

VILLAGE OF MACHESNEY PARK, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2014

Prepared By

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Accounting Manager

VILLAGE OF MACHESNEY PARK, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Trustees
Village of Machesney Park, Illinois

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of these 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Machesney Park, Illinois, as of April 30, 2014 and the respective changes in financial position 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, and other required supplementary information listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's financial statements as a whole. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Village's basic financial statements for the year ended April 30, 2013, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the

Village's basic financial statements as a whole. The combining and individual fund financial statements and schedules and supplemental financial information, related to the 2014 financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 combining and individual fund financial statements and schedules and supplemental financial information are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also issued a report dated September 4, 2014, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Rockford, Illinois
September 4, 2014

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

This section of the Village of Machesney Park's Annual Financial Report presents our discussion and analysis of the Village's financial activities during the fiscal year ended April 30, 2014.

FINANCIAL HIGHLIGHTS

-Net asset position and performance in total – The Village's total net position at April 30, 2014, was \$61,416,867.

-Governmental activity summary – Net position for governmental activities increased by \$7,643,298 during the fiscal year.

-General Fund summary – The Village's General Fund reported an increase of \$328,001 in fund balance for the year.

-Budget vs. Actual – Without considering contingencies, the Village's actual revenues for the General Fund were more than total budgeted revenues by \$745,293. Actual expenditures were less than total budgeted expenditures by \$292,840. Actual operating transfers out to other funds were more than budgeted by \$710,132.

-Net capital – Net capital and infrastructure assets increased by \$3,992,134, while depreciation was charged in the amount of \$1,899,017.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements include two kinds of statements that present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Most municipalities also have "Business-type Activities", such as municipal water or sewer services which are primarily supported by user fees. Because those basic services are provided by other taxing authorities, the Village has no such activities.

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

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

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

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

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
 April 30, 2014

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

Description	Government-Wide Statements	Governmental Funds
Scope	Entire Village government (except fiduciary funds)	Activities of the Village that are not proprietary or fiduciary such as public safety
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balance
Accounting basis	Accrual	Modified accrual
Measurement focus	Economic resources	Current financial resources
Type of assets & liability information	All assets and liabilities; both financial and capital, short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods or services that have been received and payment is due during the year or shortly thereafter

Government-Wide Statements

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

The Statement of Activities is focused on both the gross and net cost of various activities, which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services.

The governmental activities reflect the Village's basic services, including administration, community development, public safety, and public works. Sales and use taxes, licenses and permits, telecommunication taxes, and shared state tax distributions finance the majority of these services.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

Fund Financial Statements

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

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

Proprietary funds account for services that are generally fully supported by user fees charged to customers. Because the Village has no funds of this type, no information is presented.

Fiduciary Funds are presented for certain activities when the Village's role is that of trustee (i.e. Police Pension) or agent. While Fiduciary Funds represent 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. Because the Village has no Fiduciary Funds, no information is presented.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB-34 requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to 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 costs of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance (a recurring cost that does not extend the asset's original useful life or expand its capacity) the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
 April 30, 2014

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

NET POSITION

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

Table 1
Statement of Net Position
As of April 30, 2014
With Comparative Totals for the Year Ended April 30, 2013

For more detailed information, see the Statement of Net Position included in the financial statements.

	Total Governmental Activities	
	2014	2013
Current and other assets	\$ 13,426,072	10,245,862
Capital assets	60,408,803	55,347,203
Total assets	73,834,875	65,593,065
Other liabilities	1,296,566	957,419
Long-term liabilities	9,871,355	10,153,539
Deferred inflows	1,250,087	1,778,008
Total liabilities and deferred inflows	12,418,008	12,888,966
Net position:		
Net investment in capital assets	50,554,376	45,210,522
Restricted	3,547,716	2,356,651
Unrestricted	7,314,775	5,136,930
Total net position	\$ 61,416,867	52,704,103

Normal Impacts-Net Position

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

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

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

Spending Borrowed Proceeds On New Capital – Reduces current assets and increases capital assets. Also, an increase in net investment in capital assets and an increase in related net debt will not change the net investment in capital assets.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

Normal Impacts-Net Position (Continued):

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

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

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

Current Year Impacts-Net Position

The Village's combined net position of governmental activities increased from \$52,704,103 to \$61,416,867. Government-wide revenues increased from \$13,129,485 to \$17,170,852. The increase of \$4,041,367 resulted from grant funds received in the current year for the Flood Mitigation Program, full year of collections from the utility tax, and an increase in income and sales tax revenues. The beginning net position was increased by \$1,069,466 due to a prior period adjustment relating to depreciation expense as detailed in Note 15 of the Notes to Financial Statements.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
 April 30, 2014

Statement of Changes In Net Position

The following chart reflects the condensed Statement of Changes in Net Position:

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2014
With Comparative Totals for the Year Ended April 30, 2013

	Total Governmental Activities	
	2014	2013
REVENUES		
Program revenues:		
Charges for services	\$ 802,944	689,463
Capital grants & contributions	2,426,830	413,756
Operating grants	1,909,761	1,507,573
General revenues:		
Sales & use taxes	6,542,079	6,306,552
Other taxes & intergovernmental	5,390,175	4,143,063
Investment income	17,080	15,245
Miscellaneous	72,519	53,833
Total revenues received	17,161,388	13,129,485
EXPENSES		
Program expenses:		
General government	3,061,532	4,033,064
Public safety	3,441,639	3,233,650
Highways & streets	2,304,804	3,432,569
Housing	276,814	269,185
Debt Service - Interest	433,301	447,744
Total expenditures disbursed	9,518,090	11,416,212
Excess of revenues over (under) expenditures	7,643,298	1,713,273
Change in net position	7,643,298	1,713,273
Beginning net position	52,704,103	50,990,830
Prior period adjustment	1,069,466	-
Beginning net position, as restated	53,773,569	50,990,830
Ending net position	\$ 61,416,867	52,704,103

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

Normal Impact-Changes In Net Position

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

Revenues:

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

Increase/Decrease In Village Approval Rates – While certain tax rates are set by statues, the Village Board has authority to impose and periodically increase/decrease rates (utility taxes, building permit 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 managed with an approach utilizing competitive pricing, laddered maturities up to one year for term investments, and diversity of investments. Market conditions may cause investment income to fluctuate more than would occur with more short-term composition.

Expenses:

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

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

Salary Increases (annual adjustments and step increases) – The Village strives to maintain a competitive salary range position in the marketplace.

Inflation – While overall inflation appears to have decreased during the fiscal year, the Village is a major consumer of certain commodities and services which typically experience inflation at a rate that can be significantly different from the CPI. Examples of such items include insurance, fuel, electricity and operating supplies.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

Current Year Impacts-Changes In Net Position

Governmental Activities

Revenues:

Revenues from governmental activities totaled \$17,170,852, an increase of 30.8% over the previous fiscal year. The increase was attributed to the receipt of grant funding for the Flood Mitigation Program, full year of collections from the utility tax, and an increase in income and sales tax revenues. Sales and Use taxes continued as the Village's largest sources of revenues at \$6,542,079, an increase of 3.7% over the previous year, however, Other Taxes and Intergovernmental revenues are close behind.

State Income Tax of \$2,289,888 reflects an increase of 8.1%; Telecommunication tax revenues decreased by 5.7% from the prior year; and the establishment of a Utility tax in the prior year produced \$1,243,168 of revenue. Interest earned on investments continued to decline with lower interest rates; a reduction of 12%.

Expenses:

Expenses for governmental activities totaled \$9,518,090, a decrease of 16.6% from the previous fiscal year. The General government expenses decreased by 24% from the prior fiscal year and there was continued expenditures through the Flood Mitigation Program for Phase II, which was again offset by grant revenues received. In addition, the Village continued expenditures for improvements made in TIF districts and road maintenance and reconstruction in the Build Machesney Road Fund.

