual – The Village's actual General Fund revenues and expenditures were both under budget, respectively, \$165,689 and \$413,373. The major factor being the timing of ICC grant mitigation not occurring in Fiscal Year 2014 as planned.
- Liabilities – The Village's General Fund liabilities increased slightly by \$52,218 largely as a result of an increase in accounts payable of \$35,443. The increase in accounts payable is largely attributable to retainage for contract amounts for work either not completed or under warranty.
- Capital assets – Net capital assets increased \$566,076 as a result of capital improvements to roads and drainage and to parks.

(See independent auditor's report.)

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Deer Park's financial section of the AFR. The financial section of the AFR includes four components: 1) management's discussion and analysis, 2) the basic financial statements, 3) required supplementary information, and 4) additional supplementary information. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short- and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of the Village government, reporting Village operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements.

In addition to all of the required financial statements elements, we have provided sections for combining statements to provide detail on non-major funds, for additional supplementary information, and for statistical information.

The following table summarizes the major features of the Village's financial statements.

Description	-----Fund Statements-----			
	Government-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Village government (except fiduciary funds)	Activities of the Village that are not proprietary or fiduciary such as public safety	Activities the Village operates similar to private business such as the Sewer Fund	Activities in which the Village is agent of another's resources such as the Special Service Areas
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Activities 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Revenues, Expenses, and Changes in Net Position ▪ Statement of Cash Flows 	<ul style="list-style-type: none"> ▪ Statement of Fiduciary Net Position
Accounting basis	Accrual	Modified accrual	Accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources	Economic resources
Type of asset and liability information	All assets and liabilities, both financial and capital, short- and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities, both financial and capital, short- and long-term	All assets and liabilities, both short- and long-term. Does not currently contain capital assets
Type of inflow and outflow information	All revenues and expenses during the year recorded	All revenues and expenditures during the year recorded	All revenues and expenditures during the year recorded	All revenues and expenditures during the year recorded

(See independent auditor's report.)

Government-Wide Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to disclose bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-types), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including general administration, building administration, public safety, roads and drainage, parks and recreation, and barn. Local utility and telecommunications taxes, and shared state tax distributions finance the majority of these services. The business-type activities reflect private sector-type operations where the fee for service typically covers all or most of the cost of operation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Governmental Funds, rather than fund types.

Governmental funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Fiduciary Funds are presented for certain activities where the Village's role is that of an agent. While Fiduciary Funds represent agent responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

(See independent auditor's report.)

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB 34 requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance – a recurring cost that does not extend the asset's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

In accordance with GASB Statement No. 34, a comparative analysis of Government-wide information is presented.

NET POSITION

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

Table 1
Statement of Net Position
As of April 30, 2014 and 2013

	Governmental Activities 2014	Governmental Activities 2013	Business-type Activities 2014	Business-type Activities 2013	Total Primary Government 2014	Total Primary Government 2013
Current and Other Assets	\$ 3,261,664	\$ 3,171,897	\$ 302,555	\$ 321,036	\$ 3,564,219	\$ 3,492,933
Capital Assets	10,718,493	10,152,417	-	-	10,718,493	10,152,417
Total Assets	\$13,980,157	\$13,324,314	\$ 302,555	\$ 321,036	\$14,282,712	\$13,645,350
Liabilities, short-term	\$ 359,903	\$ 305,103	\$294,449	\$ 275,530	\$ 654,352	\$ 580,633
Net Position:						
Investment in Capital Assets	\$ 10,718,493	\$ 10,152,417	\$ -	\$ -	\$ 10,718,493	\$ 10,152,417
Restricted	471,864	665,179	-	-	471,864	665,179
Unrestricted	2,429,897	2,201,615	8,106	45,506	2,438,003	2,247,121
Total Net Position	\$13,620,254	\$13,019,211	\$ 8,106	\$ 45,506	\$13,628,360	\$13,064,717

For more detailed information, see the Statement of Net Position.

(See independent auditor's report.)

Normal Impacts – Net Position

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

Net Results Of Activities – Impacts (increases/decreases) current assets and unrestricted net position.

Borrowing For Capital – Increases current assets and long-term debt.

Spending Borrowed Proceeds On New Capital – Reduces current assets and increases capital assets.

Spending Of Non-borrowed Current Assets On New Capital – (a) Reduces current assets and increases capital assets and (b) reduces unrestricted net position and increases investment in capital assets.

Principal Payment On Debt – (a) Reduces current assets and reduces long-term debt and (b) reduces unrestricted net position and increases investment in capital assets.

Reduction Of Capital Assets Through Depreciation – Reduces capital assets and investment in capital assets.

Current Year Impacts – Net Position

The Village's combined net position increased from \$13,064,717 to \$13,628,360. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance daily operations, was \$2,429,897.

The net position of business-type activities decreased by \$37,400 during the fiscal year and ended the year at \$8,106. Accounts receivable and unearned revenues related to business-type activities at year end were \$303,332 and \$293,223, respectively. Business-type activities consist of sewer services. The annual operating cost of these services for the year ended April 30, 2014 was \$404,184.

Current assets from governmental activities increased \$89,767 primarily due to an increase in cash and investments of \$68,892. Capital assets increased by \$566,076. Liabilities increased by \$54,800 due primarily to an increase in accounts payable of \$35,177 and deposits of \$14,285.

(See independent auditor's report.)

Table 2
Changes in Net Position
Years Ended April 30, 2014 and 2013

	Governmental Activities 2014	Governmental Activities 2013	Business-type Activities 2014	Business-type Activities 2013	Total Primary Government 2014	Total Primary Government 2013
REVENUES						
Program Revenues:						
Charges for services	\$ 668,909	\$ 644,410	\$ 366,880	\$ 371,079	\$ 1,035,789	\$ 1,015,489
Operating grants	92,472	89,671	-	-	92,472	89,671
Capital grants	222,778	199,291	-	-	222,778	199,291
General revenues:						
Taxes	3,406,157	3,295,975	-	-	3,406,157	3,295,975
Investment income	1,838	2,974	74	54	1,912	3,028
Miscellaneous	11,401	4,152	-	-	11,401	4,152
Transfers	170	(213)	(170)	213	-	-
Total revenues	\$ 4,403,725	\$ 4,236,260	\$ 366,784	\$ 371,346	\$ 4,770,509	\$ 4,607,606
EXPENSES						
General administration	\$ 1,090,910	\$ 974,833	\$ -	\$ -	\$ 1,090,910	\$ 974,833
Building administration	192,694	169,522	-	-	192,694	169,522
Public safety	1,314,363	1,221,491	-	-	1,314,363	1,221,491
Roads and drainage	968,105	874,851	-	-	968,105	874,851
Parks and recreation	211,720	136,487	-	-	211,720	136,487
Barn	24,890	30,625	-	-	24,890	30,625
Sanitary sewer rehabilitation	-	-	404,184	356,218	404,184	356,218
Total expenses	\$ 3,802,682	\$ 3,407,809	\$ 404,184	\$ 356,218	\$ 4,206,866	\$ 3,764,027
Change in Net Position	\$ 601,043	\$828,451	\$ (37,400)	\$15,128	\$ 563,643	\$843,579

Normal Impacts – Changes In Net Position

Reflected below are eight common (basic) impacts on revenues and expenses.

Revenues:

Economic Condition – Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Increase/Decrease In Village Approved Rates – While certain tax rates are set by statute, the Village Board has authority to impose and periodically increase/decrease rates (sewer, building permit fees, vehicle stickers, etc.).

