

**VILLAGE OF ELMWOOD PARK, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

Year Ended April 30, 2014

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 ANNUAL FINANCIAL REPORT  
 Year Ended April 30, 2014

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable President  
and Members of the Board of Trustees  
Village of Elmwood Park, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Elmwood Park, Illinois ("Village"), as of and for the year ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

## ***Opinions***

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

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; schedule of revenues, expenditures and changes in fund balance – budget (budget basis) and actual – general fund; schedules of funding progress and schedules of employer contributions as listed on 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 Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit 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 combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Crowe Horwath LLP*

Crowe Horwath LLP

Oak Brook, Illinois  
December 23, 2014

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2014

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The Village of Elmwood Park (the "Village") Management's Discussion and Analysis ("MD&A") is designed to (1) help the reader to focus on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to meet the next and subsequent year program requirements), (4) identify any material deviations from the financial plan (the approved budget and appropriation ordinance), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

**FINANCIAL HIGHLIGHTS**

- The assets of the Village exceeded its liabilities at April 30, 2014 by \$41,457,334.
- Of this amount \$13,028,220 represents unrestricted net position which may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position decreased by \$1,817,133. Net position decreased for governmental activities by \$2,635,113 and increased for business-type activities by \$817,980.
- The cost of governmental activities for the year was \$24,645,750 with related revenues of \$3,715,305. The net cost of \$20,930,445 was primarily funded by general tax revenues.

**USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT**

The Village's financial statements present two kinds of statements, each showing a different "snapshot" of the Village's finances. The emphasis is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

**Government-Wide Financial 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 represent a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' 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 & business-type), which are supported by the government's general taxes and other resources. This is meant to summarize and simplify the reader'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 public safety, public works and general government. Property taxes, shared state taxes (sales, income, local use, motor fuel) and local utility taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations (Water and Garbage), where the fee for service typically covers all or most of the cost of operations, including depreciation.

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**USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT (Continued)**

**Fund Financial Statements**

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

The Governmental Fund presentation is presented on the current resources measurement focus. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budget compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Pension Funds (Police and Fire Pension). While the Fund represents trust 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.

While the Total column on the Business-Type Fund Financial Statements is the same as the Business-Type column on the Government-Wide Financial Statements, the Governmental Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources). The flow of current financial resources will include bond proceeds and interfund transfers as other financial sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column (in the Government-Wide Statements).

**Infrastructure Assets**

Historically, a government's largest group of assets includes infrastructure (roads, lights, alleys, sidewalks, etc.). These assets are valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (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 chosen to depreciate its assets over their useful life. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2014

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**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

**GOVERNMENT-WIDE STATEMENT**

**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**  
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Activities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Assets:</b>						
Current & other assets	\$ 22.8	\$ 20.4	\$ 5.3	\$ 5.0	\$ 28.1	\$ 25.4
Capital and other LT assets	41.1	36.1	3.9	3.2	45.0	39.3
<b>Total assets</b>	<b>63.9</b>	<b>56.5</b>	<b>9.2</b>	<b>8.2</b>	<b>73.1</b>	<b>64.7</b>
<b>Liabilities:</b>						
Current liabilities	2.5	2.4	0.5	0.4	3.0	2.8
Long-term liabilities	28.5	18.6	0.1	0.1	28.6	18.7
<b>Total liabilities</b>	<b>31.0</b>	<b>21.0</b>	<b>0.6</b>	<b>0.5</b>	<b>31.6</b>	<b>21.5</b>
<b>Net Position:</b>						
Net investment in capital assets	18.8	15.5	3.9	3.2	22.7	18.7
Restricted	5.7	11.1	-	-	5.7	11.1
Unrestricted	8.4	8.9	4.7	4.5	13.1	13.4
<b>Total net position</b>	<b>\$ 32.9</b>	<b>\$ 35.5</b>	<b>\$ 8.6</b>	<b>\$ 7.7</b>	<b>\$ 41.5</b>	<b>\$ 43.2</b>

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2014

**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE (Continued)**

The Village's combined net position (which represents the Village's bottom line) decreased by \$1,817,133, due mostly to capital improvement projects. Net position of the Village's governmental activities is \$32.9 million. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance day-to-day operations for the Village, was \$8.4 million. Net position of the Village's business-type activities is \$8.6 million. The Village's unrestricted net position for business-type activities is \$4.7 million. The following chart shows the revenue and expenses of the governmental and business-type activities:

**Table 2**  
**Change in Net Position**  
**As of April 30, 2014**  
**(in millions)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Activities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3.1	\$ 2.8	\$ 7.2	\$ 7.1	\$ 10.3	\$ 9.9
Operating grants / contrib.	0.7	0.2	-	-	0.7	0.2
General revenues:						
Property taxes	10.5	10.5	-	-	10.5	10.5
Other taxes	7.9	7.8	-	-	7.9	7.8
Other	(1.2)	0.5	0.5	-	(0.7)	0.5
<b>Total Revenues</b>	<b>21.0</b>	<b>21.8</b>	<b>7.7</b>	<b>7.1</b>	<b>28.7</b>	<b>28.9</b>
<b>Expenses</b>						
General government	6.1	5.9	-	-	6.1	5.9
Public safety	11.1	11.3	-	-	11.1	11.3
Public works	4.6	4.1	-	-	4.6	4.1
Culture and recreation	1.4	0.8	-	-	1.4	0.8
Interest long-term debt	0.4	0.3	-	-	0.4	0.3
Water	-	-	5.2	4.1	5.2	4.1
Garbage	-	-	1.7	1.8	1.7	1.8
<b>Total Expenses</b>	<b>23.6</b>	<b>22.4</b>	<b>6.9</b>	<b>5.9</b>	<b>30.5</b>	<b>28.3</b>
<b>Change in Net Position</b>	<b>\$ (2.6)</b>	<b>\$ (0.6)</b>	<b>\$ 0.8</b>	<b>\$ 1.2</b>	<b>\$ (1.8)</b>	<b>\$ 0.6</b>

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## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

### Normal Impacts

There are eight basic impacts on revenues and expenditures as reflected below:

#### Revenues:

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

**Home Rule Status** – while the Village Board self-imposes tax rate and levy rate increases to five percent or lower, the Village has authority to impose periodic increases/decreases in rates (water, garbage, impact fees, permit fees, license fees, 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 often distorting in their impact on year to year comparisons.

**Market Impacts on Investment Income** – the Village's investment portfolio is short-term in nature and restrictive by Policy. A decrease in short-term rates may cause investment income to fluctuate.

#### Expenditures:

**Introduction of New Programs** – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

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

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

**Inflation** – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2014

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (Continued)**

**Current Year Impacts**

**Revenue:**

For fiscal year ended April 30, 2014, revenues from governmental fund activities totaled \$22.2 million. Revenues were up due to the general economic condition of the area. Revenues have been consistent for the past three years.

**Expenditures:**

For the fiscal year ended April 30, 2014, expenditures for governmental fund activities totaled \$37.7 million. Expenditures were higher than fiscal year 2013 by \$12.0 million. The increase is due to higher expenditures in the Capital Projects fund.

**General Fund Budgetary Highlights**  
(in millions)

	<b>Adopted Budget 2014</b>	<b>Actual 2014</b>
	<u>                    </u>	<u>                    </u>
<b>General Fund:</b>		
Revenues and other financing sources		
Taxes	\$12.5	\$12.6
Licenses, Permits, & Fees	2.3	2.4
Other	<u>0.5</u>	<u>1.1</u>
<b>Total</b>	<b>15.3</b>	<b>16.1</b>
Expenditures		
Current and Other	<u>15.3</u>	<u>15.9</u>
<b>Total</b>	<b>15.3</b>	<b>15.9</b>
<b>Net Change in Fund Balance</b>	<b><u>\$ 0.0</u></b>	<b><u>\$ 0.2</u></b>

Budgeted General Fund revenues were lower than actual revenues during fiscal year 2014. The positive budget variance was due to greater state income tax revenue. Expenditures were below budget by \$0.6 million due to cost savings in the public works and fire departments.

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2014

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (Continued)**

**Capital Assets**

At the end of Fiscal Year 2014, the Village's Governmental Funds had invested \$41.2 million in a variety of capital assets and infrastructure, as reflected in the following schedule. Additional information can be found in Note 4 to the Financial Statements.

**Table 3  
Governmental Funds  
Change in Capital Assets  
(in millions)**

	<u>Balance</u> <u>May 1, 2013</u>	<u>Net</u> <u>Additions / Deletions</u>	<u>Balance</u> <u>April 30, 2014</u>
<b>Non-Depreciable Assets:</b>			
Land	\$ 7.6	\$ (1.2)	\$ 6.4
Construction In Progress	1.3	11.2	12.5
<b>Other Capital Assets:</b>			
Infrastructure	27.6	-	27.6
Buildings	6.4	2.9	9.3
Land Improvements	1.5	-	1.5
Equipment	4.4	1.1	5.5
Accum. Depreciation on Capital Assets	(20.4)	(1.2)	(21.6)
<b>Totals</b>	<u>\$ 28.4</u>	<u>\$ 12.8</u>	<u>\$ 41.2</u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2014

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (Continued)**

**Debt Outstanding**

At April 30, 2014, the Village had outstanding debt as follows:

General Obligation Bond Series 2005	\$ 2,820,000
General Obligation Bond Series 2012	9,615,000
General Obligation Bond Series 2013	9,635,000
Bond Premium	305,490
Financing Agreement	422,663
Purchase Discount	13,761
Net Pension Obligation	4,978,032
Compensated Absences	947,539
OPEB Obligation	235,283

Additional information can be found in Note 5 to the Financial Statements.

**Economic Factors**

The difficulties brought on by the overall economy have reduced the sales tax revenues for the Village. The Village will continue to monitor economic trends and constrain spending while still providing for the needs of the citizens.

**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: Finance Director, Village of Elmwood Park, 11 Conti Parkway, Elmwood Park, IL 60707.

The Elmwood Park Public Library issues separate financial statements and have an April 30 year-end. Separate financial statements can be obtained by contacting its office at 1 Conti Parkway, Elmwood Park, Illinois 60707.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF NET POSITION  
April 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Current				
Cash and investments	\$ 12,542,534	\$ 4,044,864	\$ 16,587,398	\$ 1,219,344
Restricted cash and investments	3,123,830	-	3,123,830	-
Property taxes receivable	4,998,078	-	4,998,078	693,183
Other governmental receivables	1,732,104	-	1,732,104	31,104
Prepaid expenses	191,453	20,019	211,472	15,033
Internal balances	60,000	(60,000)	-	-
Due from pension funds	29,706	-	29,706	-
Accounts receivable	-	1,306,332	1,306,332	-
Non-current				
Capital assets not being depreciated	18,927,237	-	18,927,237	45,685
Capital assets being depreciated, net	22,236,103	3,898,700	26,134,803	5,347,369
<b>Total assets</b>	<b>63,841,045</b>	<b>9,209,915</b>	<b>73,050,960</b>	<b>7,351,718</b>
<b>Liabilities</b>				
Current				
Accounts payable	1,213,877	532,785	1,746,662	74,857
Accrued payroll	316,030	11,090	327,120	19,809
Accrued interest payable	321,871	-	321,871	-
Due to pension funds	69,182	-	69,182	-
Unearned revenue	62,484	-	62,484	12,808
Current portion - bonds payable	435,000	-	435,000	-
Current portion - financing agreement	102,901	-	102,901	-
Non-current				
Bonds payable	21,940,490	-	21,940,490	-
Financing agreement	333,523	-	333,523	-
OPEB obligation	235,283	-	235,283	-
Net pension obligation	4,978,032	-	4,978,032	29,402
Compensated absences	947,539	93,539	1,041,078	38,222
<b>Total Liabilities</b>	<b>30,956,212</b>	<b>637,414</b>	<b>31,593,626</b>	<b>175,098</b>
<b>Net position</b>				
Net investment in capital assets	18,787,850	3,898,700	22,686,550	5,393,054
Restricted for				
TIF redevelopment	2,213,059	-	2,213,059	-
Debt service	2,208,230	-	2,208,230	-
IMRF	401,718	-	401,718	-
Capital projects	919,557	-	919,557	-
Unrestricted	8,354,419	4,673,801	13,028,220	1,783,566
<b>Total net position</b>	<b>\$ 32,884,833</b>	<b>\$ 8,572,501</b>	<b>\$ 41,457,334</b>	<b>\$ 7,176,620</b>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF ACTIVITIES  
Year Ended April 30, 2014

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total	
				Governmental Activities	Business-Type Activities		
Primary government							
Governmental activities							
General government	\$ 7,077,371	\$ 1,417,515	\$ 268,126	\$ (5,391,730)		\$ (5,391,730)	
Public safety	11,112,203	1,276,161	-	(9,836,042)		(9,836,042)	
Public works	4,604,816	-	395,441	(4,209,375)		(4,209,375)	
Culture and recreation	1,440,347	358,062	-	(1,082,285)		(1,082,285)	
Interest on long-term debt	411,013	-	-	(411,013)		(411,013)	
Total government activities	<u>24,645,750</u>	<u>3,051,738</u>	<u>663,567</u>	<u>(20,930,445)</u>		<u>(20,930,445)</u>	
Business-type activities							
Water	5,225,363	5,423,769	-		\$ 198,406	198,406	
Garbage	1,679,868	1,818,357	-		138,489	138,489	
Total business-type activities	<u>6,905,231</u>	<u>7,242,126</u>	<u>-</u>		<u>336,895</u>	<u>336,895</u>	
Total primary government	<u>\$ 31,550,981</u>	<u>\$ 10,293,864</u>	<u>\$ 663,567</u>	<u>(20,930,445)</u>	<u>336,895</u>	<u>(20,593,550)</u>	
Component unit							
Library	\$ 1,748,747	\$ 35,100	\$ 32,296				\$ (1,681,351)
Total component unit	<u>\$ 1,748,747</u>	<u>\$ 35,100</u>	<u>\$ 32,296</u>				<u>(1,681,351)</u>
General revenues							
Taxes							
Property taxes				10,472,395	-	10,472,395	1,476,115
Motor fuel taxes				725,767	-	725,767	-
Public service taxes				7,158,952	-	7,158,952	9,500
Unrestricted investment earnings				14,171	-	14,171	221
Loss on sale of capital assets				(10,978)	-	(10,978)	-
Miscellaneous revenues				396,611	19,499	416,110	10,193
Transfers				(461,586)	461,586	-	-
Total general revenues and transfers				<u>18,295,332</u>	<u>481,085</u>	<u>18,776,417</u>	<u>1,496,029</u>
Change in net position				(2,635,113)	817,980	(1,817,133)	(185,322)
Net position - beginning				<u>35,519,946</u>	<u>7,754,521</u>	<u>43,274,467</u>	<u>7,361,942</u>
Net position - ending				<u>\$ 32,884,833</u>	<u>\$ 8,572,501</u>	<u>\$ 41,457,334</u>	<u>\$ 7,176,620</u>