FINANCIAL ANALYSIS OF THE VILLAGE'S MAJOR FUNDS
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General Fund

The General Fund is the primary operating fund of the Village of Machesney Park. At the end of the fiscal year, the unreserved fund balance was \$4,055,292, while total fund balance was \$5,739,882. The total revenues and other financing sources in the general fund increased from the previous year by \$441,384, and total expenditures and transfers out increased by \$881,481 resulting in a net increase of \$328,001 in the fund balance compared to an increase of \$768,098 in fiscal year 2013. Revenues from income taxes, sales taxes, local use taxes, and video gaming taxes all increased from the previous year. Operating transfers were increased to accommodate future infrastructure projects.

IL Rte. 251/173 Gateway TIF District Fund

The net change in the IL Rte. 251/173 Gateway TIF District Fund was a decline of \$331,635 due to current operating results. Property tax revenues of \$845,462 were an increase of \$7,369 over the prior fiscal year. Expenditures totaled \$1,285,640 which included \$1,261,433 in debt service on the two remaining debt issues from TIF activities. This resulted in a year-end fund balance deficit of \$76,209.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2014

Flood Mitigation Fund

This was the second year of Phase II of the Flood Mitigation Program, which utilized grant funding from IEMA and DCEO to purchase 24 parcels that will remain open green space to help mitigate the costs of flooding.

North Second Street TIF District Fund

Property tax revenues increased \$12,948 from the prior fiscal year. However, the Business District sales tax revenues decreased by \$16,666 due to the closing of JC5Star in December 2013. Debt service payments totaled \$212,143 and the remaining fund balance at year end was a deficit of \$345,568; which should be recouped in upcoming years as property values increase and new development occurs.

Build Machesney Roads Fund

The Build Machesney Roads Fund continued to account for the receipt of the additional 1% sales tax and the increased telecommunications tax. All of those receipts were pledged for street reconstruction and maintenance. This was the fifth and final year of the original pledged revenues; however voters approved the extension of the 1% sales tax for another seven years so the fund will continue to track revenues and expenditures relating to road improvements. Revenues totaled \$3,517,206; a decrease of 2.4% over the prior fiscal year. Expenditures for street improvements totaled \$1,764,640 and expenditures of \$700,456 covered principal and interest on the bonds, resulting in a fund balance of \$2,407,735 to be carried over to the following year. The Queen Oaks project was budgeted to be completed during this fiscal year, however, due to timing issues it was carried over to be completed in 2014; therefore the corresponding revenues were left unspent and are a portion of the fund balance to be used in the following year.

Weststone Industrial Jobs Recovery Law TIF Fund

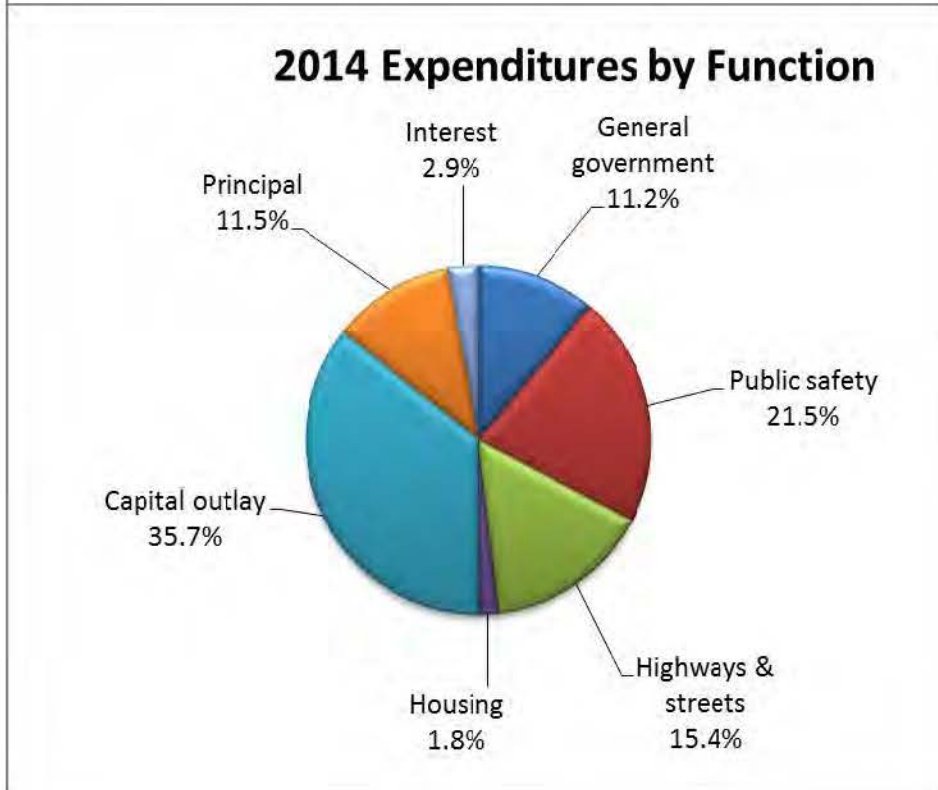
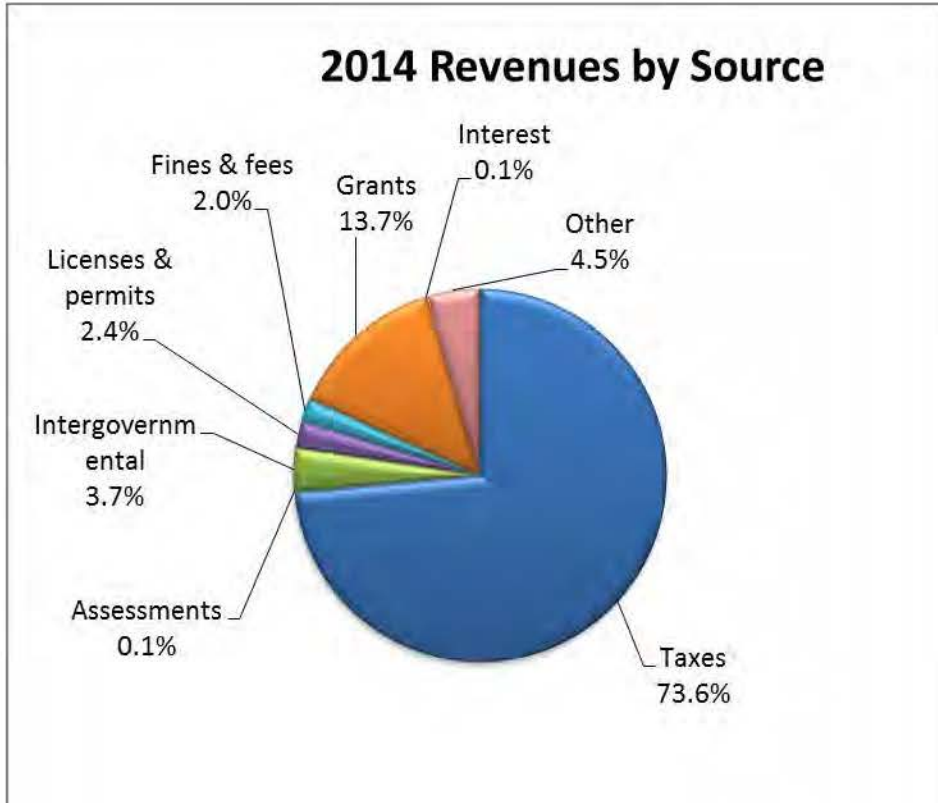
The Weststone IJRL TIF was established in October 2011 to generate development at I-90 and IL 173. The Village leveraged \$2 million of grant funds received from the State of IL EDP program (included in the Motor Fuel Tax Fund) to issue \$1.5 million in bond proceeds to create infrastructure and establish the Park 90 industrial subdivision. Two businesses were slated to occupy space at its inception and shortly after a third business followed with ongoing interest. The majority of the expenditures were for capital outlay to build the Lyford/Greenlee Roads and improvements. The deficit fund balance of \$147,510 is anticipated to be recouped in the coming years as further development emerges.