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

Market Impacts On Investment Income – The Village’s investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities up to one year for term investments, and diversity of investments. Market conditions may cause investment income to fluctuate more than would occur with more short-term composition.

(See independent auditor’s report.)

Expenses:

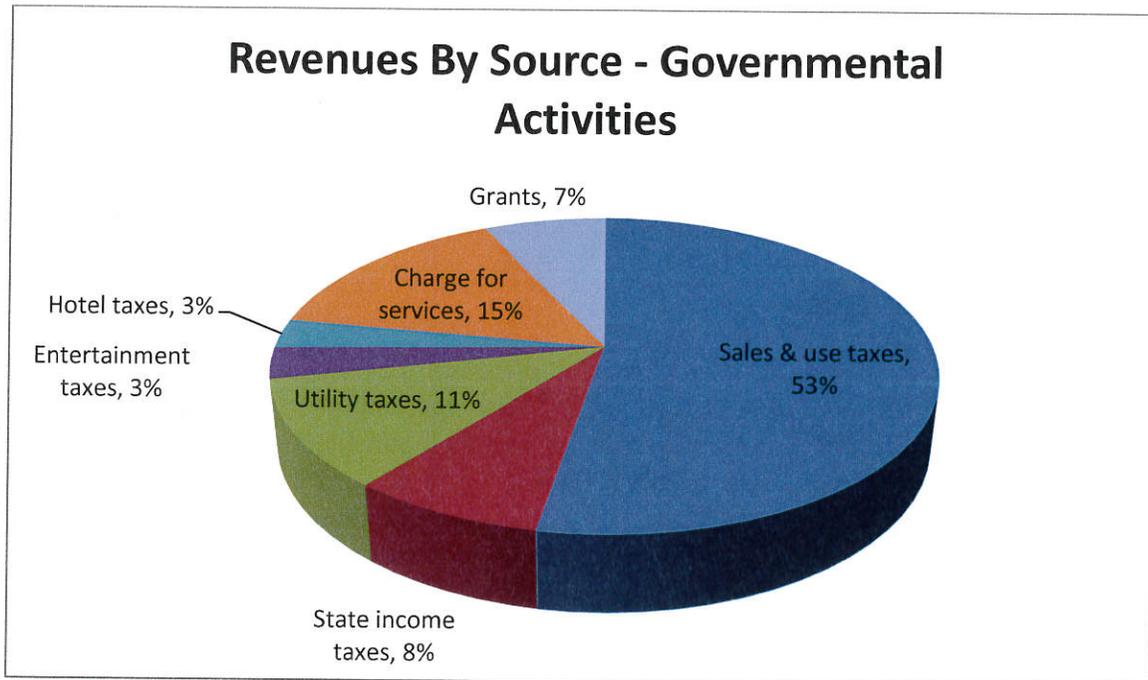
Changes In Programs – Within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted or expanded to meet changing community needs.

Changes In Authorized Personnel – Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Inflation – While overall inflation continues to be modest, the Village is a major consumer of certain commodities and services which typically experience inflation at a rate that can be significantly different from the national rate of inflation. Examples of such items include insurance, fuel, electricity and operating supplies.

Current Year Impacts – Changes In Net Position

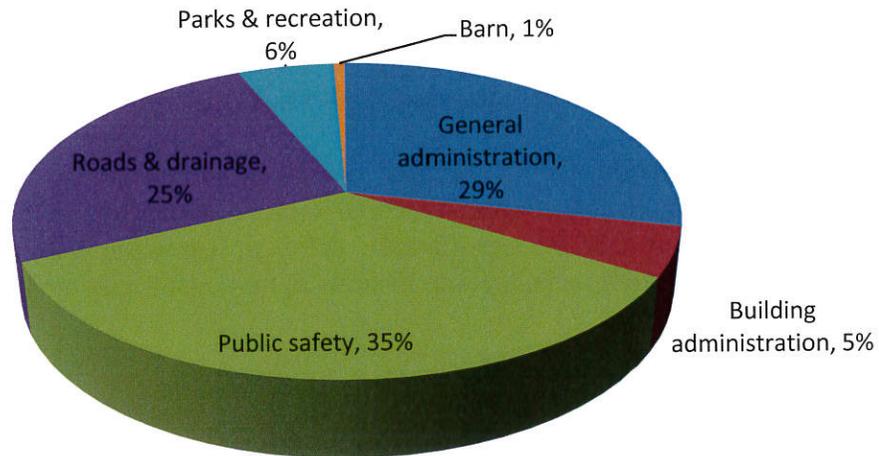
Governmental Activities



Total revenues attributable to governmental activities of \$4,403,725 increased over last year by \$167,465. Sales and use tax revenues continue to be the Village's largest revenue source of revenue at \$2,319,067 which also increased from the prior year by \$47,050. Building permits and related revenue increased by \$24,499. Fines and forfeitures remained relatively the same at \$339,123.

(See independent auditor's report.)

Expenses By Function - Governmental Activities



Total expenses attributable to governmental activities of \$3,802,682 increased over last year by \$394,873 or approximately 11% over the prior year. This increase is attributable to a slight increase in most of the Village's activities; general administration \$116,077, roads & drainage \$93,254, public safety \$92,872 and parks and recreation \$75,233.

Business-Type Activities

Revenue:

Revenue from business-type activities totaled \$366,880 and is related to the provision of sewer services. Sewer service revenues to undeveloped land parcels are recorded as unearned until such time as the parcel becomes developed. Sewer services are provided only to the Village's Planned Development area due to an intergovernmental agreement with the Metropolitan Water Reclamation District of Greater Chicago (MWRD).

Expenses:

Expenses for business-type activities totaled \$404,184. Payment is made to the MWRD at the same rate charged to the property owners. A small additional charge is assessed by the Village to cover overhead costs.

(See independent auditor's report.)

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

For the fiscal year ended April 30, 2014, the governmental funds reflect a combined fund balance of \$2,915,767, a slight increase of \$39,059 over the prior year.

General Fund Budgetary Highlights

	FYE 2014 Original Budget	FYE 2014 Final Budget	FYE 2014 Actual
Revenues and Transfers			
Taxes	\$ 2,477,740	\$ 2,477,740	\$ 2,482,620
Intergovernmental	630,280	630,280	351,165
Licenses and permits	214,700	214,700	268,134
Fines and forfeits	283,400	283,400	339,123
Other	72,600	72,600	71,989
Transfers	-	-	170
Total revenues and transfers	\$ 3,678,720	\$ 3,678,720	\$ 3,513,201
Expenditures and Transfers			
Expenditures:			
Public safety	\$1,826,828	\$1,826,828	\$ 1,314,363
Roads and drainage	515,281	515,281	563,118
General administration	916,608	916,608	928,705
Park and recreation	194,700	194,700	246,392
Capital outlays	5,500	5,500	10,665
Other	235,283	235,283	217,584
Transfers	44,000	44,000	-
Total expenditures and transfers	\$ 3,738,200	\$ 3,738,200	\$ 3,280,827
Change in Fund Balance	\$ (59,480)	\$ (59,480)	\$ 232,374

Actual General Fund revenues were under final budget by \$165,519. Even though most revenue departments experienced slightly greater results than compared to budget, revenue remained under budget due to intergovernmental, \$279,115. The budget includes receipts for an ICC mitigation grant that did not occur in fiscal year 2014.