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2014

	Major Funds			Total
	General Fund	Capital Projects Fund - 2011	Nonmajor Governmental Funds	
<b>Assets</b>				
Cash and investments	\$ 9,017,448	\$ 2,085,897	\$ 4,563,019	\$ 15,666,364
Property taxes receivable	3,893,256	-	1,104,822	4,998,078
Other governmental receivables	1,621,822	-	110,282	1,732,104
Interfund receivables	1,806,816	-	1,166,024	2,972,840
Prepaid items	187,401	-	4,052	191,453
<b>Total assets</b>	<b><u>\$ 16,526,743</u></b>	<b><u>\$ 2,085,897</u></b>	<b><u>\$ 6,948,199</u></b>	<b><u>\$ 25,560,839</u></b>
<b>Liabilities, deferred inflow of resources, and fund balance</b>				
<b>Liabilities</b>				
Accounts payable	\$ 533,910	\$ 651,222	\$ 28,745	\$ 1,213,877
Accrued payroll	306,182	-	9,848	316,030
Interfund payables	1,214,871	767,556	969,889	2,952,316
Unearned revenue	62,484	-	-	62,484
<b>Total liabilities</b>	<b><u>2,117,447</u></b>	<b><u>1,418,778</u></b>	<b><u>1,008,482</u></b>	<b><u>4,544,707</u></b>
<b>Deferred inflow of resources</b>				
Unavailable revenue	4,033,492	-	1,086,058	5,119,550
<b>Fund balance</b>				
Unassigned	10,188,403	-	(594,754)	9,593,649
Nonspendable				
Prepays items	187,401	-	4,052	191,453
Restricted				
Restricted by State statute	-	-	2,213,059	2,213,059
Debt service	-	-	2,208,230	2,208,230
IMRF	-	-	401,718	401,718
Parks and recreation	-	-	368,916	368,916
Capital projects	-	667,119	252,438	919,557
<b>Total fund balance</b>	<b><u>10,375,804</u></b>	<b><u>667,119</u></b>	<b><u>4,853,659</u></b>	<b><u>15,896,582</u></b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b><u>\$ 16,526,743</u></b>	<b><u>\$ 2,085,897</u></b>	<b><u>\$ 6,948,199</u></b>	<b><u>\$ 25,560,839</u></b>



VILLAGE OF ELMWOOD PARK, ILLINOIS  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 April 30, 2014

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Total fund balances - governmental funds	\$ 15,896,582
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Amounts reported for governmental activities in the net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

Capital assets	\$ 62,769,507	
Accumulated depreciation	<u>(21,606,167)</u>	
Net capital assets		41,163,340

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of :

General obligation bonds payable	(22,375,490)	
Finance agreement payable	(436,424)	
Accrued interest payable	(321,871)	
Net pension obligations	(4,978,032)	
OPEB obligation	(235,283)	
Compensated absences	<u>(947,539)</u>	
Total long-term liabilities		(29,294,639)

Property taxes receivable to be collected in the next fiscal year, but intended to be used to pay for the current period's expenditures, are recorded as revenue in the government wide statements but as unavailable revenue in the fund statements.

4,879,825

Some revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds.

State tax receivables	<u>239,725</u>	
		<u>239,725</u>

Net position of governmental activities	<u>\$ 32,884,833</u>
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VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended April 30, 2014

	Major Funds			Total
	General Fund	Capital Projects Fund-2011	Nonmajor Governmental Funds	
Revenues				
Property taxes	\$ 7,927,233	\$ -	\$ 2,242,605	\$ 10,169,838
State/home rule sales tax	2,503,734	-	-	2,503,734
State income tax	2,424,754	-	-	2,424,754
Utility taxes	1,670,863	-	307,749	1,978,612
Other taxes	598,876	-	4,000	602,876
Licenses, permits and fees	2,420,688	-	260,054	2,680,742
Grants	268,126	395,441	-	663,567
Other revenue	348,881	7,385	134,627	490,893
Motor fuel tax allotments	-	-	725,767	725,767
Investment income	3,721	-	3,067	6,788
Total revenues	<u>18,166,876</u>	<u>402,826</u>	<u>3,677,869</u>	<u>22,247,571</u>
Expenditures				
Current				
Administration	2,166,829	-	1,467,294	3,634,123
Code administration	563,137	-	-	563,137
Police department	5,356,501	-	-	5,356,501
Emergency 911 department	-	-	731,744	731,744
Culture and recreation	-	-	1,324,533	1,324,533
Fire department	4,689,673	-	-	4,689,673
Public works	3,207,389	14,032,510	685,573	17,925,472
Insurance department	2,412,333	-	-	2,412,333
Debt service				
Principal	104,907	-	420,000	524,907
Interest and other charges	-	152,382	401,865	554,247
Total expenditures	<u>18,500,769</u>	<u>14,184,892</u>	<u>5,031,009</u>	<u>37,716,670</u>
Excess (deficiency) of revenues over expenditures	<u>(333,893)</u>	<u>(13,782,066)</u>	<u>(1,353,140)</u>	<u>(15,469,099)</u>
Other financing sources (uses)				
Financing agreement proceeds	527,570	-	-	527,570
Purchase premium	17,201	-	-	17,201
Bond premium	-	248,952	-	248,952
Bond proceeds	-	8,806,247	828,753	9,635,000
Transfers in	-	-	186,114	186,114
Transfers out	-	(647,700)	-	(647,700)
Total other financing sources (uses)	<u>544,771</u>	<u>8,407,499</u>	<u>1,014,867</u>	<u>9,967,137</u>
Net change in fund balances	210,878	(5,374,567)	(338,273)	(5,501,962)
Fund balances at beginning of year	<u>10,164,926</u>	<u>6,041,686</u>	<u>5,191,932</u>	<u>21,398,544</u>
Fund balances at end of year	<u>\$ 10,375,804</u>	<u>\$ 667,119</u>	<u>\$ 4,853,659</u>	<u>\$ 15,896,582</u>

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
 STATEMENT OF ACTIVITIES  
 Year Ended April 30, 2014

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Net change in fund balances - total governmental funds \$ (5,501,962)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Capital outlay	\$ 15,296,234	
Depreciation	<u>(1,276,283)</u>	
Depreciation in excess of capital outlay		14,019,951

The loss on the disposal of assets in the governmental funds is not reported. However, the original cost of assets disposed of had a net value less than the trade-in value. The difference has been recorded in the statement of activities. (10,978)

Donations of capital assets are not reported in the governmental funds, however, it reduces the capital asset balance in the statement of net position. (1,400,000)

Proceeds from the issuance of debt is recorded as revenue in the governmental funds, however, it increases long-term liabilities in the statement of net position (9,635,000)

Proceeds from the issuance of the financing agreement is recorded as revenue in the governmental funds, however, it increases long-term liabilities in the statement of net position. (527,570)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal retirement (Bonds payable)		420,000
Principal retirement (Finance agreement)		104,907

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

Capitalization of interest	146,637	
Change in net pension obligations	79,875	
Change in OPEB	(36,556)	
Change in compensated absences	(94,163)	
Amortization of bond premium	9,529	
Amortization of financing purchase premium	3,440	
Change in accrued interest on debt	<u>(169,731)</u>	
Total expenses of non-current resources		(60,969)

Bond premiums and discounts are capitalized and amortized over the life of the debt (266,153)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Amount change from prior year:

Long term intergovernmental receivable	(36,621)	
State tax receivables	<u>(43,275)</u>	
Total		(79,896)

Some property taxes not collected within 60 days of the Village's fiscal year end, are intended to be used to pay current year expenditures. They are recorded as revenue in the statement of net position but are unavailable in the governmental fund statements. Amount change from prior year. 302,557

Change in net position of governmental activities \$ (2,635,113)

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
April 30, 2014

	Enterprise Funds		
	Major Funds		
	Water Operations Fund	Garbage Fund	Total
Current assets			
Cash and investments	\$ 3,987,901	\$ 56,963	\$ 4,044,864
Accounts receivable	974,019	332,313	1,306,332
Interfund receivables	40,000	-	40,000
Prepaid items	20,019	-	20,019
Total current assets	<u>5,021,939</u>	<u>389,276</u>	<u>5,411,215</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>3,898,700</u>	-	<u>3,898,700</u>
Total noncurrent assets	<u>3,898,700</u>	-	<u>3,898,700</u>
Total assets	<u>8,920,639</u>	<u>389,276</u>	<u>9,309,915</u>
Current liabilities			
Accounts payable	528,982	3,803	532,785
Accrued payroll	11,090	-	11,090
Interfund payables	-	100,000	100,000
Total current liabilities	<u>540,072</u>	<u>103,803</u>	<u>643,875</u>
Long-term liabilities			
Compensated absences	<u>93,539</u>	-	<u>93,539</u>
Total long-term liabilities	<u>93,539</u>	-	<u>93,539</u>
Total liabilities	<u>633,611</u>	<u>103,803</u>	<u>737,414</u>
Net position			
Net investment in capital assets	3,898,700	-	3,898,700
Unrestricted	<u>4,388,328</u>	<u>285,473</u>	<u>4,673,801</u>
Total net position	<u>\$ 8,287,028</u>	<u>\$ 285,473</u>	<u>\$ 8,572,501</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
Year Ended April 30, 2014

	Enterprise Funds		
	Major Funds		
	Water Operations Fund	Garbage Fund	Total
Operating revenues			
Water fees	\$ 5,382,498	\$ -	\$ 5,382,498
Garbage fees	-	1,818,357	1,818,357
Other revenue	60,770	-	60,770
Total operating revenues	<u>5,443,268</u>	<u>1,818,357</u>	<u>7,261,625</u>
Operating expenses			
Administration	5,069,069	1,679,868	6,748,937
Depreciation	156,294	-	156,294
Total operating expenses	<u>5,225,363</u>	<u>1,679,868</u>	<u>6,905,231</u>
Operating income (loss)	<u>217,905</u>	<u>138,489</u>	<u>356,394</u>
Transfers			
Transfers in	647,700	-	647,700
Transfers out	(186,114)	-	(186,114)
Total transfers	<u>461,586</u>	<u>-</u>	<u>461,586</u>
Change in net position	679,491	138,489	817,980
Net position at beginning of year	<u>7,607,537</u>	<u>146,984</u>	<u>7,754,521</u>
Net position at end of year	<u>\$ 8,287,028</u>	<u>\$ 285,473</u>	<u>\$ 8,572,501</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended April 30, 2014

	Enterprise Funds		
	Major Funds		
	Water Operations Fund	Garbage Fund	Total
Cash flows from operating activities			
Receipts from customers	\$ 5,376,872	\$ 1,819,772	\$ 7,196,644
Payments to suppliers	(4,281,385)	(1,822,853)	(6,104,238)
Payments to employees	(443,316)	-	(443,316)
Net cash provided (used) by operating activities	<u>652,171</u>	<u>(3,081)</u>	<u>649,090</u>
Cash flows from non-capital and related financing activities			
Interfund borrowing (lending) and transfers	(226,114)	40,000	(186,114)
Net cash provided (used) by non-capital financing activities	<u>(226,114)</u>	<u>40,000</u>	<u>(186,114)</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	(185,414)	-	(185,414)
Net cash provided (used) by capital financing activities	<u>(185,414)</u>	<u>-</u>	<u>(185,414)</u>
Net increase (decrease) in cash and cash equivalents	240,643	36,919	277,562
Balances - beginning of the year	<u>3,747,258</u>	<u>20,044</u>	<u>3,767,302</u>
Balances - end of year	<u>\$ 3,987,901</u>	<u>\$ 56,963</u>	<u>\$ 4,044,864</u>
Reconciliation of operating income (loss) to net cash provided by (used) operating activities			
Operating income (loss)	\$ 217,905	\$ 138,489	\$ 356,394
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities			
Depreciation expense	156,294	-	156,294
Change in assets and liabilities			
Decrease (increase) receivables, net	(66,396)	1,415	(64,981)
Decrease (increase) prepaid items, net	17,992	-	17,992
(Decrease) increase accounts payable	288,658	(142,985)	145,673
(Decrease) increase compensated absences	36,493	-	36,493
(Decrease) increase accrued payroll	1,225	-	1,225
Net cash provided (used) by operating activities	<u>\$ 652,171</u>	<u>\$ (3,081)</u>	<u>\$ 649,090</u>
Significant non cash transaction - capital contribution	<u>\$ 647,700</u>		

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
April 30, 2014

	Pension Trust Funds	Agency Fund Special Deposits Fund
<b>Assets</b>		
Cash	\$ 398,158	\$ 45,967
Investments		
U.S. treasury notes	1,711,126	-
U.S. treasury bonds	189,333	-
U.S. treasury strips	75,599	-
GNMA	69,682	-
FFCB	367,728	-
FHLB	1,569,203	-
FHLMC	358,481	-
FNMA	768,388	-
Corporate bonds	3,787,029	-
MM mutual funds	1,001,026	-
Municipal bonds	518,336	-
Equity securities	1,871,623	-
Equity mutual funds	14,800,037	-
Total investments	<u>27,087,591</u>	<u>-</u>
Prepaid assets	17,289	-
Due from Village	69,182	-
Accrued interest	98,354	-
Total assets	<u>27,670,574</u>	<u>\$ 45,967</u>
<b>Liabilities</b>		
Accounts payable	1,380	\$ -
Due to Village	29,706	-
Deposits payable	-	45,967
Total liabilities	<u>31,086</u>	<u>\$ 45,967</u>
<b>Net position</b>		
Held in trust for pension benefits and other purposes	<u>27,639,488</u>	
Total net position	<u>\$ 27,639,488</u>	

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
Year Ended April 30, 2014

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	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 2,620,284
Plan members	<u>519,896</u>
Total contributions	<u>3,140,180</u>
Investment earnings	
Interest and dividends earned	945,923
Net change in fair value	824,343
Less investment expense	<u>(119,325)</u>
Net investment earnings	<u>1,650,941</u>
Total additions	<u>4,791,121</u>
Deductions	
Benefits	3,199,174
Administrative expenses	<u>290,881</u>
Total deductions	<u>3,490,055</u>
Change in net position	1,301,066
Net position - beginning of year	<u>26,338,422</u>
Net position - end of year	<u><u>\$ 27,639,488</u></u>

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See accompanying notes to financial statements.



VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Elmwood Park was incorporated on April 8, 1914. The Village operates under the Manager-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Elmwood Park, Illinois conform to accounting principles generally accepted in the United States of America ("GAAP") as applicable to governments. The following is a summary of the significant accounting policies.

Reporting Entity and Its Services: The Village has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity* under which these financial statements include all organizations, activities, functions and component units for which the Village is financially accountable. 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.

In conformity with GAAP, the financial statements of component units have been included in the financial reporting entity either as blended component units or as discretely presented component units.

*Blended Component Units* – The Village's Police and Fire Employees participate in the Police Pension Employees Retirement System ("PPERS") and the Fire Pension Employees Retirement System ("FPERS"). PPERS functions for the benefit of these employees and is governed by a five member board. The Police Pension Board is comprised of one retiree, two elected active police officers, and two Village President appointees. FPERS is governed by a nine person board. The Fire Pension Board is comprised of the Village President, the Village Finance Director, the Village Clerk, the Village Attorney, the Fire Chief, one retiree, and three elected active firemen. The Village, PPERS and FPERS are obligated to fund all PPERS and FPERS costs based on actuarial valuations. The State of Illinois is authorized to establish benefit levels and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels.

*Discretely Presented Component Unit* – The component unit's column in the government wide financial statements represents the financial information for the Village's other component unit, the Elmwood Park Public Library. The Board of Directors of the Elmwood Park Public Library are elected by the citizens of the Village. Although a legally separate entity, the Library cannot issue bonded debt without the approval of the Village. Therefore, the Public Library fund is presented discretely as a governmental fund type component unit of the Village. A publicly available financial report that includes financial statements and other required information for the Public Library may be obtained by writing to the Elmwood Park Public Library, 1 Conti Parkway, Elmwood Park, Illinois 60707.

Basis of Presentation: The Village's financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Government-Wide Financial Statements* – The statement of net position and the statement of activities display information about the Village as a whole. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed 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 government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-like activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

The following table relates the Functions/Programs included on the government-wide statement of activities with the various departments and/or funds that comprise them. However, the amounts presented on the government-wide statement will not directly correlate to the expenditures reported in the funds because of the difference in the measurement focus and basis of accounting employed as explained later within Note 1, particularly the capitalization (rather than expensing) of capital assets and the recording of depreciation in the government wide statement.

<u>Function/Activity</u>	<u>Department/Fund</u>
1. Public safety	Fire Department (Including pension contribution) Police Department (Including pension contribution) Emergency Telephone System Fund Code Administration
2. Public works	Public Works Department Motor Fuel Tax Fund Capital Projects Fund
3. Culture and recreation	Playground and Recreation Fund Special Events Fund
4. Interest on long-term debt	Bond and Interest Fund (interest only)
5. General government	All governmental departments/funds not included in another category

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Fund Financial Statements* – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows and deferred outflows, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is of major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Measurement Focus and Basis of Accounting:

*Government-Wide Financial Statements* – The government-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statements of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Village has reported two categories of program revenues in the statement of activities (1) charges for services, and (2) program-specific operating grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the “grossing-up” effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

*Fund Financial Statements* – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are 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. For this purpose the Village considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

*General Fund* – The General Corporate Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

*Capital Projects - 2011 Fund* – This capital project fund is used to account for resources utilized for payment of construction and related costs for the Village's planned sewer project.

Proprietary Funds

Proprietary Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Village reports the following major proprietary funds:

*Water Operations Fund* – The Water Operations Fund accounts for the operating activities of the Village's water utilities services.

*Garbage Fund* – The Garbage Fund accounts for the operating activities of the Village's garbage utilities services.

Fiduciary Funds

The Village's fiduciary funds are Pension Trust Funds and Agency Funds. Both report assets held by the Village in a trustee capacity.

The Village has the following pension trust funds:

Police Pension  
Firefighter's Pension

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The Village has the following agency funds:

Special Deposits

Governmental Funds

In addition to the general fund types mentioned above, the Village uses the following governmental fund types:

*Special Revenue Funds* – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

*Capital Project Funds* – Capital Project Funds are used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds

*Debt Service Fund* – The Debt Service Fund is used to account for the accumulation of resources for and the payment of, general long-term debt principal, interest and related costs

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with a cost of \$5,000 or more and a useful life of more than one year. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation of all assets is provided on the straight-line basis over the following estimated useful lives:

Land	N/A
Buildings	50 years
Improvements	20 years
Equipment	8 - 20 years
Infrastructure-Roads	40 years
Infrastructure-Other	30 - 50 years

Investments: Investments are stated at fair value in accordance with GASB 31. The investment with the State Treasurer's Illinois Funds is at fair value, which is the same value as the pool shares. The state statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act (30 ILCS 235).

Inventory: No material amounts of inventory exist at year-end.

Claims and Judgments: Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with GASB Statement 62.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property Tax Revenue Recognition: Property Taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and August 1 and are payable in two installments, on or about March 1 and September 1. The County collects such taxes and remits them periodically. Property tax revenues are recognized when they become both measurable and available, in accordance with the Government Accounting Standards Board.

“Measurable” means that amounts can be reasonably determined within the current period. “Available” means that amounts are due and collectible within the current period or soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes levied in the current year which are not collected at year end and are not used to pay liabilities of the current period do not meet the “available” criterion and are reported as unavailable revenue.

Property taxes receivable are initially recorded at the gross levy less an allowance for uncollectible taxes. Taxes receivable and/or the allowance are adjusted periodically to reflect taxes receivable at their estimated realizable value.

Property taxes receivable which are delinquent more than one year have been fully reserved. The allowance for uncollectible property taxes is equal to 3% of the tax levy as recommended by the County Clerk, except in the case of bond levies for which the allowance is equal to 5% of the tax levy as is recommended by the County Clerk.

Accumulated Unpaid Compensated Absences: Village employees are granted vacation pay and sick leave in varying amounts. The Village has calculated the following amounts with respect to accrued vacation pay and sick leave at April 30, 2014.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Compensated absences	\$ <u>947,539</u>	\$ <u>93,539</u>

Vacation and sick hours are earned and paid out at different rates based on various union and Village contracts.

Authoritative Sources - Financial Reporting: The financial statements are presented in accordance with GAAP applicable to state and local governmental units. These basic principles have been promulgated by the GASB.

Cash and Cash Equivalents: For purposes of reporting cash flows, cash and cash equivalents include demand deposits as well as short-term investments, such as money markets and certificates of deposit with original maturities less than three months.

Use of Estimates: Management has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 2 – NET POSITION AND FUND BALANCES**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The components of fund balance include the following line items:

- a. **Nonspendable** fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b. **Restricted** fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.
- c. **Committed** fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board of Trustees is the highest level of decision making. As of April 30, 2014, the Village does not have any commitments of fund balance.
- d. **Assigned** fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees designated for that purpose. The intended use is established by an official designated for that purpose. The Board of Trustees has not designated any members of management for this purpose.
- e. **Unassigned** fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, negative fund balance in other funds, besides the General Fund, is shown as unassigned.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

The Village does not have a minimum fund balance policy.

The following funds had deficit fund balances at April 30, 2014:

<u>Fund</u>	<u>Amount</u>
Special Events Fund	\$ 420,431
Emergency Telephone System	174,323

The Village plans to recover these deficits by using future revenues and through transfers of cash from other Village operating funds.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 3 - CAPITAL ASSETS**

A summary of changes in the Village's capital assets for the period May 1, 2013 through April 30, 2014 follows:

	<u>Balance at May 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2014</u>
<b>Government Activities:</b>				
Capital assets not being depreciated				
Land	\$ 7,583,671	\$ 218,073	\$ 1,400,000	\$ 6,401,744
Construction in progress	1,289,646	14,826,847	3,591,000	12,525,493
Total nondepreciated assets	<u>8,873,317</u>	<u>15,044,920</u>	<u>4,991,000</u>	<u>18,927,237</u>
Capital assets being depreciated				
Infrastructure	27,579,205	-	-	27,579,205
Land improvements	1,504,400	-	-	1,504,400
Buildings	6,367,700	2,943,300	-	9,311,000
Equipment	4,501,530	1,045,651	99,516	5,447,665
Subtotal	<u>39,952,835</u>	<u>3,988,951</u>	<u>99,516</u>	<u>43,842,270</u>
Less accumulated depreciation				
Infrastructure	12,989,491	672,760	-	13,662,251
Land improvements	565,601	70,250	-	635,851
Buildings	3,201,285	153,027	-	3,354,312
Equipment	3,662,045	380,246	88,538	3,953,753
Total accumulated depreciation	<u>20,418,422</u>	<u>1,276,283</u>	<u>88,538</u>	<u>21,606,167</u>
Total capital assets being depreciated	<u>19,534,413</u>	<u>2,712,668</u>	<u>10,978</u>	<u>22,236,103</u>
Government Activities capital assets, net	<u>\$ 28,407,730</u>	<u>\$ 17,757,588</u>	<u>\$ 5,001,978</u>	<u>\$ 41,163,340</u>
<b>Business-Type Activities:</b>				
Capital assets being depreciated				
Infrastructure	\$ 3,319,088	\$ -	\$ -	\$ 3,319,088
Buildings	557,390	-	-	557,390
Equipment	1,961,381	833,114	-	2,794,495
Subtotal	<u>5,837,859</u>	<u>833,114</u>	<u>-</u>	<u>6,670,973</u>
Less accumulated depreciation				
Infrastructure	1,289,704	45,808	-	1,335,512
Buildings	505,222	-	-	505,222
Equipment	821,053	110,486	-	931,539
Total accumulated depreciation	<u>2,615,979</u>	<u>156,294</u>	<u>-</u>	<u>2,772,273</u>
Business-Type Activities capital assets, net	<u>\$ 3,221,880</u>	<u>\$ 676,820</u>	<u>\$ -</u>	<u>\$ 3,898,700</u>

Depreciation expense of \$156,294 for the Village's Business-Type Activities was charged to the Water function.

(Continued)



VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 3 - CAPITAL ASSETS** (Continued)

Depreciation expense for the Village's Governmental Activities was charged to governmental functions as follows:

General government	\$	76,731
Public safety		269,287
Culture and recreation		113,223
Public works		817,042
 Total depreciation expense	 \$	 <u>1,276,283</u>

During the fiscal year, the Village capitalized interest in the amount of \$146,637.

A summary of changes in the Component Unit's capital assets for the period May 1, 2013 through April 30, 2014 follows:

	Balance at May 1, 2013	Additions	Deletions	Balance at April 30, 2014
Government Activities:				
Capital assets not being depreciated				
Land	\$ 45,685	\$ -	\$ -	\$ 45,685
Total nondepreciated assets	45,685	-	-	45,685
Capital assets being depreciated				
Land improvements	265,116	-	-	265,116
Buildings	5,343,086	109,735	19,500	5,433,321
Equipment	822,426	-	-	822,426
Books	1,695,118	125,718	165,932	1,654,904
Subtotal	8,125,746	235,453	185,432	8,175,767
Less accumulated depreciation				
Land improvements	152,444	13,256	-	165,700
Buildings	1,534,206	135,833	5,363	1,664,676
Equipment	717,898	13,379	-	731,277
Books	366,481	66,196	165,932	266,745
Total accumulated depreciation	2,771,029	228,664	171,295	2,828,398
Total capital assets being depreciated	5,354,717	6,789	14,137	5,347,369
Government Activities capital assets, net	\$ 5,400,402	\$ 6,789	\$ 14,137	\$ 5,393,054

Depreciation expense for the Village's component unit was charged to the governmental function Library in the amount of \$228,664.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 4 - LONG-TERM DEBT**

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
G.O. Bonds 2005	\$ 3,075,000	\$ -	\$ 255,000	\$ 2,820,000	\$ 265,000
G.O. Bonds 2012	9,780,000	-	165,000	9,615,000	170,000
G.O. Bonds 2013	-	9,635,000	-	9,635,000	-
Bond premium	66,067	248,952	9,529	305,490	-
Financing agreement	-	527,570	104,907	422,663	102,901
Purchase premium	-	17,201	3,440	13,761	-
Net pension obligation	5,057,907	55,982	135,857	4,978,032	-
OPEB obligation	198,727	36,556	-	235,283	-
Compensated absences	853,376	94,163	-	947,539	-
<b>Total Governmental</b>	<b>\$ 19,031,077</b>	<b>\$ 10,615,424</b>	<b>\$ 673,733</b>	<b>\$ 28,972,768</b>	<b>\$ 537,901</b>
Business-type activities					
Compensated absences	\$ 57,046	\$ 36,493	\$ -	\$ 93,539	\$ -
<b>Total business-type</b>	<b>\$ 57,046</b>	<b>\$ 36,493</b>	<b>\$ -</b>	<b>\$ 93,539</b>	<b>\$ -</b>