Motor Fuel Tax Fund

The Motor fuel tax fund accounts for funds received from the State of IL for motor fuel taxes. In addition, the Village was awarded an EDP Grant from the State of IL, which is disbursed through the Motor Fuel Tax fund, and was used to build infrastructure at Park 90 (I-90 and IL 173) so there are offsetting revenues and expenditures in this fund. The remaining fund balance of \$364,908 will be used in the following year for snow and ice control and payment of street lighting costs.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

The following two charts (2014 Revenues by Source and 2014 Expenditures by Function), present a summary of the governmental funds revenue and expenditures for 2014.



VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
 April 30, 2014

Fund Budgetary Highlights

Actual General Fund revenues exceeded the final budgeted revenues by \$745,293 during FY 2014 (prior to contingencies).

Actual General Fund expenditures were less than the final budget by \$292,840 (prior to contingencies). Transfers from the General Fund to other funds were higher than the original budget by \$710,132. The net increase in fund balance of \$328,001 was higher than budgeted.

General Fund	FY 14 Original Budget	FY 14 Amended Budget	FY 14 Actual
Revenues			
Taxes	\$ 5,557,100	5,557,100	6,097,377
Intergovernmental	215,000	215,000	246,579
Licenses & permits	366,700	366,700	406,246
Fines & fees	256,500	256,500	340,510
Interest	5,000	5,000	5,844
Other	30,100	30,100	79,137
Contingency	885,000	885,000	-
Total revenues	7,315,400	7,315,400	7,175,693
Expenditures			
General government	1,264,000	1,264,000	1,218,234
Public safety	3,268,300	3,268,300	3,218,459
Highways & streets	1,209,200	1,209,200	1,014,927
Capital outlay	158,500	158,500	155,540
Contingency	885,000	885,000	-
Total expenditures	6,785,000	6,785,000	5,607,160
Excess of revenues over (under) expenditures	530,400	530,400	1,568,533
Other financing sources (uses)			
Transfers in	(530,400)	(530,400)	(1,240,532)
Total other financing sources	(530,400)	(530,400)	(1,240,532)
Net change in fund balance	\$ -	-	328,001

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of Fiscal Year 2014, the Village's Governmental Funds had invested \$60,408,803 (see Note 4 in the Notes to Financial Statements) in a variety of capital assets, as reflected in the following schedule.

VILLAGE OF MACHESNEY PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
 April 30, 2014

Table 3
Governmental Funds
Change in Net Capital Assets

	Beginning Balance, Restated	Net Additions/ Deletions	Ending Balance
Non-depreciable assets			
Land	\$ 28,466,420	2,331,238	30,797,658
Construction in progress	1,805,752	2,586,746	4,392,498
Depreciable capital assets			
Buildings & improvements	713,948	-	713,948
Vehicles	163,658	9,810	173,468
Equipment & Software	358,556	23,257	381,813
Infrastructure	81,353,842	925,630	82,279,472
Accumulated depreciation	(56,445,507)	(1,884,517)	(58,330,024)
Total net capital assets	\$ 56,416,669	3,992,164	60,408,833

Debt Outstanding

The governmental funds included \$9,775,000 in outstanding notes payable as of April 30, 2014. In addition, the governmental activities also are responsible for \$5,356 in general obligation debt certificate premiums, \$74,071 in capitalized leases, and \$16,928 in compensated absences.

The Village's legal debt margin is \$16,860,297. The current debt level of \$9,849,071 is 36.9% of the allowable limit (increase of 1.5% from the prior year). See Note 6 in the Notes to Financial Statements for additional information regarding the long-term debt of the Village.

ECONOMIC FACTORS

The metro area's continued shift in demographics to the north and northeast sections of Winnebago County, combined with the interchange at Interstate 90 and Illinois Route 173, continue to fuel retail development. Housing starts have seen slight increases in activity and retailers continue to show interest and have again started developing in the IL 173 retail corridor. Primary job growth is strong with several industrial and commercial businesses expanding and adding jobs. The establishment of the Industrial Job Recovery Law TIF Districts is proving to provide a means to spur growth among the industrial sector as the I-90 and IL 173 corridor is expanding. In addition, the continuation of revitalizing the Machesney Towne Center (previously the Mall) and balancing growth and redevelopment throughout the Village will promote continued development in the area.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, 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 Tim Savage, Village Administrator or Michelle Johannsen, Accounting & HR Coordinator, 300 Roosevelt Road, Machesney Park, Illinois 61115.

VILLAGE OF MACHESNEY PARK, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2014

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	
Pooled	\$ 6,133,508
Nonpooled	2,106,677
Receivables	
Taxes	1,223,060
Accounts	217,197
Accrued interest	613
Other	40,754
Prepaid items	44,062
Due from other governments	2,298,530
Notes receivable, net of allowance	
Due within one year	7,472
Due in more than one year	289,199
Land held for resale	1,065,000
Capital assets	
Nondepreciable	35,190,126
Depreciable, net of accumulated depreciation	<u>25,218,677</u>
Total assets	<u>73,834,875</u>
LIABILITIES	
Accounts payable	388,144
Retainage payable	224,059
Accrued liabilities	51,785
Due to other governments	234,832
Accrued interest payable	157,534
Due to developers	181,712
Unearned revenue	58,500
Noncurrent liabilities	
Due within one year	1,934,516
Due in more than one year	<u>7,936,839</u>
Total liabilities	<u>11,167,921</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax/assessment revenue	<u>1,250,087</u>
Total deferred inflows of resources	<u>1,250,087</u>
NET POSITION	
Net investment in capital assets	50,554,376
Restricted for	
Public safety	12,726
Highways and street	364,908
Tax increment financing funded improvements	29,280
Community development	(2,876)
Infrastructure improvements/debt service	2,846,533
Tourism	474
Unrestricted	<u>7,611,446</u>
TOTAL NET POSITION	<u><u>\$ 61,416,867</u></u>

See accompanying notes to financial statements.

VILLAGE OF MACHESNEY PARK, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2014

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants	Capital Grants	Revenue and Change in Net Position Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
General government	\$ 3,061,532	\$ 417,517	\$ 1,005,026	\$ 2,351,830	\$ 712,841
Public safety	3,441,639	329,281	955	-	(3,111,403)
Highways and streets	3,462,338	56,146	1,858,283	75,000	(1,472,909)
Housing	276,814	-	203,031	-	(73,783)
Interest on long-term debt	433,301	-	-	-	(433,301)
TOTAL PRIMARY GOVERNMENT	\$ 10,675,624	\$ 802,944	\$ 3,067,295	\$ 2,426,830	(4,378,555)
General Revenues					
Taxes					
Property tax					963,554
Assessments					9,800
Sales tax					6,129,799
Local use tax					412,280
Telecommunications tax					685,618
Road and bridge tax					71,729
Utility tax					1,243,168
Other taxes					126,418
Shared income tax					2,289,888
Investment income					17,080
Other					72,519
Total general revenues					12,021,853
CHANGE IN NET POSITION					7,643,298
NET POSITION, MAY 1, (AS ORIGINALLY STATED)					52,704,103
Prior period adjustments					1,069,466
NET POSITION, MAY 1, (RESTATED)					53,773,569
NET POSITION, APRIL 30					\$ 61,416,867

See accompanying notes to financial statements.