Actual General Fund expenditures and transfers were lower than the final budget by \$457,373 largely due to timing of ICC mitigation expenditures offset by most expenses being slightly greater than budgeted.

(See independent auditor's report.)

CAPITAL ASSET AND DEBT ADMINISTRATION
--

Capital Assets

As of April 30, 2014, the Village's Governmental Funds had invested \$10,718,493 (see Notes to Financial Statements #3) in a variety of capital assets and infrastructure, as reflected in the following schedule.

**Table 3
Governmental Funds
Change in Net Capital Assets**

	Balance May 1, 2013	Net Additions/ Deletions	Balance April 30, 2014
Non-Depreciable Assets			
CIP	-	\$ 508,198	\$ 508,198
Land	6,027,285	-	6,027,285
Depreciable Capital Assets			
Buildings and Improvements	3,009,463	-	3,009,463
Park Improvements	651,378	103,536	754,914
Machinery and Equipment	213,672	100,652	314,324
Intangibles	72,150	-	72,150
Infrastructure	1,308,055	-	1,308,055
Accumulated Depreciation on Capital Assets	(1,129,586)	(146,310)	(1,275,896)
Totals	\$ 10,152,417	\$ 566,076	\$ 10,718,493

Debt Outstanding

The Village does not have any debts outstanding with due dates of more than one year.

As of April 30, 2014, the balance of the Special Service Area bonds associated with the Village totaled \$15,010,000. The Village is in no way liable for repayment of these bonds.

See Notes to Financial Statements #4 for additional information regarding compensated absences of Village employees and non-commitment debt associated with the Village.

(See independent auditor's report.)

ECONOMIC FACTORS

As in the year before, national and statewide recessionary pressures continued during the year ended April 30, 2014. Nonetheless, the Village of Deer Park continued its economic prosperity at a rate of growth substantially in excess of national and statewide results. Tax revenues, principally sales taxes on retail sales, were up again over the prior year and are budgeted to remain strong during the forthcoming year due to the continued popularity of the Village's retail sales base and the demographics of the shoppers that bring their business to the Village's commercial areas.

Some concern continues to exist, however, regarding the weak fiscal condition of the State of Illinois and its ability to timely remit all municipalities' portion of income taxes due them. There have been political discussions in the state legislature where it has been proposed that certain revenues that have historically been paid to municipalities be retained by the State in order to assist the State with its cash flow and budgetary needs. Fortunately, these circumstances did not develop during the year nor are they foreseen during the forthcoming year.

There has been significant progress made during the year ended April 30, 2014 and continuing into the present concerning the development of major parcels of the Village's vacant commercial land. Planned Unit Development proposals have been made and are under active consideration for the financing, construction and lease of a new major retail shopping area and for the construction of a major upscale assisted living facility. Once completed and operational, it is projected that the new shopping center would significantly add to the Village's retail base.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Ms. Beth McAndrews, Village Treasurer, Village of Deer Park, 23680 Cuba Road, Deer Park, Illinois 60010.

(See independent auditor's report.)

(This page is intentionally left blank.)

BASIC FINANCIAL STATEMENTS

VILLAGE OF DEER PARK, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 2,487,772	\$ 34,223	\$ 2,521,995
Accounts receivable	698,472	303,332	1,001,804
Due to/from other funds	35,000	(35,000)	-
Due from other governments	39,337	-	39,337
Prepaid expenses	1,083	-	1,083
Capital assets not being depreciated	6,535,483	-	6,535,483
Capital assets (net of accumulated depreciation)	4,183,010	-	4,183,010
 Total assets	 13,980,157	 302,555	 14,282,712
LIABILITIES			
Accounts payable	135,484	1,226	136,710
Unearned revenue	3,301	293,223	296,524
Accrued payroll	17,537	-	17,537
Deposits payable	189,575	-	189,575
Long-term liabilities			
Due within one year	14,006	-	14,006
 Total liabilities	 359,903	 294,449	 654,352
NET POSITION			
Investment in capital assets	10,718,493	-	10,718,493
Restricted			
Highways and streets	123,685	-	123,685
Tourism and commerce	141,486	-	141,486
Roads and drainage	206,693	-	206,693
Unrestricted	2,429,897	8,106	2,438,003
 TOTAL NET POSITION	 \$ 13,620,254	 \$ 8,106	 \$ 13,628,360

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2014

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General administration	\$ 1,090,910	\$ 327,366	\$ -	\$ -
Building administration	192,694	-	-	-
Public safety	1,314,363	339,123	-	-
Roads and drainage	968,105	-	92,472	156,278
Parks and recreation	211,720	2,420	-	66,500
Barn	24,890	-	-	-
Total governmental activities	<u>3,802,682</u>	<u>668,909</u>	<u>92,472</u>	<u>222,778</u>
Business-Type Activities				
Sewer	404,184	366,880	-	-
Total business-type activities	<u>404,184</u>	<u>366,880</u>	<u>-</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 4,206,866</u>	<u>\$ 1,035,789</u>	<u>\$ 92,472</u>	<u>\$ 222,778</u>

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (763,544)	\$ -	\$ (763,544)
	(192,694)	-	(192,694)
	(975,240)	-	(975,240)
	(719,355)	-	(719,355)
	(142,800)	-	(142,800)
	(24,890)	-	(24,890)
	<u>(2,818,523)</u>	<u>-</u>	<u>(2,818,523)</u>
	-	(37,304)	(37,304)
	-	(37,304)	(37,304)
	<u>(2,818,523)</u>	<u>(37,304)</u>	<u>(2,855,827)</u>
General Revenues			
Taxes			
State sales	1,802,690	-	1,802,690
Non-home rule sales	442,161	-	442,161
Utility/telecommunications	477,214	-	477,214
Use	56,994	-	56,994
Hotel	130,211	-	130,211
Entertainment	141,899	-	141,899
Road/bridge	3,823	-	3,823
Shared income tax	351,165	-	351,165
Investment income	1,838	74	1,912
Miscellaneous	11,401	-	11,401
Transfers	170	(170)	-
Total	<u>3,419,566</u>	<u>(96)</u>	<u>3,419,470</u>
CHANGE IN NET POSITION	601,043	(37,400)	563,643
NET POSITION, MAY 1	<u>13,019,211</u>	<u>45,506</u>	<u>13,064,717</u>
NET POSITION, APRIL 30	<u>\$ 13,620,254</u>	<u>\$ 8,106</u>	<u>\$ 13,628,360</u>

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2014

	General	Roads and Drainage	Nonmajor Governmental Funds	Total
ASSETS				
Cash and investments	\$ 2,118,230	\$ 117,231	\$ 252,311	\$ 2,487,772
Accounts receivable	587,787	93,325	17,360	698,472
Due from other funds	35,000	-	-	35,000
Due from other governments	39,337	-	-	39,337
Prepaid expenditures	1,083	-	-	1,083
TOTAL ASSETS	\$ 2,781,437	\$ 210,556	\$ 269,671	\$ 3,261,664
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 130,422	\$ 562	\$ 4,500	\$ 135,484
Unearned revenue	-	3,301	-	3,301
Accrued payroll	17,537	-	-	17,537
Deposits payable	189,575	-	-	189,575
Total liabilities	337,534	3,863	4,500	345,897
FUND BALANCES				
Nonspendable - prepaid expenditures	1,083	-	-	1,083
Restricted				
Highways and streets	-	-	123,685	123,685
Tourism and commerce	-	-	141,486	141,486
Roads and drainage	-	206,693	-	206,693
Unrestricted				
Unassigned	2,442,820	-	-	2,442,820
Total fund balances	2,443,903	206,693	265,171	2,915,767
TOTAL LIABILITIES AND AND FUND BALANCES	\$ 2,781,437	\$ 210,556	\$ 269,671	\$ 3,261,664