A summary of changes in the Component Unit's long-term debt is as follows:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Compensated absences	\$ 31,606	\$ 6,616	\$ -	\$ 38,222	\$ -
IMRF net pension obligation	28,057	1,345	-	29,402	-
<b>Total Governmental</b>	<b>\$ 59,663</b>	<b>\$ 7,961</b>	<b>\$ -</b>	<b>\$ 67,624</b>	<b>\$ -</b>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 4 - LONG-TERM DEBT (Continued)**

Debt Service Requirements to Maturity: The General Obligation Bonds, Series 2005, were issued July 15, 2005. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2022 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2015	4.25%	\$ 265,000	\$ 56,532	\$ 56,532	\$ 113,064
2016	3.75%	275,000	50,901	50,901	101,802
2017	3.80%	290,000	45,744	45,744	91,488
2018	3.85%	300,000	40,234	40,234	80,468
2019	4.00%	310,000	34,459	34,459	68,918
2020	4.00%	325,000	28,259	28,260	56,519
2021	4.13%	340,000	21,759	21,759	43,518
2022	4.13%	350,000	14,747	14,747	29,494
2023	4.13%	365,000	7,528	7,528	15,056
		<u>\$ 2,820,000</u>			<u>\$ 600,327</u>

The General Obligation Bonds, Series 2012, were issued October 31, 2012. A portion of the bonds were used to pay the 1998 G.O. Bonds in full. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2032 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2015	2.00%	\$ 170,000	\$ 119,578	\$ 119,578	\$ 239,156
2016	2.00%	250,000	117,878	117,878	235,756
2017	2.00%	250,000	115,378	115,378	230,756
2018	2.00%	300,000	112,878	112,878	225,756
2019	2.00%	300,000	109,878	109,878	219,756
2020	2.00%	-	106,878	106,878	213,756
2021	2.00%	-	106,878	106,878	213,756
2022	2.00%	-	106,878	106,878	213,756
2023	2.00%	-	106,878	106,878	213,756
2024	2.13%	640,000	106,878	106,878	213,756
2025	2.13%	775,000	100,078	100,078	200,156
2026	2.50%	785,000	91,844	91,844	183,688
2027	2.50%	810,000	82,031	82,031	164,062
2028	2.50%	830,000	71,906	71,906	143,812
2029	2.50%	850,000	61,531	61,531	123,062
2030	2.63%	870,000	50,906	50,906	101,812
2031	2.75%	900,000	39,488	39,488	78,976
2032	2.75%	930,000	27,113	27,113	54,226
2033	3.00%	955,000	14,326	14,326	28,652
		<u>\$ 9,615,000</u>			<u>\$ 3,298,406</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 4 - LONG-TERM DEBT** (Continued)

The General Obligation Bonds, Series 2013, were issued December 17, 2013. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2034 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2015	3.00%	\$ -	\$ 208,331	\$ 208,331	\$ 416,662
2016	3.00%	-	208,331	208,331	416,662
2017	3.00%	-	208,331	208,331	416,662
2018	3.00%	-	208,331	208,331	416,662
2019	3.00%	-	208,331	208,331	416,662
2020	3.00%	300,000	208,331	208,331	416,662
2021	3.00%	305,000	203,831	203,831	407,662
2022	3.50%	325,000	199,256	199,256	398,512
2023	3.50%	335,000	193,569	193,569	387,138
2024	4.00%	550,000	187,706	187,706	375,412
2025	4.00%	450,000	176,706	176,706	353,412
2026	4.00%	475,000	167,706	167,706	335,412
2027	4.00%	490,000	158,206	158,206	316,412
2028	4.50%	505,000	148,406	148,406	296,812
2029	4.75%	530,000	137,044	137,044	274,088
2030	4.75%	555,000	124,456	124,456	248,912
2031	5.00%	575,000	111,275	111,275	222,550
2032	5.00%	600,000	96,900	96,900	193,800
2033	0.00%	-	81,900	81,900	163,800
2034	0.00%	-	81,900	81,900	163,800
2035	4.50%	3,640,000	81,903	81,903	163,806
		<u>\$ 9,635,000</u>			<u>\$ 6,801,500</u>

Aggregate principal and interest requirements to maturity by year for the Village are as follows:

Fiscal Year	Principal	Total Interest
2015	\$ 435,000	\$ 768,882
2016	525,000	754,220
2017	540,000	738,906
2018	600,000	722,886
2019	610,000	705,336
2020 - 2024	3,835,000	3,198,753
2025 - 2029	6,500,000	2,390,916
2030 - 2034	5,385,000	1,256,528
2035	3,640,000	163,806
	<u>\$ 22,070,000</u>	<u>\$ 10,700,233</u>

The difference between the principal above and the amounts on the Statement of Net Position, \$22,375,490, is the amount of unamortized bond premium as of year-end, \$305,490.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 4 - LONG-TERM DEBT** (Continued)

Reconciliation of Net Pension Obligation Amount:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>
Fire net pension obligation	\$ 1,566,479	\$ -	\$ 135,857	\$ 1,430,622
Police net pension obligation	3,345,993	53,804	-	3,399,797
IMRF net pension obligation	144,727	2,164	-	146,891
SLEP net pension obligation	<u>708</u>	<u>14</u>	<u>-</u>	<u>722</u>
Total Governmental	<u>\$ 5,057,907</u>	<u>\$ 55,982</u>	<u>\$ 135,857</u>	<u>\$ 4,978,032</u>

The difference between the IMRF Net Pension Obligation above (\$146,891) and the amount disclosed on page 43 (\$176,293) represents the portion of the obligation allocated to the Elmwood Park Public Library (\$29,402).

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 5 - INTERFUND ACTIVITIES**

Interfund amounts due from and due to other funds at April 30, 2014 are summarized as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General:		
Fire pension	\$ -	\$ 69,182
Police pension	29,706	-
Capital projects - 2011	767,556	-
Garbage	60,000	-
Non-major governmental funds	949,554	1,145,689
Total	<u>1,806,816</u>	<u>1,214,871</u>
Capital projects - 2011:		
General	-	767,556
Non-major governmental funds:		
General	1,166,024	969,889
Garbage:		
General	-	60,000
Water	-	40,000
Total	<u>-</u>	<u>100,000</u>
Water:		
Garbage	40,000	-
Fire pension:		
General	69,182	-
Police pension:		
General	<u>-</u>	<u>29,706</u>
Balance at April 30, 2014	<u>\$ 3,082,022</u>	<u>\$ 3,082,022</u>

All interfund balances are expected to be repaid in the next fiscal year. The interfunds are a result of the final allocations of property tax revenues between the funds and expenditures paid for by the general fund which are to be reimbursed by other funds.

**NOTE 6 - CASH AND INVESTMENTS**

Village: At year-end, the carrying amount of the Village's (excluding the Police and Firefighters' Pension Funds) deposits were \$19,207,873. In addition, the Village maintained several petty cash account with a carrying value of \$800. The bank balances were \$20,263,191.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 6 - CASH AND INVESTMENTS** (Continued)

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2014.

	Credit Rating	Fair Value	Investment Maturities			
			Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
Certificates of Deposit	NR	\$ 400,256	\$ 99,986	\$ 300,270	\$ -	\$ -
FFCB	AA+	51,165	-	51,165	-	-
FHLB	AA+	51,134	-	51,134	-	-
<b>Total</b>		<b>\$ 502,555</b>	<b>\$ 99,986</b>	<b>\$ 402,569</b>	<b>\$ -</b>	<b>\$ -</b>

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits investment maturities to two years as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's). The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. All of the Village's securities have a credit rating of AAA/Aaa. One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, the Village's intent is to hold the bonds until they recover.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. As of April 30, 2014, the Village had no funds which were uninsured and uncollateralized.

*Concentration of Credit Risk* – The Village places no limit on the amount it may invest in any one issuer. 79.64%, 10.18%, and 10.17% of the Village's investments are in certificates of deposit, FFCB, and FHLB, respectively.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

The following is a reconciliation between Note 7 and the basic financial statements of the primary government:

<u>Note 7</u>		<u>Statement of Net Position</u>	
Carrying value of cash	\$ 19,207,873	Cash and investments	\$ 16,587,398
Petty cash	800	Restricted cash and investments	3,123,830
Carrying value of investments	502,555		
Total Note 7	<u>\$ 19,711,228</u>	Total financial statements	<u>\$ 19,711,228</u>

Police Pension Trust Fund: At year end, the Police Pension Trust Fund's carrying amount of the Pension Fund's demand deposits totaled \$11,112, and the bank balances totaled \$12,206. The FDIC insures bank balances up to \$250,000. As of April 30, 2014, the entire bank balance was collateralized.

The deposits and investments of the Police Pension Trust Fund are held separately from those of other Village funds. Statutes authorize the Police Pension Trust Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any country, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance.

Pension funds with net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate account of life insurance companies and mutual funds. In addition, pension funds with net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to 45% of the plan's net position in common and preferred stocks that meet specific restrictions.

(Continued)



VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 6 - CASH AND INVESTMENTS** (Continued)

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Trust Fund's investments at April 30, 2014:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities</u>			
			<u>Less Than One Year</u>	<u>One to Five Years</u>	<u>Six to Ten Years</u>	<u>Greater Than Ten Years</u>
U.S. Treasury Notes	\$ 1,504,431	AA+	\$ 40,308	\$ 1,089,194	\$ 277,854	\$ 97,075
U.S. Treasury Bonds	189,333	AA+	-	189,333	-	-
GNMA	60,843	AA+	-	-	-	60,843
FFCB	66,491	AA+	-	66,491	-	-
FHLB	39,862	AA+	-	39,862	-	-
FHLMC	119,660	AA+	-	73,350	8,921	37,389
FNMA	768,388	AA+	-	313,017	105,379	349,992
Corporate Bonds	1,499,567	AA+ - BBB+	50,160	579,255	539,995	330,157
MM Mutual Funds	1,001,026	NR	1,001,026	-	-	-
Subtotal			<u>\$ 1,091,494</u>	<u>\$ 2,350,502</u>	<u>\$ 932,149</u>	<u>\$ 875,456</u>

Investments not sensitive to

Interest rate risk:	
Equity Securities	1,758,240
Equity Mutual Funds	7,551,611
Total investments	<u>\$ 14,559,452</u>

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide adequate liquidity while at the same time matching investment maturities to projected fund liabilities.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The plan invests in securities that ranged in rating from triple A to triple B by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return." One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, the Fund's intent is to hold the bonds until they recover.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 6 - CASH AND INVESTMENTS** (Continued)

*Custodial Credit Risk* – In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2014, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Pension Fund's deposits with financial institutions.

For an investment, this is the risk that in the event of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk disclosures. Although the Pension Fund's investment policy does not require a third-party custodian, the fund limits its exposure by requiring the investment broker/custodian to acquire an excess SIPC policy to provide the same coverage for the portfolio as would be provided by the SIPC.

*Concentration of Credit Risk* – This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration credit risk for investments. At April 30, 2014, 10.33%, 5.28%, 10.30%, 6.88%, 12.08%, and 51.87% of the Fund's investments are in US Treasury Notes, FNMA, Corporate Bonds, Money Market Mutual Funds, Equity Securities, and Equity Mutual Funds, respectively. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and, as mentioned earlier, are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. The Funds' investment policy specifies "in order to further guarantee asset safety, the Pension Fund shall diversify investments to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types and/or individual financial institutions."

The plan does not have any investment representing more than 5 percent of total investments that need to be disclosed under GASB 40.

Firefighters' Pension Trust Fund: At year end, the Firefighters' Pension Trust Fund's carrying amount and bank balance of cash was \$387,046. The FDIC insures bank balances up to \$250,000. As of April 30, 2014, the entire bank balance was collateralized with securities of the U.S. government held by a financial institution acting as the Fund's agent.

The Firefighters' Pension Trust Fund is authorized to invest in any type of investment instrument permitted by Illinois Law, as described in Chapter 40 of the Illinois Compiled Statutes, 40 ILCS 5/1-113.1 through 113.40.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Firefighters' Pension Trust Fund's investments at April 30, 2014.

	Fair Value	Credit Rating	Investment Maturities			
			Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
U.S. Treasury Notes	\$ 206,695	AA+	\$ -	\$ 206,695	\$ -	\$ -
U.S. Treasury Strips	75,599	AA+	-	75,599	-	-
GNMA	8,839	AA+	-	-	-	8,839
FFCB	301,237	AA+	-	301,237	-	-
FHLB	1,529,341	AA+	102,802	362,698	888,943	174,898
FHLMC	238,821	AA+	-	238,821	-	-
Corporate Bonds	2,287,462	AA+ - BBB+	214,287	1,218,299	854,876	-
Municipal Bonds	518,336	AA+ - AA-	-	268,569	249,767	-
Subtotal			<u>\$ 317,089</u>	<u>\$ 2,671,918</u>	<u>\$ 1,993,586</u>	<u>\$ 183,737</u>
Investments not sensitive to						
Interest rate risk:						
Equity Securities	113,383					
Equity Mutual Funds	7,248,426					
Total investments	<u>\$ 12,528,139</u>					

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities; additionally the fixed income portfolio is structured allowing for duration between 2 and 7 years.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements the Illinois Pension Code. The plan invests in securities that ranged in rating from triple A to triple B by Standard & Poor's or by Moody's Investors Services. The Fund's investment policy also prescribes "that investments be made with the care, skill, prudence, and diligence that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims." One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, the Fund's intent is to hold the bonds until they recover.

*Custodial Credit Risk* – In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2014, the Fund had no deposits uninsured and uncollateralized. It is the policy of the Fund to require that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

*Concentration of Credit Risk* – This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration of credit risk for investments.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

**NOTE 6 - CASH AND INVESTMENTS** (Continued)

The plan does not have any investment representing more than 5 percent of total investments that need to be disclosed under GASB 40.

Agency Fund: At year end, the Special Deposit Fund's carrying and bank balance amount of cash was \$45,967. The FDIC insures bank balances up to \$250,000. As of April 30, 2014, the entire bank balance was fully collateralized. The Special Deposit Fund did not carry any investments.