VILLAGE OF MACHESNEY PARK, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2014

	General	IL Rte. 251/173 Gateway TIF	Flood Mitigation	North Second Street TIF	Build Machesney Roads	Weststone IJRL Tax Increment	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS									
Cash and cash equivalents									
Pooled	\$ 1,236,946	\$ 115,479	\$ -	\$ 618,399	\$ 1,871,862	\$ 644,822	\$ -	\$ 1,646,000	\$ 6,133,508
Nonpooled	1,409,480	-	49,696	-	-	-	646,222	1,279	2,106,677
Receivables (net of allowance where applicable)									
Taxes	73,866	864,617	-	94,421	-	340	-	189,816	1,223,060
Accounts	74,450	-	142,747	-	-	-	-	-	217,197
Accrued interest	128	-	-	-	-	-	-	485	613
Notes	-	-	-	-	-	-	-	296,671	296,671
Grants	-	-	-	-	-	-	-	40,754	40,754
Prepaid items	44,062	-	-	-	-	-	-	-	44,062
Due from other governments	1,257,681	-	-	-	994,275	3,233	43,321	20	2,298,530
Due from other funds	721,612	-	-	-	-	-	-	-	721,612
Land held for resale	-	485,000	-	-	-	-	-	580,000	1,065,000
Advances to other funds	1,640,051	-	-	-	-	-	-	91,532	1,731,583
TOTAL ASSETS	\$ 6,458,276	\$ 1,465,096	\$ 192,443	\$ 712,820	\$ 2,866,137	\$ 648,395	\$ 689,543	\$ 2,846,557	\$ 15,879,267

	General	IL Rte. 251/173 Gateway TIF	Flood Mitigation	North Second Street TIF	Build Machesney Roads	Weststone IJRL Tax Increment	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 104,814	\$ 500	\$ 41,598	\$ 5,282	\$ 140,141	\$ 5,042	\$ 22,841	\$ 67,926	\$ 388,144
Retainage payable	-	-	10,207	2,000	6,797	86,397	116,658	2,000	224,059
Accrued liabilities	51,785	-	-	-	-	-	-	-	51,785
Due to other governments	-	-	49,696	-	-	-	185,136	-	234,832
Due to other funds	-	-	54,458	-	-	620,370	-	46,784	721,612
Due to developers	125,213	-	-	56,499	-	-	-	-	181,712
Unearned revenue	58,500	-	-	-	-	-	-	-	58,500
Advances from other funds	-	676,188	-	918,520	-	83,756	-	53,119	1,731,583
Total liabilities	340,312	676,688	155,959	982,301	146,938	795,565	324,635	169,829	3,592,227
DEFERRED INFLOWS OF RESOURCES									
Unavailable property tax/assessment revenue	73,392	864,617	-	67,823	-	340	-	55,057	1,061,229
Unavailable taxes	304,690	-	-	8,264	267,563	-	-	-	580,517
Unavailable grant revenue	-	-	142,746	-	43,901	-	-	-	186,647
Total deferred inflows of resources	378,082	864,617	142,746	76,087	311,464	340	-	55,057	1,828,393
FUND BALANCES									
Nonspendable									
Notes receivable	-	-	-	-	-	-	-	296,671	296,671
Prepaid expenses	44,062	-	-	-	-	-	-	-	44,062
Advances to other funds	1,640,052	-	-	-	-	-	-	91,532	1,731,584
Land held for resale	-	485,000	-	-	-	-	-	580,000	1,065,000
Restricted for									
Public safety	2	-	-	-	-	-	-	12,724	12,726
Highways and street	-	-	-	-	-	-	364,908	-	364,908
Tax increment financing funded improvements	-	-	-	-	-	-	-	29,280	29,280
Community development	-	-	-	-	-	-	-	(2,876)	(2,876)
Infrastructure improvements/debt service	-	-	-	-	2,407,735	-	-	438,798	2,846,533
Tourism	474	-	-	-	-	-	-	-	474
Assigned for									
Public safety	-	-	-	-	-	-	-	42,939	42,939
Community development	-	-	-	-	-	-	-	38,636	38,636
Highways and street	-	-	-	-	-	-	-	185,910	185,910
Capital outlay	-	-	-	-	-	-	-	969,609	969,609
Unassigned (deficit)	4,055,292	(561,209)	(106,262)	(345,568)	-	(147,510)	-	(61,552)	2,833,191
Total fund balances (deficit)	5,739,882	(76,209)	(106,262)	(345,568)	2,407,735	(147,510)	364,908	2,621,671	10,458,647
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
	\$ 6,458,276	\$ 1,465,096	\$ 192,443	\$ 712,820	\$ 2,866,137	\$ 648,395	\$ 689,543	\$ 2,846,557	\$ 15,879,267

See accompanying notes to financial statements.

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

April 30, 2014

FUND BALANCES OF GOVERNMENTAL FUNDS \$ 10,458,647

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

Other long-term assets are not available to pay current period expenditures and, therefore, are deferred or not recognized

Sales tax	\$ 492,071	
Use tax	33,531	
Telecommunication tax	52,684	
Automobile rental tax	<u>20</u>	578,306

Capital assets used in governmental activities are not financial resources and, therefore, not reported in the fund

Nondepreciable capital assets	35,190,126	
Depreciable capital assets, net of accumulated depreciation	<u>25,218,677</u>	60,408,803

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not report in the funds

Debt certificates and promissory note	(9,775,000)	
Premium on general obligation debt certificates	(5,356)	
Capital leases	(74,071)	
Compensated absences	<u>(16,928)</u>	(9,871,355)

Interest on long-term debt is not accrued in governmental funds but is recognized as an expenditure when due. All liabilities, both current and long-term are reported in the statement of net position

(157,534)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 61,416,867

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	General	IL Rte. 251/173 Gateway TIF	Flood Mitigation	North Second Street TIF	Build Machesney Roads	Weststone LJRL Tax Increment	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	\$ 6,097,377	\$ 845,462	\$ -	\$ 241,155	\$ 3,347,731	\$ 340	\$ 700,749	\$ 1,396,952	\$ 12,629,766
Assessments	-	-	-	-	-	-	-	9,800	9,800
Intergovernmental	246,579	-	-	-	161,725	27,673	-	203,986	639,963
Licenses and permits	406,246	-	-	-	-	-	-	-	406,246
Fines and fees	340,510	-	-	-	-	-	-	-	340,510
Grants	-	-	2,351,830	-	-	-	-	-	2,351,830
Investment income	5,844	294	-	658	1,565	912	863	6,944	17,080
Other	79,137	23,703	-	-	6,185	-	1,157,534	666,632	1,933,191
Total revenues	7,175,693	869,459	2,351,830	241,813	3,517,206	28,925	1,859,146	2,284,314	18,328,386
EXPENDITURES									
Current									
General government	1,218,234	16,509	54,668	56,453	-	243,167	-	123,038	1,712,069
Public safety	3,218,459	-	-	-	-	-	-	67,107	3,285,566
Highways and streets	1,014,927	-	-	-	494,346	-	1,823,235	188,206	3,520,714
Housing	-	-	-	-	-	-	-	276,814	276,814
Capital outlay	155,540	7,698	2,074,920	60,778	1,270,294	1,233,665	-	657,838	5,460,733
Debt service									
Principal	-	1,145,000	-	130,000	485,000	-	-	-	1,760,000
Interest	-	116,433	-	82,143	215,456	26,250	-	-	440,282
Total expenditures	5,607,160	1,285,640	2,129,588	329,374	2,465,096	1,503,082	1,823,235	1,313,003	16,456,178
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,568,533	(416,181)	222,242	(87,561)	1,052,110	(1,474,157)	35,911	971,311	1,872,208

	General	IL Rte. 251/173 Gateway TIF	Flood Mitigation	North Second Street TIF	Build Machesney Roads	Weststone IJRL Tax Increment	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)									
Promissory note proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
Transfers in	-	84,546	-	6,397	-	-	-	1,149,589	1,240,532
Transfers (out)	(1,240,532)	-	-	-	-	-	-	-	(1,240,532)
Total other financing sources (uses)	(1,240,532)	84,546	-	6,397	-	1,500,000	-	1,149,589	1,500,000
NET CHANGE IN FUND BALANCES	328,001	(331,635)	222,242	(81,164)	1,052,110	25,843	35,911	2,120,900	3,372,208
FUND BALANCES, MAY 1, (AS PREVIOUSLY STATED)	5,613,787	255,426	(328,504)	(264,404)	1,355,625	(173,353)	328,997	298,865	7,086,439
Prior period adjustment	(201,906)	-	-	-	-	-	-	201,906	-
FUND BALANCES (DEFICIT), MAY 1, (RESTATED)	5,411,881	255,426	(328,504)	(264,404)	1,355,625	(173,353)	328,997	500,771	7,086,439
FUND BALANCES (DEFICIT), APRIL 30	\$ 5,739,882	\$ (76,209)	\$ (106,262)	\$ (345,568)	\$ 2,407,735	\$ (147,510)	\$ 364,908	\$ 2,621,671	\$ 10,458,647

See accompanying notes to financial statements.