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

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

April 30, 2014

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 2,915,767
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial and, therefore, are not reported in the governmental funds	10,718,493
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	<u>(14,006)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 13,620,254</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	General	Roads and Drainage	Nonmajor Governmental Funds	Total
REVENUES				
Taxes	\$ 2,482,620	\$ 442,161	\$ 130,211	\$ 3,054,992
Intergovernmental	351,165	156,278	158,972	666,415
Licenses and permits	268,134	-	-	268,134
Charges for services	2,495	-	-	2,495
Fines and forfeits	339,123	-	-	339,123
Investment income	1,680	-	158	1,838
Other income	67,814	2,744	-	70,558
Total revenues	3,513,031	601,183	289,341	4,403,555
EXPENDITURES				
Current				
General administration	928,705	-	75,998	1,004,703
Building administration	192,694	-	-	192,694
Public safety	1,314,363	-	-	1,314,363
Roads and drainage	563,118	681,888	-	1,245,006
Parks and recreation	246,392	-	-	246,392
Barn	24,890	-	-	24,890
Capital outlay	10,665	16,847	309,106	336,618
Total expenditures	3,280,827	698,735	385,104	4,364,666
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	232,204	(97,552)	(95,763)	38,889
OTHER FINANCING SOURCES (USES)				
Transfers in	170	-	-	170
Total other financing sources (uses)	170	-	-	170
NET CHANGE IN FUND BALANCES	232,374	(97,552)	(95,763)	39,059
FUND BALANCES, MAY 1	2,211,529	304,245	360,934	2,876,708
FUND BALANCES, APRIL 30	\$ 2,443,903	\$ 206,693	\$ 265,171	\$ 2,915,767

See accompanying notes to financial statements.

VILLAGE OF DEER 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, 2014

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 39,059
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	712,386
Depreciation on capital assets is reported as an expense in the statement of activities	(146,310)
The increase in compensated absences payable is shown as an increase of expense on the statement of activities	<u>(4,092)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 601,043</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUND**

April 30, 2014

	<u>Sewer Fund</u>
CURRENT ASSETS	
Cash	\$ 34,223
Accounts receivable	<u>303,332</u>
Total current assets	<u>337,555</u>
CURRENT LIABILITIES	
Accounts payable	1,226
Due to other funds	35,000
Unearned revenue	<u>293,223</u>
Total current liabilities	<u>329,449</u>
NET POSITION	
Unrestricted	<u>8,106</u>
TOTAL NET POSITION	<u><u>\$ 8,106</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	<u>Sewer Fund</u>
OPERATING REVENUES	
Charges for services	
Sewer charges	\$ 366,880
Total operating revenues	<u>366,880</u>
OPERATING EXPENSES	
Administration	<u>404,184</u>
Total operating expenses	<u>404,184</u>
OPERATING INCOME	<u>(37,304)</u>
NON-OPERATING REVENUES	
Investment income	<u>74</u>
Total non-operating revenues	<u>74</u>
INCOME BEFORE TRANSFERS	<u>(37,230)</u>
TRANSFERS	
Transfers (out)	<u>(170)</u>
Total transfers	<u>(170)</u>
CHANGE IN NET POSITION	(37,400)
NET POSITION, MAY 1	<u>45,506</u>
NET POSITION, APRIL 30	<u><u>\$ 8,106</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2014

	<u>Sewer Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 441,522
Payments to suppliers	<u>(407,324)</u>
Net cash from operating activities	<u>34,198</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Interfund activity	<u>(170)</u>
Net cash from noncapital financing activities	<u>(170)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
None	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received on investments	<u>74</u>
Net cash from investing activities	<u>74</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	34,102
CASH AND CASH EQUIVALENTS, MAY 1	<u>121</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 34,223</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (37,304)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Changes in assets and liabilities	
Accounts receivable	52,583
Unearned revenue	22,059
Accounts payable	<u>(3,140)</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ 34,198</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEER PARK, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION

April 30, 2014

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 987,948
TOTAL ASSETS	<u>\$ 987,948</u>
LIABILITIES	
Due to bondholders	\$ 987,948
TOTAL LIABILITIES	<u>\$ 987,948</u>

See accompanying notes to financial statements.

(This page is intentionally left blank.)

VILLAGE OF DEER PARK, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Deer Park, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government 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 body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected President and Board of Trustees. The Village is considered to be a primary government pursuant to GASB Statements No. 14 and No. 61 since it is legally separate and fiscally independent.

b. Fund Accounting

The Village uses funds to report on 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. The minimum number of funds is maintained consistent with legal and managerial requirements. 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 or committed monies (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 DEER 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 agency funds to account for funds received and reserved for debt service on the noncommitment debt (See Note 4a) and funds received on behalf of other entities.

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

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 Village's primary operating fund. It accounts for all financial resources of the Village, except those required to be accounted for in another fund.

The Roads and Drainage Fund is used to account for non-home rule sales tax revenues restricted for road and drainage projects.

The Village reports the following major proprietary fund:

The Sewer Fund accounts for the sewer billings and expenses incurred for providing those services to residents.

Additionally, the Village reports the Special Service Areas funds responsible for noncommitment debt repayment as agency funds.

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 fiduciary fund financial statements (except the agency funds which have no measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. The Village has no municipal property tax. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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, income 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.

Sales taxes and telecommunication taxes owed to the state at year end, court fines, franchise fees, 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. Local fines, licenses and permit revenue and miscellaneous revenues are considered to be measurable and available only when cash is received by the Village.

VILLAGE OF DEER 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)

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 recorded. In the other, monies are virtually unrestricted as to purpose of expenditure 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 unearned revenue and unavailable revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned 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. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Cash Equivalents

For purposes of cash flows, the Village considers liquid deposits or investments with a maturity of three months or less when purchased to be cash equivalents.

f. Investments

Investments in non-negotiable certificates of deposit and other investments with a maturity of less than one year when purchased are stated at cost. Investments with a maturity of one year or greater when purchased are reported at fair value.

g. Prepaid Items/Expenses

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, equipment, intangible and infrastructure assets (e.g., storm sewers and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Infrastructure assets are reported prospectively as of May 1, 2004. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$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 costs of normal maintenance and repairs 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. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and building improvements	50
Park improvements	20
Machinery and equipment	10
Intangibles	5
Infrastructure	50

i. Compensated Absences

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation and sick leave of governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees.

j. 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 expensed in the year of issuance.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Long-Term Obligations (Continued)

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.

k. Net Position/Fund Balance

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance resulted from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator. Any residual fund balance of the General Fund is reported as unassigned.

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 and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

l. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. 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, except interfund services and reimbursements, are reported as transfers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, if any, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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.

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

2. DEPOSITS WITH FINANCIAL INSTITUTIONS

a. Permitted Deposits and Investments

ILCS and the Village’s investment policy authorize 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 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 OF DEER PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued)

a. Permitted Deposits and Investments (Continued)

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

b. 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. The Village’s investment policy requires pledging of collateral for all funds on deposit, including checking accounts and certificates of deposit, that are in excess of FDIC. The collateral must be in the name of the Village and held at an independent third party institution and must be evidenced by a written agreement.