Library (Component Unit): The Library is authorized by state statute and their own local ordinances to invest in the following:

- Certificates of deposit
- Savings accounts
- Money markets
- Illinois Treasurer's Investment Pool (IPTIP)

The carrying value of the Library's deposits as of April 30, 2014 was \$177,013. The bank balances were \$203,545. All account balances at banks were insured by the Federal Deposit Insurance Corporation (FDIC) or not subject to risk categorization.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Library's investments at April 30, 2014.

	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less Than One Year</u>	<u>One to Five Years</u>	<u>Six to Ten Years</u>	<u>Greater Than Ten Years</u>
Illinois Funds (IPTIP)	\$ 1,042,331	\$1,042,331	\$ -	\$ -	\$ -

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library adheres to the Village's investment policy which limits investment maturities to two years as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library adheres to the Village's investment policy which requires all fixed income investments to be of investment grade quality or higher at purchase. Illinois Funds investments have a credit rating of AAA/Aaa.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the investor will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library adheres to the Village's investment policy which requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. Illinois Funds are not subject to this risk categorization.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

*Concentration of Credit Risk* - The Library adheres to the Village's investment policy which places no limit on the amount it may invest in any one issuer. 100% of the Library's investments are in Illinois Funds.

**NOTE 7 - DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement**

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

Funding Policy: As set by statute, the Village's Regular plan members are required to contribute 4.50% of their annual covered salary. Statutes also require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village contribution rate for calendar year 2013 was 12.00% of annual covered payroll. The employer annual required contribution rate for calendar year 2013 was 13.71%. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost and Net Pension Obligation: For the fiscal year ending April 30, 2014, the Village's actual contributions for pension cost for the IMRF Regular Plan were \$564,975. The Village's required contribution was \$564,975.

Annual Required Contribution	\$	564,975
Interest on NPO		12,959
Adjustment to ARC		9,450
Annual Pension Cost		568,484
Actual Contribution		564,975
Increase (Decrease) in Net Pension Obligation		3,509
Net Pension Obligation at April 30, 2013		172,784
Net Pension Obligation at April 30, 2014		\$ 176,293

The difference between the April 30, 2014 NPO shown above (\$176,293) and the amount shown on the Reconciliation of Net Pension Obligation Amount under Note 5 (\$146,891) is due to the Library's portion (\$29,402).

Three Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2014	\$ 568,484	99%	\$ 176,293
4/30/2013	430,042	99%	172,784
4/30/2012	453,725	91%	169,166

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases of 0.4% to 10% per year depending on age of service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Village's plan assets was determined using techniques that spread the effects of short term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded State and Funding Progress: As of December 31, 2013, the most recent actuarial valuation date, the plan was 60.09% funded. The actuarial accrued liability for benefits was \$11,987,435 and the actuarial value of assets was \$7,203,539, resulting in an underfunded actuarial accrued liability (UAAL) of \$4,783,896. The covered payroll for calendar year 2013 (annual payroll of all active employees covered by the plan) was \$3,947,765 and the ratio of the UAAL to the covered payroll was 121%.

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

**Sheriff's Law Enforcement Personnel**

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

Funding Policy: As set by statute, the Village's SLEP plan members are required to contribute 7.50% of their annual covered salary. Statutes also require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The contribution rate for calendar year 2013 used by the Village was 0.00% of annual covered payroll. The employer annual required contribution rate for calendar year 2013 was 13.77%. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Annual Pension Cost: For the fiscal year ending April 30, 2013, the Village did not make a contribution to the IMRF SLEP Plan. The Village was not required to make a contribution.

Annual Required Contribution	\$	-
Interest on NPO		53
Adjustment to ARC		39
Annual Pension Cost		14
Actual Contribution		-
Increase (Decrease) in Net Pension Obligation		14
Net Pension Obligation at April 30, 2013		708
Net Pension Obligation at April 30, 2014	\$	722

Three Year Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2013	\$ 14	0%	\$ 722
12/31/2012	15	0%	708
12/31/2011	12,811	99%	693

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases of 0.4% to 10% per year depending on age of service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Village's plan assets was determined using techniques that spread the effects of short term volatility in the market value of investments over a five year period with a 20% corridor between the actuarial and market value of assets. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded State and Funding Progress: As of December 31, 2013, the most recent actuarial valuation date, the plan was 0.00% funded. The actuarial accrued liability for benefits was \$0 and the actuarial value of assets was (\$291,314), resulting in an underfunded actuarial accrued liability (UAAL) of \$291,314. The covered payroll (annual payroll of all active employees covered by the plan) was \$0 and the ratio of the UAAL to the covered payroll was 0%.

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

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

**Police Pension Plan**

Plan Description: Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended by the Illinois legislature. The Village of Elmwood Park accounts for the plan as a pension trust fund.

At April 30, 2014 (latest information available) the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	36
Current Employees Vested and Nonvested	<u>36</u>
	<u>72</u>

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Funding Policy: Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan.

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(Continued)



VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Summary of Significant Accounting Policies and Plan Asset Matters:

*Basis of Accounting* – The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenue in the period in which employee services are performed.

*Method Used to Value Investments* – Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Insurance contracts are valued at contract value. Fair values are derived from published sources.

Contributions: Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary.

Related-Party Transactions: There were no securities of the Village or related parties included in the Plan's assets.

Annual Pension Cost and Net Pension Obligation (NPO): The Village's annual pension cost for the current year and related information is as follows:

Contributed Rates	
Employer	44.05%
Employee	9.91%
Annual Pension Cost	\$1,458,458
Contributions Made	\$1,404,654
Actuarial Valuation Date	April 30, 2014
Actuarial Cost Method	Entry Age
Amortization Method	Level % of Projected Payroll
	Closed Basis
Remaining Amortization Period	27 years
Asset Valuation Method	Market Value
Actuarial Assumptions	
Investment Rate of Return	7.0%, Compounded Annually
Projected Salary Increases	5.5%
Inflation Rate Included	3.0%
Cost of Living Adjustments	3.0%

The amount of the pension liability is as follows:

Annual Required Contribution	\$ 1,369,935
Interest on NPO	234,220
Adjustment to ARC	<u>(145,697)</u>
Annual Pension Cost	1,458,458
Annual Contribution	<u>1,404,654</u>
Increase (Decrease) in NPO	53,804
NPO at April 30, 2013	<u>3,345,993</u>
NPO at April 30, 2014	<u>\$ 3,399,797</u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Trend Information: Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
04/30/2014	\$ 1,458,458	96.3%	\$ 3,399,797
04/30/2013	1,371,122	111.9%	3,345,993
04/30/2012	1,564,563	92.7%	3,508,904

Funded State and Funding Progress: As of April 30, 2014, the most recent actuarial valuation date, the plan was 38.3% funded. The actuarial accrued liability for benefits was \$38,035,659, and the actuarial value of assets was \$14,585,973, resulting in an underfunded actuarial accrued liability (UAAL) of \$23,449,686. The covered payroll (annual payroll of all active employees covered by the plan) was \$3,188,807, and the ratio of the UAAL to the covered payroll was 735.4%.

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

Statement of Net Position - Police Pension Fund

Assets	
Cash	\$ 11,112
Investments	14,559,452
Prepaid assets	17,289
Accrued interest	29,206
Total assets	14,617,059
Liabilities	
Accounts payable	1,380
Due to Village	29,706
Total liabilities	31,086
Net position	
Held in trust for pension benefits and other purposes	14,585,973
Total net position	\$ 14,585,973

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Statement of Changes in Net Position - Police Pension Fund

Additions	
Contributions	
Employer	\$ 1,404,654
Plan Members	295,457
Total contributions	<u>1,700,111</u>
Investment earnings	
Interest and dividends earned	451,741
Change in fair value	330,191
Less: Investment expense	<u>(96,731)</u>
Net investment earnings	<u>685,201</u>
Total additions	<u>2,385,312</u>
Deductions	
Benefits	1,830,615
Administrative expenses	<u>37,834</u>
Total deductions	<u>1,868,449</u>
Change in net position	516,863
Net position - beginning of year	<u>14,069,110</u>
Net position - end of year	<u><u>\$ 14,585,973</u></u>

**Firefighters' Pension Plan**

Plan Description: Fire sworn personnel are covered by the Firefighter's Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois State Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Funding Policy: Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan.

At April 30, 2014 (latest information available) the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	27
Current Employees Vested and Nonvested	<u>25</u>
	<u>52</u>

Summary of Significant Accounting Policies and Plan Asset Matters:

*Basis of Accounting* – The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenue in the period in which employee services are performed.

*Method Used to Value Investments* – Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Fair values are derived from published sources.

Contributions: Covered employees are required to contribute 9.455% of their base salary to the Firefighter's Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993 the Village's contribution must accumulate to the point where the past service cost for the Firemen's Pension Plan is fully funded by the year 2033.

Related-Party Transactions: There were no securities of the Village or related parties included in the Plan's assets.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Annual Pension Cost and Net Pension Obligation (NPO): The Village's annual pension cost for the current year and related information is as follows:

Contributed Rates	
Employer	56.123%
Employee	9.455%
Annual Pension Cost	\$1,079,773
Contribution Made	\$1,215,630
Actuarial Valuation Date	April 30, 2014
Actuarial Cost Method	Entry Age Normal, Level Dollar
Amortization Method	Level % Closed
Remaining Amortization Period	27 years
Asset Valuation Method	Market Value
Actuarial Assumptions	
Investment Rate of Return	7.0%, Compounded Annually
Projected Salary Increases	5.5%
Inflation Rate Included	3.0%
Cost-of-Living Adjustments	3.0%

The amount of the pension liability is as follows:

Annual Required Contribution	\$ 1,038,329
Interest on NPO	109,654
Adjustment to ARC	<u>(68,210)</u>
Annual Pension Cost	1,079,773
Annual Contribution	<u>1,215,630</u>
Increase (Decrease) in NPO	(135,857)
NPO at April 30, 2013	<u>1,566,479</u>
NPO at April 30, 2014	<u>\$ 1,430,622</u>

Trend Information: Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2014	\$ 1,079,773	112.6%	\$ 1,430,622
4/30/2013	1,020,291	124.3%	1,566,479
4/30/2012	1,399,139	96.4%	1,814,695

Funded State and Funding Progress: As of April 30, 2014, the most recent actuarial valuation date, the plan was 45.0% funded. The actuarial accrued liability for benefits was \$28,989,884, and the actuarial value of assets was \$13,044,871, resulting in an underfunded actuarial accrued liability (UAAL) of \$15,945,013. The covered payroll (annual payroll of all active employees covered by the plan) was \$2,166,018, and the ratio of the UAAL to the covered payroll was 736.1%.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

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

Statement of Net Position - Fire Pension Fund

Assets	
Cash	\$ 387,046
Investments	12,528,139
Due from Village	69,182
Accrued interest	69,148
Total assets	<u>13,053,515</u>
Net position	
Held in trust for pension benefits and other purposes	13,053,515
Total net position	<u>\$ 13,053,515</u>

Statement of Changes in Net Position - Fire Pension Fund

Additions	
Contributions	
Employer	\$ 1,215,630
Plan Members	224,439
Total contributions	<u>1,440,069</u>
Investment earnings	
Interest and dividends earned	494,182
Change in fair value	494,152
Less: Investment expense	(22,594)
Net investment earnings	<u>965,740</u>
Total additions	<u>2,405,809</u>
Deductions	
Benefits	1,368,559
Administrative expenses	253,047
Total deductions	<u>1,621,606</u>
Change in net position	784,203
Net position - beginning of year	<u>12,269,312</u>
Net position - end of year	<u>\$ 13,053,515</u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 8 - 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; and injuries to the Village's employees. The Village maintains commercial insurance for its general liability, property and casualty, workers' compensation, and all-risk coverage. The policies are subject to various deductibles. For all programs, there has been no significant reduction in insurance coverage from coverage in the prior year. Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years.

**NOTE 9 - OPERATING LEASES**

The Village has two operating leases with the Elmwood Park Public Library (a component unit of the Village). First, the land on which the Library was built is owned by the Village and leased to the Library for a fifty-year period, whereas the Library makes yearly payments to the Village of one (\$1) dollar. At the end of the lease term, the rights to the land revert back to the Village. Secondly, land owned by the Library was leased to the Village for the purposes of constructing a recreational facility. The lease term is ninety-nine (99) years, whereas the Village pays the Library the sum of one (\$1) dollar yearly. At the conclusion of the ninety-nine (99) year period, rights to the land revert back to the Library.

**NOTE 10 - POSTEMPLOYMENT HEALTHCARE BENEFITS**

Plan Description: The Village provides limited health care insurance for its eligible retired employees.

Funding Policy: Funding is provided by The Village on a pay-as-you-go basis. The Village is reimbursed by retirees for the Village's contribution on their behalf. The Village's contribution on behalf of the employees to the insurance provider was \$68,092 for 2014.

Annual OPEB Cost and Net OPEB Obligation: The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for 2014, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

Annual Required Contribution	\$	103,323
Interest on OPEB		7,949
Adjustment to ARC		(6,624)
Annual OPEB Cost		<u>104,648</u>
Actual Contribution		<u>68,092</u>
Increase (Decrease) in OPEB		36,556
OPEB at April 30, 2013		<u>198,727</u>
OPEB at April 30, 2014	\$	<u><u>235,283</u></u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2014

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**NOTE 10 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the three preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
4/30/2014	\$ 104,648	65.1%	\$ 235,283
4/30/2013	104,406	65.2%	198,727
4/30/2012	81,521	50.4%	162,414

Funded Status and Funding Progress: As of April 30, 2012, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$1,691,966.

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

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8.0% initially, reduced by increments to an ultimate rate of 6.0%. Both rates included a 3.0% inflation assumption. The actuarial value of assets was marked to the market value of the retiree healthcare account as of April 30, 2014. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2014, was thirty years.

In accordance with GASB Statement No. 45, the Village will have an actuarial valuation done once every three years; above is the information from the most recent valuation as of April 30, 2012.

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(Continued)



VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 11 - RECEIVABLES**

The following is a summary of the various components of significant receivables at April 30, 2014. Any uncollectible amount is not believed to be material.