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014

**NET CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS** \$ 3,372,208

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

Governmental funds report capital outlay as expenditures;
however, they are capitalized and depreciated in the
statement of activities

Capital asset purchases capitalized	\$ 5,891,151	
Depreciation expense	<u>(1,899,017)</u>	3,992,134

The repayment of long-term debt is reported as an expenditure
when due in governmental funds but as a reduction of principal
outstanding in the statement of activities 1,781,509

The proceeds of long-term debt are recorded as an other
financing source in governmental funds but as a liability in
the statements of activities (1,500,000)

Revenues report in the statement of activities that do not provide
current financial resources are not reported as revenues
in governmental funds

Sales tax	(1,288)	
Use tax	797	
Intergovernmental payments	(2,902)	
Telecommunications tax	(6,050)	
Automobile rental tax	<u>(21)</u>	(9,464)

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

Interest expense		6,981
Compensated absences		<u>(70)</u>

**CHANGES IN NET POSITION OF THE
GOVERNMENTAL ACTIVITIES** \$ 7,643,298

See accompanying notes to financial statements.

VILLAGE OF MACHESNEY PARK, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Village of Machesney Park, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

- a. The Village was incorporated in 1981. The Village operates under President-Trustee form of government and provides the following services as authorized by statute: public safety (police), streets, public improvements, planning and zoning, financial and general administrative services.

- b. Financial Report Entity

Generally accepted accounting principles require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The primary government is financially accountable if it appoints a voting majority of the organization's governing body and is able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board if the primary government must approve the organization's budget, tax levies, rates and charges or issuance of bonded debt. The Village has no component units.

- c. Fund Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

All village funds are classified as governmental. Governmental funds are used to account for all of the Village's general activities. The General Fund is the primary operating fund, accounting for all financial resources not accounted for in another fund. Special revenue funds account for revenue sources that are legally restricted or committed for specific purposes (except for capital projects funds). The Debt Service Fund accounts for the servicing of bonded general long-term debt using funds restricted, committed or assigned for debt service. Capital projects funds are account funds that are restricted, committed or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund.

d. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of the net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and the intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund accounts for the resources devoted to finance the services traditionally associated with the local government. Included in these services are general administration of the Village, financial management, police, inspection services, streets, public works and building maintenance. Any other activity for which a special fund has not been created is accounted for in the General Fund.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The IL Rte. 251/173 Gateway TIF Fund accounts for the incremental property taxes realized within the Tax Increment Financing District (the District). Expenditures of these revenues are restricted to capital improvements and redevelopment within the District.

The Flood Mitigation Fund accounts for financial resources restricted for acquisition of flood prone properties. Revenues for these improvements are received from grants passed through agencies of the State of Illinois.

The North Second Street TIF Fund accounts for the incremental property taxes realized within the District and the proceeds of general obligation debt certificates. Expenditures of these revenues are restricted to capital improvements and redevelopment within the District.

The Build Machesney Roads Fund accounts for major road improvements in the Village. Revenues for these improvements are received from telecommunications and sales taxes which are restricted or committed for these purposes.

The Weststone IJRL Tax Increment Fund accounts for the incremental property taxes realized within the District. Expenditures of these revenues are restricted to capital improvements and redevelopment within the District.

The Motor Fuel Tax Fund accounts for major road improvements in the Village. Revenues for these improvements are received from motor fuel taxes and grants which are restricted or committed for these purposes.

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

Measurement focus refers to what is being measured by a fund. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are accounted for using an economic resources measurement focus, whereby all assets, deferred outflows of resources, liabilities and deferred inflows of resources are included in the respective statement of net position. The increases and decreases in the net position are presented in the government-wide statement of activities. These statements use the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants, contributions and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days for property taxes and most other revenues).

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property, income, utility, motor fuel taxes, licenses, interest revenue and charges for services. Sales tax and telecommunication tax owed to the state at year end on behalf of the Village are also recognized as revenue. Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines.

Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

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

f. Cash and Equivalents

The Village considers all cash on hand, demand deposits and highly liquid investments with maturity of three months or less when purchased to be cash and cash equivalents.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Equivalents (Continued)

The Illinois Funds, a money market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer is reported at a \$1 per share value, which equals the Village's fair value in the pool.

g. Prepaid Items/Expenses

Payments made to vendors for service that will benefit periods beyond the date of the report are recorded as prepaid items/expenses.

h. Property Taxes

The Village does not levy a property tax; however, it receives one half of the Road and Bridge Tax levied by Harlem and Rockford townships on the property within the Village, and incremental property taxes realized within the District.

Property taxes are assessed as of January 1 on the real property. Property taxes are levied by the townships and filed with the Winnebago County Clerk by the last Tuesday in December. Generally, in April of the subsequent year, the County Clerk calculates the tax rates using the equalized assessed value of the township as determined by the Illinois Department of Revenue. These rates are then extended against the equalized assessed value of each parcel of property. The tax bills are then normally mailed by May 1 with payments due in two equal installments on June 1 and September 1. The Village receives its share of the Road and Bridge Tax levied by Harlem and Rockford townships from the Winnebago County collector during the period May through December of the year subsequent to the tax levy year. The 2013 taxes are reported as taxes receivable and unavailable revenue.

The 2014 tax levy, which attached as an enforceable lien on property as of January 1, 2014, has not been recorded as a receivable as of April 30, 2014 as the tax has not yet been levied by the Village and will not be levied until December 2014 and, therefore, the levy is not measurable at April 30, 2014.

i. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 for individual equipment, \$10,000 for building and improvements and \$50,000 for

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

infrastructure assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and improvements	20-40
Vehicles	5-7
Equipment and software	3-7
Infrastructure	10-40

Infrastructure assets include roadways, drainage, bridges, traffic signals and sidewalks. These infrastructure assets are the largest asset class of the Village. Their historical cost and related depreciation have been reported in the financial statements. The retroactive reporting of infrastructure was subject to an extended implementation period and was implemented in 2005.

j. Compensated Absences

Employees earn vacation based upon their length of service. Such pay is expended when paid by the Village. In the event of termination, an employee is paid for accumulated vacation days. The total liability for these compensated absences will be payable from future resources and is accounted for in the government-wide financial statements. Sick leave and compensatory time do not vest and, therefore, are recognized only when used.

k. Interfund Activity

During the course of operations, some transactions occur between individual funds for goods provided or services rendered. These receivables and payables which are expected to be repaid within one year are classified as “due from other funds” or “due to other funds” on the balance sheet. Receivables and payables which are not expected to be repaid within one year are classified as “advances to other funds” and “advances from other funds” on the balance sheet.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Long-Term Liabilities, Bond Premiums and Issue Costs

Long-term liabilities are reported in the government-wide financial statements as liabilities. The governmental fund financial statements do not report long-term liabilities because they do not require the use of current financial resources. Bond premiums are deferred and amortized over the term of the bonds using the effective interest method in the government-wide financial statements, but are recognized during the current period in the governmental fund financial statements. Bond issue costs are recognized during the current period as debt service expenditures in both the government-wide and governmental fund financial statements.

m. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for specific purpose, externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has delegated the authority to assign fund balance to the Village Administrator and Accounting Manager. Any residual fund in the General Fund is reported as unassigned.

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

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets. All other net position that does not meet the definition of "restricted" or "net investment in capital assets" are classified as unrestricted net position.