3. RECEIVABLES

The following receivables are included in accounts receivable on the statement of net position at April 30, 2014:

GOVERNMENTAL ACTIVITIES	
Red light violations receivable	\$ 18,644
Traffic fines receivable	7,513
Entertainment tax receivable	8,749
Income tax receivable	48,986
Sales tax receivable	382,079
Non-home rule sales tax receivable	93,325
Use tax receivable	13,505
Franchise fees receivable	2,575
Telecommunication tax receivable	44,276
Utility tax receivable	35,323
Hotel tax receivable	11,461
Miscellaneous receivables	<u>32,036</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 698,472</u>

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

4. CAPITAL ASSETS

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

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
CIP	\$ -	\$ 508,198	\$ -	\$ 508,198
Land	6,027,285	-	-	6,027,285
Total capital assets not being depreciated	6,027,285	508,198	-	6,535,483
Capital assets being depreciated				
Buildings and building improvements	3,009,463	-	-	3,009,463
Park improvements	651,378	103,536	-	754,914
Machinery and equipment	213,672	100,652	-	314,324
Intangibles	72,150	-	-	72,150
Infrastructure	1,308,055	-	-	1,308,055
Total capital assets being depreciated	5,254,718	204,188	-	5,458,906
Less accumulated depreciation for				
Buildings and building improvements	381,554	60,189	-	441,743
Park improvements	389,760	31,391	-	421,151
Machinery and equipment	165,038	21,299	-	186,337
Intangibles	51,060	7,270	-	58,330
Infrastructure	142,174	26,161	-	168,335
Total accumulated depreciation	1,129,586	146,310	-	1,275,896
Total capital assets being depreciated, net	4,125,132	57,878	-	4,183,010
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 10,152,417	\$ 566,076	\$ -	\$ 10,718,493

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES		
General administration		\$ 70,310
Parks and recreation		49,839
Public works		26,161
TOTAL		\$ 146,310

5. COMPENSATED ABSENCES AND NONCOMMITMENT DEBT

The compensated absences currently outstanding are as follows:

	Fund Debt Retired by	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
Compensated Absences*	General	\$ 9,914	\$ 14,006	\$ 9,914	\$ 14,006	\$ 14,006
TOTAL		\$ 9,914	\$ 14,006	\$ 9,914	\$ 14,006	\$ 14,006

*Compensated absences have historically been retired by the General Fund.

5. COMPENSATED ABSENCES AND NONCOMMITMENT DEBT (Continued)

a. Noncommitment Debt

Special Service Area Number 1, 2 and 4-1999 Series Bonds, Special Service Area Number 2, 3 and 4-2000 Series Bonds, Special Service Area Number 5, 6 and 7-2001 Series Bonds, Special Service Area Number 8, 9 and 10-2002 Series Bonds and Special Service Area Number 3 Bonds-2006A and 2006B Series Bonds as of April 30, 2013 totaled \$16,555,000. On April 15, 2013, the Village issued Series 2013 Refunding Bonds Special Service Area Numbers 1, 2, 4 through 10 (in an aggregate principal amount of \$11,990,000). This issuance refunded \$11,930,000 of principal outstanding on previously issued special service area debt. Amounts were paid from escrow on May 15, 2013. As of April 30, 2014, the Village had Special Service Area bonds outstanding totaling \$15,010,000. None of these bonds are an obligation of the Village and are secured by the levy of real estate taxes on certain property within the special service areas. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the assessments and forwarding the collections to bondholders.

6. RISK MANAGEMENT

The Village is exposed to various risks of loss including, but not limited to, employee health, general liability, property casualty, workers' compensation and public official liability. To limit exposure to these risks, the Village has purchased third party indemnity insurance. The coverages have limits ranging from \$1,000,000 - \$10,000,000. Settlement claims have not exceeded insurance coverage for the current or the three prior years.

7. CONTINGENT LIABILITIES

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.

Grants

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

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

8. PROPERTY TAXES

The Village levies a property tax based on the authorization in ordinances establishing Special Service Areas 1 through 10. Significant dates are as follows:

- The property tax lien date is January 1;
- The annual tax levy ordinance for the 2013 levy was passed in December 2013;
- Property taxes for 2013 are due to the County Collector in two installments, June 1 and September 1 of the subsequent year. The County Collector remits the collections to the Village primarily in June to November.

9. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Sewer	\$ 35,000
TOTAL		<u>\$ 35,000</u>

The purposes of the Due To/Due From other funds are as follows:

- \$35,000 due from the Sewer Fund to the General Fund to cover a temporary cash shortfall. Repayment is expected within one year.

b. Interfund Transfers

	Transfers In	Transfers Out
General		
Sewer	\$ 170	\$ -
Total General	<u>170</u>	<u>-</u>
Sewer		
General	-	170
Total Sewer	<u>-</u>	<u>170</u>
TOTAL	<u>\$ 170</u>	<u>\$ 170</u>

10. RETIREMENT OBLIGATIONS

The Village does not participate in the Illinois Municipal Retirement Fund or any other retirement fund. One Village employee contributes to a deferred compensation plan (IRS §457) of which the Village contributes a matching amount monthly. All other employees are covered by social security.

11. OTHER POSTEMPLOYMENT BENEFITS

The Village is subject to no statutory requirements to provide health insurance to its retirees as the Village does not participate in the Illinois Municipal Retirement Fund. Therefore, there is 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 has no former employees or agreements with current employees for which the Village was providing an explicit subsidy as of April 30, 2014. For the year ended April 30, 2014, the Village had no retirees purchasing health insurance through the Village.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>
	<u>Appropriation</u>	<u>Appropriation</u>	
REVENUES			
Taxes	\$ 2,477,740	\$ 2,477,740	\$ 2,482,620
Intergovernmental	630,280	630,280	351,165
Licenses and permits	214,700	214,700	268,134
Charges for services	7,500	7,500	2,495
Fines and forfeits	283,400	283,400	339,123
Investment income	2,800	2,800	1,680
Other income	62,300	62,300	67,814
	<hr/>	<hr/>	
Total revenues	3,678,720	3,678,720	3,513,031
	<hr/>	<hr/>	
EXPENDITURES			
Current			
General administration	916,608	916,608	928,705
Building administration	184,153	184,153	192,694
Public safety	1,826,828	1,826,828	1,314,363
Roads and drainage	515,281	515,281	563,118
Parks and recreation	194,700	194,700	246,392
Barn	51,130	51,130	24,890
Capital outlay	5,500	5,500	10,665
	<hr/>	<hr/>	
Total expenditures	3,694,200	3,694,200	3,280,827
	<hr/>	<hr/>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,480)	(15,480)	232,204
	<hr/>	<hr/>	
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	170
Transfers (out)	(44,000)	(44,000)	-
	<hr/>	<hr/>	
Total other financing sources (uses)	(44,000)	(44,000)	170
	<hr/>	<hr/>	
NET CHANGE IN FUND BALANCE	\$ (59,480)	\$ (59,480)	232,374
	<hr/>	<hr/>	
FUND BALANCE, MAY 1			2,211,529
			<hr/>
FUND BALANCE, APRIL 30			\$ 2,443,903
			<hr/>

(See independent auditor's report.)