	<u>Statement of Net Position</u>
Other Governmental receivables	
Home rule sales tax	\$ 235,058
State income tax	757,001
Local use tax	102,153
Sales tax	362,003
Utility tax	165,607
Motor fuel tax	<u>110,282</u>
 Total other governmental receivables	 <u>\$ 1,732,104</u>
	<u>Statement of Net Position</u>
Accounts receivable	
Water billings	\$ 974,019
Garbage billings	<u>332,313</u>
 Total accounts receivable	 <u>\$ 1,306,332</u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 12 - PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED**

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions of this Statement are effective for the Village's fiscal year ending April 30, 2015. Management has determined that material changes to disclosures will occur upon implementation.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the Village's financial year ending April 30, 2016. Management has determined that a material liability will be added to the government-wide statements upon implementation.

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement requires the use of carrying values to measure the assets and liabilities in a government merger. This Statement also requires measurements of assets acquired and liabilities assumed generally to be based upon their acquisition values. This Statement also provides guidance for transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. This Statement defines the term operations for purposes of determining the applicability of this Statement and requires the use of carrying values to measure the assets and liabilities in a transfer of operations. This Statement provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold. This Statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2015, with earlier application being encouraged. Management has determined that this GASB statement will not have a material impact.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 12 - PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED (Continued)**

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This liability should be reported until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units by specifying the information required to be disclosed by governments that extend nonexchange financial guarantee as well as new information to be disclosed by governments that receive nonexchange financial guarantees. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2015, with earlier application being encouraged. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68 and are effective for the Village's fiscal year ended April 30, 2016. Management has not determined what impact, if any, this statement will have on its financial statements.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2014

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**NOTE 13 – SUBSEQUENT EVENT**

On August 13, 2014, the Village issued \$5,955,000 of General Obligation bonds to refund prior issuances and complete various capital projects in the Village. The bonds will be repaid through the general revenues of the Village and are secured against future property tax revenues.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2014

	General Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 5,735,457	\$ 5,311,206	\$ (424,251)
State/home rule sales tax	2,525,000	2,503,734	(21,266)
State income tax	2,193,000	2,424,754	231,754
Utility taxes	1,600,000	1,670,863	70,863
Other taxes	515,000	598,876	83,876
Licenses, permits and fees	2,271,500	2,420,688	149,188
Grants	75,474	268,126	192,652
Other revenue	424,144	348,881	(75,263)
Investment income	5,000	3,721	(1,279)
Total revenues	<u>15,344,575</u>	<u>15,550,849</u>	<u>206,274</u>
Expenditures			
Current			
Administration	1,989,700	2,166,829	(177,129)
Code administration	548,000	563,137	(15,137)
Police department	4,132,050	3,956,847	175,203
Fire department	3,376,775	3,473,300	(96,525)
Public works	2,953,050	3,207,389	(254,339)
Insurance department	2,345,000	2,412,333	(67,333)
Total expenditures	<u>15,344,575</u>	<u>15,779,835</u>	<u>(435,260)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(228,986)</u>	<u>641,534</u>
Other financing sources (uses)			
Proceeds from financing agreement	-	527,570	
Purchase premium	-	17,201	17,201
Total other financing sources (uses)	<u>-</u>	<u>544,771</u>	<u>17,201</u>
Net change in fund balance	<u>\$ -</u>	<u>315,785</u>	<u>\$ (211,785)</u>
Fund balance at beginning of year		<u>10,164,926</u>	
Fund balance at end of year		<u>\$ 10,480,711</u>	

See accompanying notes to required supplementary information.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 Year Ended April 30, 2014

**ILLINOIS MUNICIPAL RETIREMENT FUND**

Actuarial Valuation Date	(1) Actuarial Value Of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) – (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability As A Percentage Of Covered Payroll (4) ÷ (5)
12/31/13	\$ 7,203,539	\$ 11,987,435	60.09%	\$ 4,783,896	\$ 3,947,765	121.18%
12/31/12	6,116,980	11,715,693	52.21%	5,598,713	4,063,054	137.80%
12/31/11	11,855,362	15,416,918	76.90%	3,561,556	4,268,005	83.50%
12/31/10	12,505,714	15,138,313	82.61%	2,632,599	4,379,426	60.10%
12/31/09	12,305,748	14,238,900	86.42%	1,933,152	4,600,181	44.00%
12/31/08	11,653,888	13,648,182	85.39%	1,994,294	4,517,439	44.20%

**IMRF – SHERIFF'S LAW ENFORCEMENT PERSONNEL (SLEP)**

Actuarial Valuation Date	(1) Actuarial Value Of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) – (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability As A Percentage Of Covered Payroll (4) ÷ (5)
12/31/13	\$ (291,314)	\$ -	0.00%	\$ 291,314	\$ -	0.00%
12/31/12	(321,434)	-	0.00%	321,434	-	0.00%
12/31/11	(336,653)	-	0.00%	336,653	116,802	288.20%
12/31/10	440,610	520,649	84.63%	80,039	116,000	69.00%
12/31/09	395,816	476,974	82.98%	81,158	115,117	70.50%
12/31/08	366,906	426,717	85.98%	59,811	112,072	53.40%

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 Year Ended April 30, 2014

**POLICE PENSION PLAN**

Fiscal Year Ended	(1) Actuarial Value Of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) – (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability As A Percentage Of Covered Payroll (4) ÷ (5)
4/30/14	\$ 14,585,973	\$ 38,035,659	38.3%	\$ 23,449,686	\$ 3,188,807	735.4%
4/30/13	14,069,110	36,709,265	38.3%	22,640,155	3,026,707	748.0%
4/30/12	13,111,987	34,458,651	38.1%	21,346,664	2,867,308	744.5%
4/30/11	12,990,205	33,098,131	39.2%	20,107,926	2,736,057	734.9%
4/30/10	11,791,609	31,276,220	37.7%	19,484,611	2,704,079	720.6%
4/30/09	10,276,936	29,856,210	34.4%	19,579,274	2,634,598	743.2%

**FIREFIGHTERS' PENSION PLAN**

Fiscal Year Ended	(1) Actuarial Value Of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) – (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability As A Percentage Of Covered Payroll (4) ÷ (5)
4/30/14	\$ 13,044,871	\$ 28,989,884	45.0%	\$ 15,945,013	\$ 2,166,018	736.1%
4/30/13	12,269,312	28,326,619	43.3%	16,057,307	2,200,564	729.7%
4/30/12	11,199,188	25,868,821	43.3%	14,669,633	2,223,513	659.8%
4/30/11	10,584,640	24,753,872	42.8%	14,169,232	2,135,236	663.6%
4/30/10	9,970,651	22,293,576	44.7%	12,322,925	2,076,064	593.6%
4/30/09	9,089,127	21,423,758	42.4%	12,334,631	2,071,447	595.4%

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 Year Ended April 30, 2014

**OTHER POSTEMPLOYMENT BENEFITS**

Fiscal Year Ended	(1) Actuarial Value Of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) – (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability As A Percentage Of Covered Payroll (4) ÷ (5)
4/30/12	\$ -	\$ 1,691,966	0.00%	\$ 1,691,966	n/a	n/a
4/30/09	-	1,542,673	0.00%	1,542,673	n/a	n/a

Note: Only two actuary evaluations have been performed.

(Continued)



VILLAGE OF ELMWOOD PARK, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF EMPLOYER CONTRIBUTIONS  
 April 30, 2014

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**ILLINOIS MUNICIPAL RETIREMENT FUND**

Fiscal Year Ended	Employer Contributions	Required Contributions	Percent Contributed
04/30/2014	\$ 564,975	\$ 568,484	99.38%
04/30/2013	426,424	430,042	99.16%
04/30/2012	411,493	451,010	91.24%
04/30/2011	379,917	468,621	81.07%
04/30/2010	133,274	170,704	78.07%
12/31/2009	N/A	N/A	N/A

**IMRF – SHERIFF’S LAW ENFORCEMENT PERSONNEL (SLEP)**

Fiscal Year Ended	Employer Contributions	Required Contributions	Percent Contributed
04/30/2014	\$ -	\$ -	0.00%
04/30/2013	-	15	0.00%
04/30/2012	12,796	12,811	99.88%
04/30/2011	18,190	18,637	97.60%
04/30/2010	6,047	6,278	96.32%
12/31/2009	N/A	N/A	N/A

N/A – IMRF Employer Contributions and Required Contributions at year-end are not available prior to 4/30/2010.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF EMPLOYER CONTRIBUTIONS  
 Year ended April 30, 2014

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**POLICE PENSION PLAN**

Fiscal Year Ended	Employer Contributions	Required Contributions	Percent Contributed
04/30/2014	\$ 1,404,654	\$ 1,369,935	102.53%
04/30/2013	1,534,033	1,273,996	120.41%
04/30/2012	1,450,232	1,466,728	98.88%
04/30/2011	1,334,891	1,420,641	93.96%
04/30/2010	1,281,098	1,251,874	102.33%
04/30/2009	1,098,062	1,148,037	95.65%

**FIREFIGHTERS' PENSION PLAN**

Fiscal Year Ended	Employer Contributions	Required Contributions	Percent Contributed
04/30/2014	\$ 1,215,630	\$ 1,038,329	117.08%
04/30/2013	1,268,507	970,060	130.77%
04/30/2012	1,348,303	1,348,303	100.00%
04/30/2011	1,238,773	1,238,773	100.00%
04/30/2010	1,624,109	1,430,947	113.50%
04/30/2009	1,156,553	1,272,821	90.86%

**OTHER POSTEMPLOYMENT BENEFITS**

Fiscal Year Ended	Employer Contributions	Required Contributions	Percent Contributed
4/30/2014	\$ 68,092	\$ 103,323	65.90%
4/30/2013	68,093	104,406	65.22%
4/30/2012	68,093	104,406	65.22%
4/30/2011	41,099	80,707	50.92%
4/30/2010	41,099	80,707	50.92%
4/30/2009	41,099	80,707	50.92%

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 Year ended April 30, 2014

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**NOTE 1 – BUDGETARY DATA**

- The Finance Department submits to the Board of Trustees a proposed operating budget for the fiscal year. The budget is prepared on a budgetary basis for certain funds which differs from the basis of accounting which is used in financial reporting. The primary difference is that certain expenditures (e.g. pension contributions) are not budgeted. The budget is used as a guide to management in the preparation of tax levy requirements, to estimate revenue and to control expenditures. Unexpended appropriation balances lapse at year-end.
- Budget hearings are conducted.
- The budget is legally enacted through passage of an ordinance. The fiscal year 2014 budget was passed by the Board on July 15, 2013.
- The budget may be amended by the vote of 4 members of the Board of Trustees. The budget was not amended this year.

The level of control (level at which expenditures may not exceed budget/ appropriations) is the Fund. Budget/Appropriations lapse at year end. No supplemental budget was enacted. The Village operates under the Appropriations Act. For consistency purposes, all financial statements utilize the term “Budget” to indicate estimated revenues or appropriations. The Village prepares budgets for all funds.

<u>Fund</u>	<u>Budget Basis of Accounting</u>
General	Modified Accrual
Special Revenue:	
Motor Fuel Tax	Modified Accrual
Parks and Recreation	Modified Accrual
Emergency Telephone System	Modified Accrual
Special Tax Allocation	Modified Accrual
IMRF	Modified Accrual
Special Events	Modified Accrual
Debt Service:	
Debt Service – Bond 95	Modified Accrual
Debt Service – Capitalized Interest 2012	Modified Accrual
Capital Projects:	
Capital Projects	Modified Accrual
Capital Projects-2011	Modified Accrual
Enterprise:	
Water Operations	Accrual
Garbage	Accrual
Pension Trust:	
Police Pension	Accrual
Fire Pension	Accrual
Discretely Presented Component Unit:	
Public Library Fund	Modified Accrual

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
Year ended April 30, 2014

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**NOTE 1 – BUDGETARY DATA (Continued)**

The following funds had an excess of actual budgetary expenditures/expenses over budget for the year ended April 30, 2014:

Fund	Amount
General	\$ 540,167
Motor Fuel Tax	108,573
IMRF	175,112
Bond 95	515
Capital Projects-2011	884,892
Police Pension	493,449
Fire Pension	577,606

**NOTE 2 – RECONCILIATION OF STATEMENT 5 AND BUDGETARY COMPARISON SCHEDULE**

Total revenues, expenditures, and fund balance presented in Statement 5 and the Budgetary Comparison Schedule (page 58) are not equal for the General Fund because the fund is presented on the GAAP basis for Statement 5 and on the Budget basis for the Budgetary Comparison Schedule. As noted below, differences are due to the revenues and expenditures of the pension contributions not being budgeted for in the General Fund.