At April 30, 2014, the Village had \$2,846,533 of net position and fund balances that were restricted for capital improvements as a result of enabling legislation adopted by the Village.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Deferred Outflows/Inflows of Resources

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

o. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. According, actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to make deposits in the commercial banks and savings and loan institutions and to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the Village's policy to invest its funds in a manner which will provide safety of principal, diversity of investments to avoid unreasonable risks, maintain sufficient liquidity to meet village obligations and obtain the highest interest rates while keeping a safety factor of principal in mind and collateralization of deposits in accordance with acceptance investing rules to which a prudent person would subscribe in normal circumstances.

Deposits with Financial Institutions: Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Village's deposit may not be returned. The Village's policy requires that funds on deposits in excess of FDIC coverage must be secured at least 110% of the fair market value of the net amount of the funds secured. The Village's deposits with financial institutions were covered by either FDIC or pledged collateral held by an independent third party depository at April 30, 2014.

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

2. DEPOSITS AND INVESTMENTS (Continued)

Investments: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed with the underlying investments held by a third party custodian and registered in the Village's name.

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Village's investment policy does not address credit risk. The Illinois Funds are rated AAAM by Standard & Poor's.

Concentration of the credit risk is the risk that the Village has a high percentage of their investments invested in one investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk but does not contain any specific diversification targets.

3. NOTES RECEIVABLE

The Village is holding a total of three notes receivable from economic development loans at rates of interest ranging from 0% to 6.5% with maturity at 2023.

The following is a summary of changes in the loan receivables (net of allowance for doubtful accounts) as of April 30, 2014:

	Beginning Balance	New Issues	Retired/ Written Off	Ending Balance
TOTAL	\$ 249,957	\$ 46,714	\$ -	\$ 296,671

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

4. CAPITAL ASSETS

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

	Beginning Balances, Restated	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 28,466,420	\$ 2,331,238	\$ -	\$ 30,797,658
Construction in progress	1,805,752	2,696,082	109,366	4,392,468
Total capital assets not being depreciated	<u>30,272,172</u>	<u>5,027,320</u>	<u>109,366</u>	<u>35,190,126</u>
Capital assets being depreciated				
Buildings and improvements	713,948	-	-	713,948
Vehicles	163,658	24,310	14,500	173,468
Equipment and software	358,556	23,257	-	381,813
Infrastructure	81,353,842	925,630	-	82,279,472
Total capital assets being depreciated	<u>82,590,004</u>	<u>973,197</u>	<u>14,500</u>	<u>83,548,701</u>
Less accumulated depreciation for				
Buildings and improvements	378,281	21,936	-	400,217
Vehicles	131,644	20,025	14,500	137,169
Equipment and software	117,207	52,973	-	170,180
Infrastructure	55,818,375	1,804,083	-	57,622,458
Total accumulated depreciation	<u>56,445,507</u>	<u>1,899,017</u>	<u>14,500</u>	<u>58,330,024</u>
Total capital assets being depreciated, net	<u>26,144,497</u>	<u>(925,820)</u>	<u>-</u>	<u>25,218,677</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 56,416,669</u>	<u>\$ 4,101,500</u>	<u>\$ 109,366</u>	<u>\$ 60,408,803</u>

Depreciation expense was charged to the following functions/programs of the primary government:

GOVERNMENTAL ACTIVITIES	
General government	\$ 49,670
Public safety	24,410
Highways and streets	<u>1,824,937</u>
TOTAL DEPRECIATION/AMORTIZATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,899,017</u>

Beginning infrastructure accumulated depreciation was restated to correct the calculation of depreciation expense in prior years.

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

5. LAND HELD FOR RESALE

The Village acquired various parcels of land with the intent to render the properties suitable for resale. Because the properties were acquired with the express intent of resale, the parcels of land have not been included in the capital assets, and are carried at their net realizable value.

6. LONG-TERM DEBT

The outstanding debt as of April 30, 2014 consists of the following individual amounts:

	Balances April 30, 2014	Current Portion
\$1,610,000 Debt Certificate, Series 2005A; due December 15, 2005 through 2014; interest rates vary from 4.35% to 5.05%, due June 1 and December 1	\$ 725,000	\$ 725,000
\$4,230,000 Debt Certificate Series 2008A; due December 1, 2008 through 2016; interest rates vary from 3.25% to 4.50%, due June 1 and December 1	1,065,000	510,000
\$6,700,000 Debt Certificate Series 2008B; due December 1, 2008 through 2016; interest rates vary from 3.25% to 4.50%, due June 1 and December 1	4,540,000	525,000
\$1,320,000 Debt Certificate Series 2011A; due January 1, 2013 through 2026; interest rates vary from 2.0% to 4.5%, due January 1 and July 1	1,165,000	80,000
\$880,000 Debt Certificate Series 2011B; due January 1, 2013 through 2026; interest rates vary from 2.9% to 4.5%, due January 1 and July 1	780,000	55,000
Total debt certificates	8,275,000	1,895,000
\$1,500,000 Promissory Note; due December 1, 2013 through December 1, 2032; fixed interest rate 3.50%, due January 1 and July 1	1,500,000	-
Subtotal	9,775,000	1,895,000
Debt certificate premium	5,356	-
Total outstanding debt	9,780,356	1,895,000
Capital leases	74,071	22,588
Compensated absences	16,928	16,928
TOTAL LONG-TERM DEBT	\$ 9,871,355	\$ 1,934,516

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

6. LONG-TERM DEBT (Continued)

The annual requirements to amortize outstanding debt certificates at year end consist of the following:

Year Ending April 30,	Debt Certificates, Series 2005 A		Debt Certificates, Series 2008 A		Debt Certificates, Series 2008 B	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 725,000	\$ 29,000	\$ 510,000	\$ 41,632	\$ 525,000	\$ 196,056
2016	-	-	270,000	21,232	570,000	175,056
2017	-	-	285,000	10,972	615,000	152,256
2018	-	-	-	-	665,000	124,582
2019	-	-	-	-	720,000	94,656
2020-2024	-	-	-	-	1,445,000	94,206
TOTAL	\$ 725,000	\$ 29,000	\$ 1,065,000	\$ 73,836	\$ 4,540,000	\$ 836,812

Year Ending April 30,	Debt Certificates, Series 2011 A		Debt Certificates, Series 2011 B		Total Debt Certificates	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 80,000	\$ 47,980	\$ 55,000	\$ 31,112	\$ 1,895,000	\$ 345,780
2016	80,000	45,660	55,000	29,518	975,000	271,466
2017	85,000	43,340	55,000	27,922	1,040,000	234,490
2018	85,000	40,875	60,000	26,328	810,000	191,785
2019	90,000	37,688	60,000	23,958	870,000	156,302
2020-2024	505,000	127,812	340,000	81,306	2,290,000	303,324
2025-2029	240,000	16,425	155,000	10,575	395,000	27,000
TOTAL	\$ 1,165,000	\$ 359,780	\$ 780,000	\$ 230,719	\$ 8,275,000	\$ 1,530,147

Year Ending April 30,	2013 Promissory Note	
	Principal	Interest
2015	\$ -	\$ 52,500
2016	61,225	52,500
2017	63,368	50,357
2018	65,586	48,139
2019	67,882	45,844
2020-2024	376,752	191,873
2025-2029	447,465	121,162
2030-2033	417,722	37,180
TOTAL	\$ 1,500,000	\$ 599,555

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

6. LONG-TERM DEBT (Continued)

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

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion	Long-Term Portion
Debt certificates	\$ 10,035,000	\$ -	\$ 1,760,000	\$ 8,275,000	\$ 1,895,000	\$ 6,380,000
Promissory note	-	1,500,000	-	1,500,000	-	1,500,000
Debt certificate premium	6,101	-	745	5,356	-	5,356
Capital leases	95,580	-	21,509	74,071	22,588	51,483
Compensated absences	16,858	33,466	33,396	16,928	16,928	-
TOTAL	\$ 10,153,539	\$ 1,533,466	\$ 1,815,650	\$ 9,871,355	\$ 1,934,516	\$ 7,936,839

The compensated absences are expected to be used by employees during the fiscal year ending April 30, 2015 and paid by the General Fund.