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	Original	Final	
	Appropriation	Appropriation	Actual
REVENUES			
Sales tax	\$ 442,000	\$ 442,000	\$ 442,161
Intergovernmental	66,572	66,572	156,278
Other Income	-	-	2,744
Total revenues	508,572	508,572	601,183
EXPENDITURES			
Current			
Road maintenance program	750,072	750,072	681,888
Capital outlay	52,608	52,608	16,847
Total expenditures	802,680	802,680	698,735
NET CHANGE IN FUND BALANCE	\$ (294,108)	\$ (294,108)	(97,552)
FUND BALANCE, MAY 1			304,245
FUND BALANCE, APRIL 30			\$ 206,693

(See independent auditor's report.)

VILLAGE OF DEER PARK, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2014

BUDGETS AND BUDGETARY ACCOUNTING

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The appropriation is adopted substantially on a GAAP basis of accounting.
2. The Village, each year prior to July 31 of the fiscal year, must file and pass the appropriation for the fiscal year ended April 30. This appropriation can be subsequently amended by a two-thirds vote of the Board of Trustees. The amounts shown on the financial statements under the appropriation column reflect amendments, if any, that have been adopted by the Board of Trustees since the original appropriation was passed. No amendments were made in the current year.
3. Appropriations are adopted, controlled and formal budgetary integration is employed as a control device during the year at the fund level for the general fund and special revenue funds.
4. All appropriations lapse at the end of the year for which the appropriations were adopted.

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

Purpose:

These financial statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

MAJOR GOVERNMENTAL FUNDS

Purpose:

General Fund - to account for all unrestricted resources, except those accounted for in another fund.

GENERAL FUND

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	Original	Final	
	Appropriation	Appropriation	Actual
REVENUES			
Taxes			
Utility	\$ 265,000	\$ 265,000	\$ 301,715
State sales	1,811,000	1,811,000	1,802,690
Use	51,840	51,840	56,994
Road and bridge	2,900	2,900	3,823
Telecommunications	201,000	201,000	175,499
Entertainment	146,000	146,000	141,899
	<hr/>	<hr/>	<hr/>
Total taxes	2,477,740	2,477,740	2,482,620
Intergovernmental	630,280	630,280	351,165
Licenses and permits	214,700	214,700	268,134
Charges for services	7,500	7,500	2,495
Fines and forfeits	283,400	283,400	339,123
Investment income	2,800	2,800	1,680
Other income	62,300	62,300	67,814
	<hr/>	<hr/>	<hr/>
Total revenues	3,678,720	3,678,720	3,513,031
EXPENDITURES			
General administration			
Administration			
Salaries	279,034	279,034	286,813
ICMARC contribution	10,164	10,164	9,773
ICMARC contribution	8,503	8,503	8,771
Payroll tax	20,510	20,510	21,515
Planning fees	-	-	(270)
Office cleaning and mats	2,420	2,420	2,329
Office supplies	10,780	10,780	9,155
Postage	3,740	3,740	2,173
Telephone	5,280	5,280	4,800
Utilities	2,860	2,860	2,080
Printing and ads	9,460	9,460	3,834

(This schedule is continued on the following pages.)

VILLAGE OF DEER PARK, ILLINOIS

DETAILED SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>
	<u>Appropriation</u>	<u>Appropriation</u>	<u>Actual</u>
EXPENDITURES (Continued)			
General administration (Continued)			
Administration (Continued)			
Dues and subscriptions	\$ 30,800	\$ 30,800	\$ 32,463
Membership - NWMC	5,775	5,775	5,421
Contributions	400	400	400
Travel	2,970	2,970	2,886
Education and meetings	1,650	1,650	4,685
Civic systems upgrade clarity	5,500	5,500	5,760
Office equipment and maintenance	11,000	11,000	7,237
Training	7,634	7,634	-
Handyman/maintenance	5,390	5,390	1,586
Office equipment lease	11,880	11,880	6,524
Bank charges	110	110	49
Repairs and maintenance	12,125	12,125	4,167
Insurance expense	23,115	23,115	22,413
Miscellaneous	1,320	1,320	25,364
Arch serv move office/base	6,600	6,600	5,900
Paper shredding events	2,200	2,200	-
Interest	18	18	20
Reimbursable	4,400	4,400	43
	<hr/>	<hr/>	<hr/>
Total administration	485,638	485,638	475,891
	<hr/>	<hr/>	<hr/>
Legal			
Legal expense	124,800	124,800	35,977
Legal - traffic/adjudicator	3,300	3,300	4,256
Legal expense - litigation	202,400	202,400	330,426
Legal expense - prosecution	-	-	8,782
	<hr/>	<hr/>	<hr/>
Total legal	330,500	330,500	379,441
	<hr/>	<hr/>	<hr/>
Professional Services			
Engineering	36,000	36,000	8,378
Audit Fees	39,900	39,900	20,777
Consulting Fees	-	-	12,130
	<hr/>	<hr/>	<hr/>
Total professional services	75,900	75,900	41,285
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following pages.)

VILLAGE OF DEER PARK, ILLINOIS

DETAILED SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2014

	<u>Original</u>		<u>Final</u>		<u>Actual</u>
	<u>Appropriation</u>		<u>Appropriation</u>		<u>Actual</u>
EXPENDITURES (Continued)					
General administration (Continued)					
Special Events					
Newsletters	\$ -		\$ -		\$ 5,630
Mosquito abatement	24,570		24,570		23,729
Recycling events	-		-		1,975
Arbor Day celebration	-		-		754
	<hr/>		<hr/>		<hr/>
Total special events	24,570		24,570		32,088
	<hr/>		<hr/>		<hr/>
Total general administration	916,608		916,608		928,705
Building administration					
Salaries	\$ 52,882		\$ 52,882		\$ 59,152
ICMARC contribution - hourly	2,644		2,644		2,055
Payroll taxes	3,887		3,887		4,471
Engineering fees	5,500		5,500		5,138
Builders inspection fees	60,500		60,500		42,728
Fire inspection fees	24,200		24,200		27,083
Elevator inspection fees	2,200		2,200		2,065
Building review board	1,100		1,100		-
Zoning inspections	220		220		-
Business registration fees	2,420		2,420		3,582
Zoning and code enforcement	19,800		19,800		41,876
Fencing ordinance rewrite	-		-		288
Julie inspections	7,150		7,150		2,310
Office supplies	1,650		1,650		1,946
	<hr/>		<hr/>		<hr/>
Total building administration	184,153		184,153		192,694
	<hr/>		<hr/>		<hr/>
Public safety	1,826,828		1,826,828		1,314,363
	<hr/>		<hr/>		<hr/>
Roads and drainage					
Engineering	70,495		70,495		-
13/FY14 road program construction observation	-		-		915
13/FY14 road program construction	643,500		643,500		557,508
14/FY15 road program design engineering	-		-		47,239
14/FY15 road program construction observation	-		-		4,234
Rainbow/Middle Fork Road construction	492,518		492,518		345,431

(This schedule is continued on the following pages.)