	Total Revenues	Total Expenditures
RSI - 1	\$ 15,550,849	\$ 15,884,742
Pension contributions from property taxes	2,616,027	2,616,027
Statement 5	\$ 18,166,876	\$ 18,500,769

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2014

Expenditures	Original and Final Budget	Actual	Variance Positive (Negative)
Current			
Administration			
Salaries	\$ 905,000	\$ 910,618	\$ (5,618)
Senior advocacy	10,000	5,833	4,167
Office equip. rep & maintenance	30,000	32,417	(2,417)
Legal fees special counsel	110,000	83,691	26,309
Village legal services	225,000	213,614	11,386
Consulting fees-village	125,000	148,273	(23,273)
Auditing services	60,000	62,400	(2,400)
Telephone services	30,000	37,168	(7,168)
Dues & subscriptions	30,000	27,324	2,676
Travel & training	5,000	8,313	(3,313)
Office supplies	12,500	19,498	(6,998)
Village printing	100,000	117,006	(17,006)
Medical supplies	2,500	2,048	452
Postage	5,000	4,200	800
New office equipment	5,000	4,403	597
Village software	35,000	38,980	(3,980)
Computer equipment & maintenance	50,000	54,042	(4,042)
Village grants	50,000	168,143	(118,143)
Contingency	115,000	184,430	(69,430)
Rodent control	30,000	15,105	14,895
Police & fire communication testing	7,500	-	7,500
Pace bus service	2,200	2,645	(445)
Keep EP beautiful	5,000	6,678	(1,678)
Cable/programming	40,000	20,000	20,000
Total administration	<u>1,989,700</u>	<u>2,166,829</u>	<u>(177,129)</u>
Code administration			
Salaries	429,000	442,898	(13,898)
Uniforms	5,000	1,169	3,831
Elevator maintenance village hall	2,500	2,394	106
Elevator inspection	11,000	22,539	(11,539)
Auto repair & maintenance	5,000	4,922	78
Grounds/cleaning	55,000	53,061	1,939
Telephone services	14,000	11,129	2,871
Dues & subscriptions	1,500	665	835
Travel and training	4,000	2,415	1,585
Public hearing-code fees	11,000	8,005	2,995
Vacant property maintenance	5,000	6,690	(1,690)
Office supplies	5,000	7,250	(2,250)
Total code administration	<u>548,000</u>	<u>563,137</u>	<u>(15,137)</u>
Police department			
Salaries	2,977,100	2,819,112	157,988
Salaries/clerks	122,843	121,433	1,410
Crossing guard salary	73,000	74,610	(1,610)
Salaries/auxiliary	75,000	64,672	10,328
Community service official	134,256	151,841	(17,585)
Court time	114,000	123,464	(9,464)

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
Police overtime	\$ 92,400	\$ 77,484	\$ 14,916
Above rank salaries	8,700	11,847	(3,147)
Holiday pay	169,977	138,314	31,663
Uniform allowance	37,500	40,457	(2,957)
Educational incentive	8,800	8,800	-
Maintenance general equipment	55,000	68,129	(13,129)
Radio maintenance & repair	5,000	4,076	924
Building maintenance/supplies	40,000	40,737	(737)
Auto maintenance and repair	40,000	42,769	(2,769)
Telephone services	34,000	38,799	(4,799)
Printing/copying	10,000	9,399	601
Dues & subscriptions	6,000	4,949	1,051
Travel & training	10,000	10,966	(966)
Police Grants	25,474	23,344	2,130
Office supplies	18,000	10,211	7,789
Crime prevention supplies	2,500	1,438	1,062
Ammunition	7,500	7,173	327
New equipment	45,000	45,015	(15)
911 equipment	20,000	17,808	2,192
Total police department	<u>4,132,050</u>	<u>3,956,847</u>	<u>175,203</u>
Public works			
Salaries	1,150,000	1,179,829	(29,829)
Overtime	50,000	55,143	(5,143)
Uniforms	10,000	7,760	2,240
Equipment maintenance	75,000	79,664	(4,664)
Building maintenance	25,000	15,972	9,028
Radio equipment	2,500	3,273	(773)
Telephone services	10,000	12,352	(2,352)
Supplies and materials	55,000	59,241	(4,241)
Snow removal and supplies	150,000	148,263	1,737
Street signs	7,500	7,417	83
New equipment	418,000	422,021	(4,021)
Gasoline total	150,000	131,536	18,464
Dumping fees	40,000	40,801	(801)
Leaf composting program	35,000	47,505	(12,505)
Tree trim & removal	45,000	69,980	(24,980)
50/50 tree replacement	7,500	5,565	1,935
50/50 sidewalk replacement	25,000	23,689	1,311
Sidewalk repair and maintenance	25,000	22,390	2,610
Roadway patching	100,000	176,160	(76,160)
Village beautification	65,000	58,927	6,073
Street light maintenance	85,000	211,553	(126,553)
Maintenance traffic & Railroad signage	20,000	35,987	(15,987)
Electric cost lights and traffic signals	150,000	138,660	11,340
Land lease	2,550	2,680	(130)
Union insurance	250,000	251,021	(1,021)
Total public works	<u>2,953,050</u>	<u>3,207,389</u>	<u>(254,339)</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
Fire department			
Salaries	\$ 2,300,000	\$ 2,200,095	\$ 99,905
Fire overtime	80,000	55,008	24,992
Above rank salary	16,000	30,281	(14,281)
Holiday pay	87,000	85,336	1,664
Paid-on-call	7,500	5,604	1,896
Uniform allowance	14,375	14,375	-
Educational incentives	11,300	13,060	(1,760)
Maintenance & repair to station	40,000	41,234	(1,234)
Maintenance-communication systems	5,000	3,968	1,032
Maintenance fire extinguisher/gear	27,000	27,632	(632)
Vehicle repair	40,000	41,423	(1,423)
Paramedic contract	545,000	319,994	225,006
Telephone services	24,000	26,662	(2,662)
Dues and subscriptions	10,000	11,499	(1,499)
Travel & training	10,000	10,505	(505)
Office supplies and printing	3,000	2,386	614
Medical supplies	7,500	6,799	701
Medical oxygen	2,500	2,230	270
Breathing equipment and maintenance	6,500	3,593	2,907
New equipment	116,100	23,415	92,685
Fire truck purchased with financing proceeds	-	527,570	(527,570)
Computer maintenance	4,000	2,132	1,868
Fire truck financing payment - principal	-	104,907	(104,907)
Ambulance billing fees	20,000	13,024	6,976
Fire truck financing payment - interest	-	5,475	(5,475)
Total fire department	<u>3,376,775</u>	<u>3,578,207</u>	<u>(201,432)</u>
Insurance department			
Medical insurance	1,400,000	1,394,252	5,748
Workers comp insurance premium	715,000	676,964	38,036
Property & casualty	225,000	336,117	(111,117)
Inventory management update	5,000	5,000	-
Total insurance department	<u>2,345,000</u>	<u>2,412,333</u>	<u>(67,333)</u>
Total expenditures	<u>\$ 15,344,575</u>	<u>\$ 15,884,742</u>	<u>\$ (540,167)</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
CAPITAL PROJECTS FUND 2011  
Year Ended April 30, 2014

	Capital Projects Fund 2011		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Grants	\$ -	\$ 395,441	\$ 395,441
Other revenue	-	7,385	7,385
Total revenues	<u>-</u>	<u>402,826</u>	<u>402,826</u>
Expenditures			
Current			
Public works	13,300,000	14,032,510	(732,510)
Debt service			
Interest and other charges	<u>-</u>	<u>152,382</u>	<u>(152,382)</u>
Total expenditures	<u>13,300,000</u>	<u>14,184,892</u>	<u>(884,892)</u>
Excess (deficiency) of revenues over expenditures	<u>(13,300,000)</u>	<u>(13,782,066)</u>	<u>1,287,718</u>
Other financing sources (uses)			
Bond proceeds	5,500,000	8,806,247	3,306,247
Bond premium	-	248,952	248,952
Transfers out	<u>-</u>	<u>(647,700)</u>	<u>(647,700)</u>
Total other financing sources (uses)	<u>5,500,000</u>	<u>8,407,499</u>	<u>2,907,499</u>
Net change in fund balance	<u>\$ (7,800,000)</u>	(5,374,567)	<u>\$ 2,425,433</u>
Fund balance at beginning of year		<u>6,041,686</u>	
Fund balance at end of year		<u>\$ 667,119</u>	



VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 April 30, 2014

	Special Revenue Funds		
	Motor Fuel Tax Fund	Parks and Recreation Fund	Emergency Telephone System Fund
<b>Assets</b>			
Cash	\$ 250,862	\$ 298,175	\$ 72,028
Property taxes receivable	-	387,180	190,132
Other governmental receivables	110,282	-	-
Interfund receivables	-	74,013	-
Prepaid items	-	4,052	-
<b>Total assets</b>	<u>\$ 361,144</u>	<u>\$ 763,420</u>	<u>\$ 262,160</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	9,848	-
Interfund payables	299,879	-	249,579
<b>Total liabilities</b>	<u>299,879</u>	<u>9,848</u>	<u>249,579</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue	-	380,604	186,904
<b>Fund balance</b>			
Unassigned	-	-	(174,323)
Nonspendable			
Prepays items	-	4,052	-
Restricted			
Restricted by State statute	61,265	-	-
Debt service	-	-	-
Parks and recreation	-	368,916	-
Capital projects	-	-	-
IMRF	-	-	-
<b>Total fund balance</b>	<u>61,265</u>	<u>372,968</u>	<u>(174,323)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 361,144</u>	<u>\$ 763,420</u>	<u>\$ 262,160</u>

Special Revenue Funds			Capital Projects Fund	Debt Service Funds		Total
Special Tax Allocation Fund	IMRF Fund	Special Events Fund	Capital Projects Fund	Bond 95 Fund	Capitalized Interest 2012	Total
\$ 1,798,144	\$ 368,977	\$ -	\$ 252,438	\$ 484,462	\$ 1,037,933	\$ 4,563,019
-	348,071	-	-	179,439	-	1,104,822
-	-	-	-	-	-	110,282
353,650	55,574	-	-	682,787	-	1,166,024
-	-	-	-	-	-	4,052
<u>\$ 2,151,794</u>	<u>\$ 772,622</u>	<u>\$ -</u>	<u>\$ 252,438</u>	<u>\$ 1,346,688</u>	<u>\$ 1,037,933</u>	<u>\$ 6,948,199</u>
\$ -	\$ 28,745	\$ -	\$ -	\$ -	\$ -	\$ 28,745
-	-	-	-	-	-	9,848
-	-	420,431	-	-	-	969,889
-	28,745	420,431	-	-	-	1,008,482
-	342,159	-	-	176,391	-	1,086,058
-	-	(420,431)	-	-	-	(594,754)
-	-	-	-	-	-	4,052
2,151,794	-	-	-	-	-	2,213,059
-	-	-	-	1,170,297	1,037,933	2,208,230
-	-	-	-	-	-	368,916
-	-	-	252,438	-	-	252,438
-	401,718	-	-	-	-	401,718
<u>2,151,794</u>	<u>401,718</u>	<u>(420,431)</u>	<u>252,438</u>	<u>1,170,297</u>	<u>1,037,933</u>	<u>4,853,659</u>
<u>\$ 2,151,794</u>	<u>\$ 772,622</u>	<u>\$ -</u>	<u>\$ 252,438</u>	<u>\$ 1,346,688</u>	<u>\$ 1,037,933</u>	<u>\$ 6,948,199</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 Year Ended April 30, 2014

	Special Revenue Funds		
	Motor Fuel Fund	Parks and Recreation Fund	Emergency Telephone Service Fund
Revenues			
Property taxes	\$ -	\$ 729,224	\$ 366,882
Utility taxes	-	-	307,749
Other taxes	-	-	-
Licenses, permits and fees	-	260,054	-
Other revenue	-	98,006	-
Motor fuel tax allotments	725,767	-	-
Investment income	44	-	-
Total revenues	<u>725,811</u>	<u>1,087,284</u>	<u>674,631</u>
Expenditures			
Current			
Administration	-	-	-
Emergency 911 department	-	-	731,744
Culture and recreation	-	1,324,533	-
Public works	685,573	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	<u>685,573</u>	<u>1,324,533</u>	<u>731,744</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>40,238</u>	<u>(237,249)</u>	<u>(57,113)</u>
Other financing sources (uses)			
Transfers in (out)	-	-	-
Bond proceeds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	40,238	(237,249)	(57,113)
Fund balances at beginning of year	<u>21,027</u>	<u>610,217</u>	<u>(117,210)</u>
Fund balances at end of year	<u>\$ 61,265</u>	<u>\$ 372,968</u>	<u>\$ (174,323)</u>

Special Revenue Funds			Capital Projects Fund	Debt Service Funds		
Special Tax Allocation Fund	IMRF Fund	Special Events Fund	Capital Projects Fund	Bond 95 Fund	Capitalized Interest 2012	Total
\$ -	\$ 692,717	\$ -	\$ -	\$ 453,782	\$ -	\$ 2,242,605
-	-	-	-	-	-	307,749
-	4,000	-	-	-	-	4,000
-	-	-	-	-	-	260,054
-	-	-	-	36,621	-	134,627
-	-	-	-	-	-	725,767
-	-	-	-	3,023	-	3,067
-	<u>696,717</u>	-	-	<u>493,426</u>	-	<u>3,677,869</u>
576,182	891,112	-	-	-	-	1,467,294
-	-	-	-	-	-	731,744
-	-	-	-	-	-	1,324,533
-	-	-	-	-	-	685,573
-	-	-	-	255,000	165,000	420,000
-	-	-	-	124,417	277,448	401,865
<u>576,182</u>	<u>891,112</u>	-	-	<u>379,417</u>	<u>442,448</u>	<u>5,031,009</u>
<u>(576,182)</u>	<u>(194,395)</u>	-	-	<u>114,009</u>	<u>(442,448)</u>	<u>(1,353,140)</u>
-	-	-	-	-	186,114	186,114
-	-	-	-	-	828,753	828,753
-	-	-	-	-	1,014,867	1,014,867
(576,182)	(194,395)	-	-	114,009	572,419	(338,273)
<u>2,727,976</u>	<u>596,113</u>	<u>(420,431)</u>	<u>252,438</u>	<u>1,056,288</u>	<u>465,514</u>	<u>5,191,932</u>
<u>\$ 2,151,794</u>	<u>\$ 401,718</u>	<u>\$ (420,431)</u>	<u>\$ 252,438</u>	<u>\$ 1,170,297</u>	<u>\$ 1,037,933</u>	<u>\$ 4,853,659</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUGET BASIS) AND ACTUAL  
 MOTOR FUEL TAX FUND  
 Year Ended April 30, 2014

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Motor fuel tax allotments	\$ 577,000	\$ 725,767	\$ 148,767
Investment income	-	44	44
Total revenues	<u>577,000</u>	<u>725,811</u>	<u>148,811</u>
Expenditures			
Current			
Public works	<u>577,000</u>	<u>685,573</u>	<u>(108,573)</u>
Total expenditures	<u>577,000</u>	<u>685,573</u>	<u>(108,573)</u>
Net change in fund balance	<u>\$ -</u>	40,238	<u>\$ 40,238</u>
Fund balance at beginning of year		<u>21,027</u>	
Fund balance at end of year		<u><u>\$ 61,265</u></u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
PARKS AND RECREATION FUND  
Year Ended April 30, 2014