The 2005, 2008 and 2011 Debt Certificates and the 2013 Promissory Note are expected to be paid from the sale of Land Held for Resale, telecommunications tax and other tax incremental financing revenues from the applicable tax incremental financing fund.

Legal Debt Margin

The Village's aggregate indebtedness is subject to a statutory limitation by the State of Illinois of 8.625% of its equalized assessed value. At April 30, 2014, the statutory limit of the Village was \$26,709,368. The Village's outstanding debt was \$9,849,071 leaving a legal debt margin of \$16,860,297.

7. CAPITAL LEASES

The Village entered into four capital leases for various machinery and equipment during the year ended April 30, 2014. The cost of the assets acquired under capital lease is \$108,553. The leases are payable in monthly installments ranging from \$172 to \$1,344 through fiscal year ending April 30, 2018.

The following is a schedule of future minimum lease payments under the capital leases and present value of minimum lease payments:

Year Ending April 30,	
2015	\$ 25,964
2016	22,737
2017	22,630
2018	9,437
	<hr/>
Total minimum lease payments	80,768
Amount representing interest	<hr/> (6,697) <hr/>
PRESENT VALUE OF MINIMUM LEASE PAYMENTS	\$ 74,071 <hr/> <hr/>

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

8. CONTINGENT LIABILITIES

Litigation

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

Grants

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

9. INDIVIDUAL FUND DISCLOSURES

Individual fund interfund and advances receivables/payables as of April 30, 2014 are as follows:

	Due From Other Funds	Advances from Other Funds	Total Receivable	Due To Other Funds	Advances to Other Funds	Total Payable
General Fund	\$ 721,612	\$ 1,640,051	\$ 2,361,663	\$ -	\$ -	\$ -
IL Rte. 251/173						
Gateway TIF	-	-	-	-	676,188	676,188
North Second						
Street TIF Fund	-	-	-	-	918,520	918,520
Flood Mitigation						
Fund	-	-	-	54,458	-	54,458
Weststone IJRL						
Tax Increment	-	-	-	620,370	83,756	704,126
Nonmajor Funds	-	91,532	91,532	46,784	53,119	99,903
TOTAL	\$ 721,612	\$ 1,731,583	\$ 2,453,195	\$ 721,612	\$ 1,731,583	\$ 2,453,195

The purposes of the interfund balances are as follows:

\$54,458 of expenditures paid by General Fund for expenditures to be reimbursed by grants for the benefit of the Flood Mitigation Fund. The Village expects the Flood Mitigation Fund to reimburse the General Fund during the next fiscal year.

\$46,784 of expenditures paid by the General Fund for administrative expenses and capital projects expenditures on behalf of the IHDA Housing Program Fund, and the Economic Development Fund. The Village expects the General Fund to be reimbursed by these funds during the next fiscal year.

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

9. INDIVIDUAL FUND DISCLOSURES (Continued)

\$676,188 of expenditures paid by General Fund for administrative and capital projects expenditures for the benefit of the IL Rte. 251/173 Gateway TIF Fund. Repayment will not occur until the District generates additional incremental property tax revenue and is not expected within the next fiscal year.

\$826,988 of expenditures paid by the General Fund and \$91,532 paid by the Utility Tax Fund for administrative and capital projects expenditures for the benefit of the North Second Street TIF Fund. Repayment will not occur until the District creates additional incremental property tax revenue and is not expected in the next fiscal year.

\$704,126 of expenditures paid by the General Fund for administrative and capital projects expenditures for the benefit of the Weststone IJRL Tax Increment Fund. The Village expects the General Fund to be reimbursed \$620,370 of the total by the Weststone IJRL Tax Increment fund during the next fiscal year. Repayment of the remaining balance will not occur until the District creates additional incremental property tax revenue and is not expected in the next fiscal year.

\$53,119 of expenditures paid by the General Fund for administrative expenses on behalf of the North Willow Creek Tax Increment Fund and South Willow Creek IJRL Tax Increment Funds. Repayment will not occur until the Districts generate additional incremental property tax revenue and is not expected to be repaid within the next fiscal year.

Individual fund transfers for the year ended April 30, 2014 were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,240,532
IL Rte. 251/173 Gateway TIF Fund	84,546	-
North Second Street TIF Fund	6,397	-
Nonmajor Funds	1,149,589	-
	<hr/>	<hr/>
TOTAL	\$ 1,240,532	\$ 1,240,532

All interfund transfers made during the year ended April 30, 2014 were board approved standard transfers for operating expenses. None of the transfers will be repaid.

The \$84,546 transfer to the IL Rte. 251/173 Gateway TIF Fund was to fund the Village's required contribution of 10% of the property tax revenue for that year.

The \$6,397 transfer to the North Second Street TIF Fund was to fund the Village's required contribution of 10% of the property tax revenue for that year.

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

9. INDIVIDUAL FUND DISCLOSURES (Continued)

The \$64,000 transfer to the IHDA Program Housing Fund (nonmajor) was to pay for grant administrative costs not funded by the Single Family Owner-Occupied Rehabilitation Grant.

The \$1,080,000 transfer to the Capital Projects Fund (nonmajor) was to fund the necessary capital improvements including traffic signals, land acquisition and facilities construction.

The \$5,589 transfer to the Quarry TIF Fund nonmajor was to transfer in additional fund balance and dissolve the fund.

10. RETIREMENT PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

Plan Description

The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The Village's employer 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.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

10. RETIREMENT PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
(Continued)

Funding Policy

As set by statute, the Village's regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2012 and 2013 was 11.12% and 11.61% of covered payroll, respectively. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost

The required contribution for fiscal year 2014 was \$79,945.

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
2014	\$ 79,945	\$ 79,945	100%	\$ -
2013	79,141	79,141	100%	-
2012	75,747	75,747	100%	-

The required contribution for fiscal year 2014 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 ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit and (d) postretirement benefit increases of 3% annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value assets. The Village's regular plan's overfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Funded Status and Funding Progress

As of December 31, 2013, the most recent actuarial valuation date, the regular plan was 80.58% funded. The actuarial accrued liability for benefits was \$1,365,057 and the actuarial value of assets was \$1,099,895, resulting in an underfunded actuarial accrued liability (UAAL) of \$265,162. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$679,030 and the ratio of the UAAL to the covered payroll was 39%.

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

10. RETIREMENT PLAN - IMRF (Continued)

Funded Status and Funding Progress (Continued)

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

11. RISK MANAGEMENT

Liability Insurance

The Village is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and illnesses of employees. The Village carries insurance with the Illinois Public Risk Fund for workers' compensation. Arthur J. Gallagher Risk Management Services, Inc. serves as the Village's agent and Argonaut and Hartford Fire Insurance Co. are the insurers for general liability, automobile liability, umbrella liability, public officials and employment practices coverage, which is provided in excess of specified limits for the Village. Williams Manny, Inc. serves as the Village's consultant and Blue Cross Blue Shield is the insurer for employee healthcare and Humana Dental Insurance Company is the insurer for employee dental care.

The amount of settlements did not exceed insurance coverage in any of the last three years.

12. COMMITMENTS

a. Rockford Mass Transit District

The Village has entered into an ongoing intergovernmental agreement with the Rockford Mass Transit District for the provision of fixed route and paratransit service within the Village and connections to the cities of Rockford and Loves Park.

b. Intergovernmental

The Village entered into a cooperative agreement in May 2000, with the State of Illinois and several governmental jurisdictions within the County of Winnebago. The agreement provided for the establishment and operation of a comprehensive geographic information system (WinGis) that maintains a database of all infrastructure, facilities, land uses, property divisions and natural resources including their precise geographical locations. All participants share costs associated with the database. The agreement remains in force continuously and is automatically renewed on each succeeding June 30.