VILLAGE OF DEER PARK, ILLINOIS

DETAILED SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>
	<u>Appropriation</u>	<u>Appropriation</u>	
EXPENDITURES (Continued)			
Roads and drainage (Continued)			
Rainbow/Middle engineering	\$ 21,802	\$ 21,802	\$ 48,665
Deer Path Road speed bump	8,250	8,250	-
Hamilton Estates Patching	22,000	22,000	-
Crack sealing	11,000	11,000	-
Meadow Lane - DCEO Grant Expenditure	3,300	3,300	-
Meadow Court - DCEO Grant Expenditure	48,400	48,400	1,556
Park Hill Phase I	55,000	55,000	118,500
Juniper Court drainage	12,650	12,650	23,482
Pheasant Hill drainage	-	-	30,998
Road Repair	-	-	1,577
Drainage - other general	22,000	22,000	56,235
Primrose drainage cost	5,500	5,500	616
Storm sewer cleaning	11,880	11,880	5,180
Root cutting	7,128	7,128	-
Ferndale drainage	14,520	14,520	6,120
Outlet structure maintenance	3,850	3,850	2,373
Repairs and maintenance	-	-	(919)
Snow and ice control	145,024	145,024	138,354
Street signs	1,100	1,100	1,947
Street lighting	2,200	2,200	15,598
IEPA/NPDES	4,400	4,400	8,261
Street cleaning	2,970	2,970	1,192
Tree trimming	16,500	16,500	9,944
Allocate MFT qualified expenditures	(308,026)	(308,026)	(180,000)
Allocate road and drainage	(802,680)	(802,680)	(681,888)
Total roads and drainage	515,281	515,281	563,118
Parks and recreation			
Engineering expenses	12,650	12,650	16,695
Utilities	1,100	1,100	859
Charlie Brown Tot Lot Improvement	49,500	49,500	45,000
Old Farm Tot Lot Improvement	9,900	9,900	8,000
Landscaping and maintenance	50,600	50,600	50,139
Hamilton path/benches/landscape	44,000	44,000	100,686
Park development and maintenance	-	-	10
Tree inspection/pruning parks	4,400	4,400	4,238

(This schedule is continued on the following page.)

VILLAGE OF DEER PARK, ILLINOIS

DETAILED SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>
	<u>Appropriation</u>	<u>Appropriation</u>	
EXPENDITURES (Continued)			
Parks and recreation (Continued)			
Tree replacement all parks	\$ 8,250	\$ 8,250	\$ 4,085
Ash and pine treatment	2,200	2,200	1,546
Repair/replace benches/equipment	2,200	2,200	3,508
Contingency for emergencies	5,500	5,500	-
Reimbursement to homeowners' association	4,400	4,400	10,234
Miscellaneous	-	-	1,392
	<hr/>	<hr/>	
Total parks and recreation	194,700	194,700	246,392
	<hr/>	<hr/>	
Barn			
Snow and ice control	2,070	2,070	2,475
Office cleaning and mats	3,675	3,675	4,090
Office supplies	525	525	390
Telephone	1,050	1,050	721
Utilities	1,050	1,050	4,576
Printing and ads	210	210	-
Repairs and maintenance	42,550	42,550	12,638
	<hr/>	<hr/>	
Total barn	51,130	51,130	24,890
	<hr/>	<hr/>	
Capital outlay	5,500	5,500	10,665
	<hr/>	<hr/>	
Total expenditures	3,694,200	3,694,200	3,280,827
	<hr/>	<hr/>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,480)	(15,480)	232,204
	<hr/>	<hr/>	
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	170
Transfers (out)	(44,000)	(44,000)	-
	<hr/>	<hr/>	
Total other financing sources (uses)	(44,000)	(44,000)	170
	<hr/>	<hr/>	
NET CHANGE IN FUND BALANCE	\$ (59,480)	\$ (59,480)	232,374
	<hr/>	<hr/>	
FUND BALANCE, MAY 1			2,211,529
			<hr/>
FUND BALANCE, APRIL 30			\$ 2,443,903
			<hr/>

(See independent auditor's report.)

NONMAJOR SPECIAL REVENUE FUNDS

Purpose:

Special Revenue Funds - to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes. These include the Motor Fuel Tax Fund and the Tourism and Commerce Fund, which collect motor fuel tax and hotel tax, respectively.

VILLAGE OF DEER PARK, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2014

	Motor Fuel Tax	Tourism and Commerce	Total
ASSETS			
Cash and investments	\$ 117,786	\$ 134,525	\$ 252,311
Accounts receivable	5,899	11,461	17,360
TOTAL ASSETS	\$ 123,685	\$ 145,986	\$ 269,671
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 4,500	\$ 4,500
Total liabilities	-	4,500	4,500
FUND BALANCES			
Restricted			
Highways and streets	123,685	-	123,685
Tourism and commerce	-	141,486	141,486
Total fund balances	123,685	141,486	265,171
TOTAL LIABILITIES AND FUND BALANCES	\$ 123,685	\$ 145,986	\$ 269,671

(See independent auditor's report.)

VILLAGE OF DEER PARK, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2014

	Motor Fuel Tax	Tourism and Commerce	Total
REVENUES			
Taxes	\$ -	\$ 130,211	\$ 130,211
Intergovernmental	92,472	66,500	158,972
Investment income	158	-	158
Total revenues	92,630	196,711	289,341
EXPENDITURES			
Current			
General administration	-	75,998	75,998
Capital outlay	180,000	129,106	309,106
Total expenditures	180,000	205,104	385,104
NET CHANGE IN FUND BALANCES	(87,370)	(8,393)	(95,763)
FUND BALANCES, MAY 1	211,055	149,879	360,934
FUND BALANCES, APRIL 30	\$ 123,685	\$ 141,486	\$ 265,171

(See independent auditor's report.)

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>
	<u>Appropriation</u>	<u>Appropriation</u>	
REVENUES			
Intergovernmental	\$ 75,200	\$ 75,200	\$ 92,472
Investment income	203	203	158
	<hr/>	<hr/>	<hr/>
Total revenues	75,403	75,403	92,630
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
Road repair	308,026	308,026	180,000
	<hr/>	<hr/>	<hr/>
Total expenditures	308,026	308,026	180,000
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (232,623)</u>	<u>\$ (232,623)</u>	(87,370)
FUND BALANCE, MAY 1			<hr/> 211,055
FUND BALANCE, APRIL 30			<hr/> \$ 123,685 <hr/>

(See independent auditor's report.)

VILLAGE OF DEER PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	Original	Final	
	Appropriation	Appropriation	Actual
REVENUES			
Taxes			
Hotel tax	\$ 128,000	\$ 128,000	\$ 130,211
Intergovernmental	70,000	70,000	66,500
	<hr/>	<hr/>	<hr/>
Total revenues	198,000	198,000	196,711
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
General administration			
Legal	1,100	1,100	113
Hotel shuttle driver	18,000	18,000	18,000
Enhanced marketing events	33,000	33,000	20,273
General marketing program	27,500	27,500	34,296
DP visitors - "Go Deer Park"	5,500	5,500	3,316
Market to senior bus tours	4,400	4,400	-
Long Grove bus partners	2,200	2,200	-
Test marketing	16,500	16,500	-
Marketing and economic development research	44,000	44,000	-
Part-time salaries	5,500	5,500	-
Capital outlay	171,600	171,600	129,106
	<hr/>	<hr/>	<hr/>
Total expenditures	329,300	329,300	205,104
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (131,300)</u>	<u>\$ (131,300)</u>	(8,393)
FUND BALANCE, MAY 1			<hr/> 149,879
FUND BALANCE, APRIL 30			<u><u>\$ 141,486</u></u>

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF DEER PARK, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended April 30, 2014