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Property taxes	\$ 792,000	\$ 729,224	\$ (62,776)
Licenses, permits and fees	247,500	260,054	12,554
Other revenue	67,500	98,006	30,506
Total revenues	<u>1,107,000</u>	<u>1,087,284</u>	<u>(19,716)</u>
Expenditures			
Current			
Culture and recreation	<u>1,407,000</u>	<u>1,324,533</u>	<u>82,467</u>
Total expenditures	<u>1,407,000</u>	<u>1,324,533</u>	<u>82,467</u>
Net change in fund balance	<u>\$ (300,000)</u>	(237,249)	<u>\$ 62,751</u>
Fund balance at beginning of year		<u>610,217</u>	
Fund balance at end of year		<u>\$ 372,968</u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 EMERGENCY TELEPHONE SYSTEM FUND  
 Year Ended April 30, 2014

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Property taxes	\$ 388,925	\$ 366,882	\$ (22,043)
Utility taxes	<u>360,000</u>	<u>307,749</u>	<u>(52,251)</u>
Total revenues	<u>748,925</u>	<u>674,631</u>	<u>(74,294)</u>
Expenditures			
Current			
Emergency 911 department	<u>748,925</u>	<u>731,744</u>	<u>17,181</u>
Total expenditures	<u>748,925</u>	<u>731,744</u>	<u>17,181</u>
Net change in fund balance	<u>\$ -</u>	<u>(57,113)</u>	<u>\$ (57,113)</u>
Fund balance at beginning of year		<u>(117,210)</u>	
Fund balance at end of year		<u><u>\$ (174,323)</u></u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 SPECIAL TAX ALLOCATION FUND  
 Year Ended April 30, 2014

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures			
Current			
Administration	\$ 3,073,017	\$ 576,182	\$ 2,496,835
Total expenditures	<u>3,073,017</u>	<u>576,182</u>	<u>2,496,835</u>
Net change in fund balance	<u><u>\$ (3,073,017)</u></u>	(576,182)	<u><u>\$ 2,496,835</u></u>
Fund balance at beginning of year		<u>2,727,976</u>	
Fund balance at end of year		<u><u>\$ 2,151,794</u></u>	



VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 IMRF FUND  
 Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 712,000	\$ 692,717	\$ (19,283)
Other taxes	4,000	4,000	-
Total revenues	<u>716,000</u>	<u>696,717</u>	<u>(19,283)</u>
Expenditures			
Current			
Administration	<u>716,000</u>	<u>891,112</u>	<u>(175,112)</u>
Total expenditures	<u>716,000</u>	<u>891,112</u>	<u>(175,112)</u>
Net change in fund balance	<u>\$ -</u>	(194,395)	<u>\$ (194,395)</u>
Fund balance at beginning of year		<u>596,113</u>	
Fund balance at end of year		<u><u>\$ 401,718</u></u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
BOND 95 FUND  
Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 378,902	\$ 453,782	\$ 74,880
Other revenue	-	36,621	36,621
Investment income	-	3,023	3,023
Total revenues	<u>378,902</u>	<u>493,426</u>	<u>114,524</u>
Expenditures			
Debt service			
Principal	255,000	255,000	-
Interest and other charges	<u>123,902</u>	<u>124,417</u>	<u>(515)</u>
Total expenditures	<u>378,902</u>	<u>379,417</u>	<u>(515)</u>
Net change in fund balance	<u>\$ -</u>	114,009	<u>\$ 114,009</u>
Fund balance at beginning of year		<u>1,056,288</u>	
Fund balance at end of year		<u>\$ 1,170,297</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
CAPITALIZED INTEREST 2012 FUND  
Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Current			
Public works	\$ 465,529	\$ -	\$ 465,529
Debt service			
Principal	-	165,000	(165,000)
Interest and other charges	-	277,448	(277,448)
Total expenditures	<u>465,529</u>	<u>442,448</u>	<u>23,081</u>
Excess (deficiency) of revenues over expenditures	<u>(465,529)</u>	<u>(442,448)</u>	<u>23,081</u>
Other financing sources (uses)			
Transfers in (out)	-	186,114	186,114
Bond proceeds	465,529	828,753	363,224
Total other financing sources (uses)	<u>465,529</u>	<u>1,014,867</u>	<u>549,338</u>
Net change in fund balance	<u>\$ -</u>	572,419	<u>\$ 572,419</u>
Fund balance at beginning of year		<u>465,514</u>	
Fund balance at end of year		<u>\$ 1,037,933</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET (BUDGET BASIS) AND ACTUAL  
WATER OPERATIONS FUND  
Year Ended April 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating revenues			
Water fees	\$ 5,705,000	\$ 5,382,498	\$ (322,502)
Other revenue	40,000	60,770	20,770
Total operating revenues	<u>5,745,000</u>	<u>5,443,268</u>	<u>(301,732)</u>
Operating expenses			
Administration			
Salaries	478,000	429,440	48,560
Employee insurance	60,000	51,594	8,406
Uniforms	5,000	3,344	1,656
Worker's compensation insurance	110,000	123,053	(13,053)
Property insurance	105,000	217,832	(112,832)
Maintenance & repair equipment	50,000	49,412	588
Plumbing and technical insurance	60,000	24,969	35,031
Fire hydrants repair & clean	25,000	17,164	7,836
Water main repairs	1,814,038	453,677	1,360,361
Vehicle maintenance	25,000	2,380	22,620
AMEX rewards	15,000	21,946	(6,946)
Engineering consulting fee	50,000	-	50,000
Leak detection	15,000	13,999	1,001
Auditing services	100,000	80,250	19,750
Bank leases	25,000	16,442	8,558
Telephone services	10,000	6,780	3,220
Office supplies	10,000	9,462	538
Computer supplies	80,000	18,764	61,236
Computer software / license	100,000	35,821	64,179
Postage/outsourcing	60,000	51,747	8,253
Material & supplies	60,000	58,213	1,787
New equipment	15,000	-	15,000
Flood mitigation bond payment	185,962	365,923	(179,961)
Electricity	40,000	42,707	(2,707)
Gasoline	120,000	84,864	35,136
Water meters	370,000	295,656	74,344
Water purchase	2,400,000	2,386,580	13,420
Concrete dumping fees	40,000	37,725	2,275
Concrete patching	100,000	97,325	2,675
Home flood control program	150,000	72,000	78,000
Total operating expenses	<u>6,678,000</u>	<u>5,069,069</u>	<u>1,608,931</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 WATER OPERATIONS FUND  
 Year Ended April 30, 2014

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	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Operating income (loss)	\$ (933,000)	\$ 374,199	\$ 1,307,199
Transfers			
Transfers in	-	647,700	647,700
Transfers out	<u>-</u>	<u>(186,114)</u>	<u>(186,114)</u>
Total transfers	<u>-</u>	<u>461,586</u>	<u>461,586</u>
Net income (loss) - budgetary basis	<u>\$ (933,000)</u>	<u>835,785</u>	<u>\$ 835,785</u>
Adjustments to GAAP basis - depreciation expense		<u>(156,294)</u>	
Change in net position		679,491	
Net position at beginning of year		<u>7,607,537</u>	
Net position at end of year		<u>\$ 8,287,028</u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 GARBAGE FUND  
 Year Ended April 30, 2014

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating revenues			
Garbage fees	\$ 1,825,000	\$ 1,818,357	\$ (6,643)
Total operating revenues	<u>1,825,000</u>	<u>1,818,357</u>	<u>(6,643)</u>
Operating expenses			
Administration	<u>1,825,000</u>	<u>1,679,868</u>	<u>145,132</u>
Total operating expenses	<u>1,825,000</u>	<u>1,679,868</u>	<u>145,132</u>
Change in net position	<u>\$ -</u>	138,489	<u>\$ 138,489</u>
Net position at beginning of year		<u>146,984</u>	
Net position at end of year		<u>\$ 285,473</u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 PENSION TRUST FUNDS  
 April 30, 2014

	Police Pension Fund	Fire Pension Fund	Total
<b>Assets</b>			
Cash	\$ 11,112	\$ 387,046	\$ 398,158
Investments			
U.S. treasury notes	1,504,431	206,695	1,711,126
U.S. treasury bonds	189,333	-	189,333
GNMA	60,843	8,839	69,682
FFCB	66,491	301,237	367,728
FHLB	39,862	1,529,341	1,569,203
FHLMC	119,660	238,821	358,481
FNMA	768,388	-	768,388
Corporate bonds	1,499,567	2,287,462	3,787,029
MM mutual funds	1,001,026	-	1,001,026
Municipal bonds	-	518,336	518,336
Equity securities	1,758,240	113,383	1,871,623
Equity mutual funds	7,551,611	7,248,426	14,800,037
U.S. treasury strips	-	75,599	75,599
Total investments	<u>14,559,452</u>	<u>12,528,139</u>	<u>27,087,591</u>
Prepaid assets	17,289	-	17,289
Due from Village	-	69,182	69,182
Accrued interest	29,206	69,148	98,354
<b>Total assets</b>	<u>14,617,059</u>	<u>13,053,515</u>	<u>27,670,574</u>
<b>Liabilities</b>			
Accounts payable	1,380	-	1,380
Due to Village	29,706	-	29,706
<b>Total liabilities</b>	<u>31,086</u>	<u>-</u>	<u>31,086</u>
<b>Net position</b>			
Held in trust for pension benefits and other purposes	<u>14,585,973</u>	<u>13,053,515</u>	<u>27,639,488</u>
<b>Total net position</b>	<u>\$ 14,585,973</u>	<u>\$ 13,053,515</u>	<u>\$ 27,639,488</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 PENSION TRUST FUNDS  
 Year Ended April 30, 2014

	<u>Police Pension Fund</u>	<u>Fire Pension Fund</u>	<u>Total</u>
Additions			
Contributions			
Employer	\$ 1,404,654	\$ 1,215,630	\$ 2,620,284
Plan members	<u>295,457</u>	<u>224,439</u>	<u>519,896</u>
Total contributions	<u>1,700,111</u>	<u>1,440,069</u>	<u>3,140,180</u>
Investment earnings			
Investment income	781,932	988,334	1,770,266
Less investment expense	<u>(96,731)</u>	<u>(22,594)</u>	<u>(119,325)</u>
Net investment earnings	<u>685,201</u>	<u>965,740</u>	<u>1,650,941</u>
Total additions	<u>2,385,312</u>	<u>2,405,809</u>	<u>4,791,121</u>
Deductions			
Benefits	1,830,615	1,368,559	3,199,174
Administrative expenses	<u>37,834</u>	<u>253,047</u>	<u>290,881</u>
Total deductions	<u>1,868,449</u>	<u>1,621,606</u>	<u>3,490,055</u>
Change in net position	516,863	784,203	1,301,066
Net position - beginning of year	<u>14,069,110</u>	<u>12,269,312</u>	<u>26,338,422</u>
Net position - end of year	<u>\$ 14,585,973</u>	<u>\$ 13,053,515</u>	<u>\$ 27,639,488</u>



VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
BUDGET (BUDGET BASIS) AND ACTUAL  
FIRE PENSION FUND  
Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Additions</b>			
Contributions			
Employer	\$ 1,044,000	\$ 1,215,630	\$ 171,630
Plan members	-	224,439	224,439
Total contributions	<u>1,044,000</u>	<u>1,440,069</u>	<u>396,069</u>
Investment earnings			
Investment income	-	988,334	988,334
Less investment expense	-	(22,594)	(22,594)
Net investment earnings	<u>-</u>	<u>965,740</u>	<u>965,740</u>
Total additions	<u>1,044,000</u>	<u>2,405,809</u>	<u>1,361,809</u>
<b>Deductions</b>			
Benefits	1,044,000	1,368,559	(324,559)
Administrative expenses	-	253,047	(253,047)
Total deductions	<u>1,044,000</u>	<u>1,621,606</u>	<u>(577,606)</u>
Change in net position	<u>\$ -</u>	784,203	<u>\$ 784,203</u>
Net position - beginning of year		<u>12,269,312</u>	
Net position - end of year		<u>\$ 13,053,515</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
BUDGET (BUDGET BASIS) AND ACTUAL  
POLICE PENSION FUND  
Year Ended April 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Additions</b>			
Contributions			
Employer	\$ 1,375,000	\$ 1,404,654	\$ 29,654
Plan members	-	295,457	295,457
Total contributions	<u>1,375,000</u>	<u>1,700,111</u>	<u>325,111</u>
Investment earnings			
Investment income	-	781,932	781,932
Less investment expense	-	(96,731)	(96,731)
Net investment earnings	<u>-</u>	<u>685,201</u>	<u>685,201</u>
Total additions	<u>1,375,000</u>	<u>2,385,312</u>	<u>1,010,312</u>
<b>Deductions</b>			
Benefits	1,375,000	1,830,615	(455,615)
Administrative expenses	-	37,834	(37,834)
Total deductions	<u>1,375,000</u>	<u>1,868,449</u>	<u>(493,449)</u>
Change in net position	<u>\$ -</u>	516,863	<u>\$ 516,863</u>
Net position - beginning of year		<u>14,069,110</u>	
Net position - end of year		<u>\$ 14,585,973</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
SPECIAL DEPOSITS FUND  
Year Ended April 30, 2014

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	Balances <u>May 1</u>	Additions	Deletions	Balances <u>April 30</u>
Assets				
Cash	\$ 44,884	\$ 34,724	\$ 33,641	\$ 45,967
Total assets	<u>\$ 44,884</u>	<u>\$ 34,724</u>	<u>\$ 33,641</u>	<u>\$ 45,967</u>
Liabilities				
Deposits payable	\$ 44,884	\$ 34,724	\$ 33,641	\$ 45,967
Total liabilities	<u>\$ 44,884</u>	<u>\$ 34,724</u>	<u>\$ 33,641</u>	<u>\$ 45,967</u>

## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

To the Honorable President  
and Members of the Board of Trustees  
Village of Elmwood Park, Illinois

We have examined the Village of Elmwood Park, Illinois', ("Village") compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2014. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the Village's compliance with specified requirements.

In our opinion, the Village complied in all material respects, with the aforementioned requirements for the year ended April 30, 2014.



Crowe Horwath LLP

Oak Brook, Illinois  
December 23, 2014