	<u>May 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30</u>
All Funds				
ASSETS				
Cash and investments	\$ 12,622,229	\$ 3,885,637	\$ 15,519,918	\$ 987,948
TOTAL ASSETS	\$ 12,622,229	\$ 3,885,637	\$ 15,519,918	\$ 987,948
LIABILITIES				
Due to bondholders	\$ 12,622,229	\$ 3,885,637	\$ 15,519,918	\$ 987,948
TOTAL LIABILITIES	\$ 12,622,229	\$ 3,885,637	\$ 15,519,918	\$ 987,948
1. SSA #1 Debt Service Fund				
ASSETS				
Cash and investments	\$ 26,164	\$ 122,839	\$ 114,341	\$ 34,662
TOTAL ASSETS	\$ 26,164	\$ 122,839	\$ 114,341	\$ 34,662
LIABILITIES				
Due to bondholders	\$ 26,164	\$ 122,839	\$ 114,341	\$ 34,662
TOTAL LIABILITIES	\$ 26,164	\$ 122,839	\$ 114,341	\$ 34,662
2. SSA #2 Debt Service Fund				
ASSETS				
Cash and investments	\$ 2,922,898	\$ 585,663	\$ 3,471,674	\$ 36,887
TOTAL ASSETS	\$ 2,922,898	\$ 585,663	\$ 3,471,674	\$ 36,887
LIABILITIES				
Due to bondholders	\$ 2,922,898	\$ 587,463	\$ 3,471,674	\$ 38,687
TOTAL LIABILITIES	\$ 2,922,898	\$ 587,463	\$ 3,471,674	\$ 38,687

(This schedule is continued on the following pages.)

VILLAGE OF DEER PARK, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)

For the Year Ended April 30, 2014

	<u>May 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30</u>
3. SSA #4 Debt Service Fund				
ASSETS				
Cash and investments	\$ 682,139	\$ 265,543	\$ 902,388	\$ 45,294
TOTAL ASSETS	\$ 682,139	\$ 265,543	\$ 902,388	\$ 45,294
LIABILITIES				
Due to bondholders	\$ 682,139	\$ 265,543	\$ 902,388	\$ 45,294
TOTAL LIABILITIES	\$ 682,139	\$ 265,543	\$ 902,388	\$ 45,294
4. SSA #2 2000 Series Debt Service Fund				
ASSETS				
Cash and investments	\$ 1,674,507	\$ 3	\$ 1,674,510	\$ -
TOTAL ASSETS	\$ 1,674,507	\$ 3	\$ 1,674,510	\$ -
LIABILITIES				
Due to bondholders	\$ 1,674,507	\$ 3	\$ 1,674,510	\$ -
TOTAL LIABILITIES	\$ 1,674,507	\$ 3	\$ 1,674,510	\$ -
5. SSA #4 2000 Series Debt Service Fund				
ASSETS				
Cash and investments	\$ 783,992	\$ 2	\$ 783,994	\$ -
TOTAL ASSETS	\$ 783,992	\$ 2	\$ 783,994	\$ -
LIABILITIES				
Due to bondholders	\$ 783,992	\$ 2	\$ 783,994	\$ -
TOTAL LIABILITIES	\$ 783,992	\$ 2	\$ 783,994	\$ -

(This schedule is continued on the following pages.)

VILLAGE OF DEER PARK, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)

For the Year Ended April 30, 2014

	<u>May 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30</u>
6. SSA #5 2001 Series Debt Service Fund				
ASSETS				
Cash and investments	\$ 8,535	\$ 1,232,764	\$ 1,208,350	\$ 32,949
TOTAL ASSETS	\$ 8,535	\$ 1,232,764	\$ 1,208,350	\$ 32,949
LIABILITIES				
Due to bondholders	\$ 8,535	\$ 1,232,764	\$ 1,208,350	\$ 32,949
TOTAL LIABILITIES	\$ 8,535	\$ 1,232,764	\$ 1,208,350	\$ 32,949
7. SSA #6 2001 Series Debt Service Fund				
ASSETS				
Cash and investments	\$ 1,480,028	\$ 143,995	\$ 1,576,343	\$ 47,680
TOTAL ASSETS	\$ 1,480,028	\$ 143,995	\$ 1,576,343	\$ 47,680
LIABILITIES				
Due to bondholders	\$ 1,480,028	\$ 143,995	\$ 1,576,343	\$ 47,680
TOTAL LIABILITIES	\$ 1,480,028	\$ 143,995	\$ 1,576,343	\$ 47,680
8. SSA #7 2001 Series Debt Service Fund				
ASSETS				
Cash and investments	\$ 2,063,215	\$ 293,837	\$ 2,295,391	\$ 61,661
TOTAL ASSETS	\$ 2,063,215	\$ 293,837	\$ 2,295,391	\$ 61,661
LIABILITIES				
Due to bondholders	\$ 2,063,215	\$ 293,837	\$ 2,295,391	\$ 61,661
TOTAL LIABILITIES	\$ 2,063,215	\$ 293,837	\$ 2,295,391	\$ 61,661

(This schedule is continued on the following pages.)

VILLAGE OF DEER PARK, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)

For the Year Ended April 30, 2014

	<u>May 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30</u>
9. SSA #8 2002 Series				
Debt Service Fund				
ASSETS				
Cash and investments	\$ 701,213	\$ 40,212	\$ 729,383	\$ 12,042
TOTAL ASSETS	\$ 701,213	\$ 40,212	\$ 729,383	\$ 12,042
LIABILITIES				
Due to bondholders	\$ 701,213	\$ 40,212	\$ 729,383	\$ 12,042
TOTAL LIABILITIES	\$ 701,213	\$ 40,212	\$ 729,383	\$ 12,042
10. SSA #9 2002 Series				
Debt Service Fund				
ASSETS				
Cash and investments	\$ 935,282	\$ 35,881	\$ 970,491	\$ 672
TOTAL ASSETS	\$ 935,282	\$ 35,881	\$ 970,491	\$ 672
LIABILITIES				
Due to bondholders	\$ 935,282	\$ 35,881	\$ 970,491	\$ 672
TOTAL LIABILITIES	\$ 935,282	\$ 35,881	\$ 970,491	\$ 672
11. SSA #10 2002 Series				
Debt Service Fund				
ASSETS				
Cash and investments	\$ 640,238	\$ 36,708	\$ 667,019	\$ 9,927
TOTAL ASSETS	\$ 640,238	\$ 36,708	\$ 667,019	\$ 9,927
LIABILITIES				
Due to bondholders	\$ 640,238	\$ 36,708	\$ 667,019	\$ 9,927
TOTAL LIABILITIES	\$ 640,238	\$ 36,708	\$ 667,019	\$ 9,927

(This schedule is continued on the following page.)

VILLAGE OF DEER PARK, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)

For the Year Ended April 30, 2014

	<u>May 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30</u>
12. SSA #3 2006 Series A				
Debt Service Fund				
ASSETS				
Cash and investments	\$ 321,842	\$ 764,642	\$ 788,536	\$ 297,948
TOTAL ASSETS	\$ 321,842	\$ 764,642	\$ 788,536	\$ 297,948
LIABILITIES				
Due to bondholders	\$ 321,842	\$ 764,642	\$ 788,536	\$ 297,948
TOTAL LIABILITIES	\$ 321,842	\$ 764,642	\$ 788,536	\$ 297,948
13. SSA #3 2006 Series B				
Debt Service Fund				
ASSETS				
Cash and investments	\$ 382,176	\$ 363,548	\$ 337,498	\$ 408,226
TOTAL ASSETS	\$ 382,176	\$ 363,548	\$ 337,498	\$ 408,226
LIABILITIES				
Due to bondholders	\$ 382,176	\$ 363,548	\$ 337,498	\$ 408,226
TOTAL LIABILITIES	\$ 382,176	\$ 363,548	\$ 337,498	\$ 408,226

(See independent auditor's report.)