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

12. COMMITMENTS (Continued)

b. Intergovernmental (Continued)

In May 2006, the Village eliminated its building inspection department and outsourced inspection services to Winnebago County (the County). Under the terms of that agreement, permits are issued by the Village and inspections are performed by County inspectors. The County keeps the fees associated with the permitting function and rebates 5% of the total permit fees to the Village on a quarterly basis. In addition, the County reimburses the Village for one-half of the cost of the Building Clerk who issues the permits. The agreement remains in effect until either party terminates the agreement upon proper notice.

Police protection and law enforcement services for the Village are provided through a contract with the Winnebago County Sheriff's Department. The County furnishes the Village with all police personnel, supervision personnel and equipment necessary to effectively maintain the level of police protection to be rendered. The Village owns and maintains the police station facility at Village Hall and maintains all squads with attached equipment. The agreement outlines the number of patrol officers, school resource officers, detectives and sergeants assigned specifically to the Village. The agreement is renewable each year in perpetuity but may be terminated by either party upon written notice of termination date provided to the other party at least two years prior to such termination.

c. Construction

At year end, the Village had active construction projects. The commitments related to the remaining contract balances as of April 30, 2014 are summarized as follows:

Project	Contract Amount	Amount Paid To Date	Balance Remaining
173 Improvements Phase I	\$ 70,781	\$ 56,625	\$ 14,156
Wesley Road	684,191	679,709	4,482
Park 90-Lyford/Greenlee	2,261,323	2,030,546	230,777
Flood Mitigation (Demo)	307,524	204,141	103,383
Velocity and Copper Drive	152,963	45,766	107,197
173 Improvements Phase II	678,682	-	678,682
Shore Drive Boat Launch	57,800	-	57,800
TOTAL	\$ 4,213,264	\$ 3,016,787	\$ 1,196,477

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

12. COMMITMENTS (Continued)

d. Economic Incentive Agreements

The Village has entered into several economic incentive agreements with commercial entities, whereby the Village has agreed to reimburse the commercial entity for certain redevelopment costs incurred by the commercial entity through sales tax rebates. The agreements are payable for 15 years ending in February 2020. For the fiscal year ended April 30, 2014, the Village paid \$97,737.

13. DEFICIT FUND BALANCES

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

IL Route 251/173 Gateway TIF Fund	\$	76,209
Flood Mitigation Fund		106,262
North Second Street TIF Fund		345,568
Weststone IJRL Tax Increment Fund		147,510
IHDA Housing Program Fund		28,553
North Willow Creek IJRL Tax Increment Fund		20,545
Sales Tax Rebate Fund		<u>12,454</u>
TOTAL	\$	<u>737,101</u>

The tax increment funds will carry deficit balances until the tax increment districts generate additional incremental property tax revenue. The Sales Tax Rebate Fund deficit will be eliminated through transfers of sales tax from the General Fund. The Flood Mitigation Fund and IHDA Housing Program Fund deficits will be eliminated through grant receipts.

14. POSTEMPLOYMENT BENEFITS

The Village provides COBRA health and dental benefits to all prior employees as required by federal law. The Village provides limited health benefits to all retirees as required by state statutes (IMRF). In both cases, the prior employee/retiree pays 100% of the premium. The Village is currently providing health coverage to one former employee and has determined that no material liability is required to be reported under GASB Statement No. 45, *Accounting and Financial Reporting by Employee for Postemployment Benefits Other Than Pension*. Additionally there are no former employees for whom the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement.

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

15. RESTATEMENT

Net position of governmental activities has been restated by \$1,069,466 to correct the calculation of depreciation expense for infrastructure in prior years.

Fund balance of the General Fund has been restated by \$(201,906) and the Utility Tax Fund by \$201,906 to separately present the Utility Tax Fund as a capital project fund. In the prior year, the Utility Tax account was presented as an account of the General Fund.

16. SUBSEQUENT EVENTS

On May 19, 2014, the Village Board approved an ordinance authorizing the issuance of a \$600,000 promissory note bearing interest at 4% annually to be repaid within ten years of issuance. The promissory note will be issued for the purpose of financing certain redevelopment project costs in connection with the North Second Street redevelopment project area.

On August 26, 2014, the Governor of the State of Illinois approved a tax increment allocation financing extension for the 251/173 TIF District for an additional 12 years.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

GENERAL FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 5,557,100	\$ 5,557,100	\$ 6,097,377	\$ 5,645,677
Intergovernmental	215,000	215,000	246,579	208,463
Licenses and permits	366,700	366,700	406,246	325,684
Fines and fees	256,500	256,500	340,510	362,158
Investment income	5,000	5,000	5,844	8,697
Other	915,100	915,100	79,137	75,077
Total revenues	7,315,400	7,315,400	7,175,693	6,625,756
EXPENDITURES				
Current				
General government	1,459,000	1,459,000	1,218,234	1,251,810
Public safety	3,774,200	3,774,200	3,218,459	3,166,546
Highways and streets	1,393,300	1,393,300	1,014,927	819,987
Capital outlay	158,500	158,500	155,540	228,957
Total expenditures	6,785,000	6,785,000	5,607,160	5,467,300
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	530,400	530,400	1,568,533	1,158,456
OTHER FINANCING SOURCES (USES)				
Proceeds from capital lease obligation	-	-	-	108,553
Transfers (out)	670,400	670,400	(1,240,532)	(498,911)
Total other financing sources (uses)	670,400	670,400	(1,240,532)	(390,358)
NET CHANGE IN FUND BALANCE	\$ 1,200,800	\$ 1,200,800	328,001	768,098
FUND BALANCE, MAY 1, (AS PREVIOUSLY STATED)			5,613,787	4,845,689
Prior period adjustment			(201,906)	-
FUND BALANCE, MAY 1, (RESTATED)			5,411,881	4,845,689
FUND BALANCE, APRIL 30			\$ 5,739,882	\$ 5,613,787

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IL RTE. 251/173 GATEWAY TIF FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Property tax	\$ 831,500	\$ 831,500	\$ 845,462	\$ 838,093
Investment income	-	-	294	531
Developer contributions	-	-	23,703	-
Other	191,300	191,300	-	-
Total revenues	1,022,800	1,022,800	869,459	838,624
EXPENDITURES				
Current				
General government	197,400	197,400	16,509	3,778
Capital outlay	7,600	7,600	7,698	7,418
Debt service				
Principal	1,145,000	1,145,000	1,145,000	1,075,000
Interest	116,500	116,500	116,433	155,108
Total expenditures	1,466,500	1,466,500	1,285,640	1,241,304
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(443,700)	(443,700)	(416,181)	(402,680)
OTHER FINANCING SOURCES (USES)				
Transfers in	83,200	83,200	84,546	83,809
Total other financing sources (uses)	83,200	83,200	84,546	83,809
NET CHANGE IN FUND BALANCE	\$ (360,500)	\$ (360,500)	(331,635)	(318,871)
FUND BALANCE, MAY 1			255,426	574,297
FUND BALANCE (DEFICIT), APRIL 30			\$ (76,209)	\$ 255,426

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Grants - FEMA	\$ 163,605	\$ 163,605	\$ -	\$ -
Grants - DCEO	1,835,461	1,835,461	2,351,830	413,756
Other	296,600	296,600	-	-
Total revenues	<u>2,295,666</u>	<u>2,295,666</u>	<u>2,351,830</u>	<u>413,756</u>
EXPENDITURES				
Current				
General government	402,100	402,100	54,668	63,628
Capital outlay	1,871,600	1,871,600	2,074,920	737,942
Total expenditures	<u>2,273,700</u>	<u>2,273,700</u>	<u>2,129,588</u>	<u>801,570</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>21,966</u>	<u>21,966</u>	<u>222,242</u>	<u>(387,814)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	55,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 21,966</u>	<u>\$ 21,966</u>	<u>222,242</u>	<u>(332,814)</u>
FUND BALANCE (DEFICIT), MAY 1			<u>(328,504)</u>	<u>4,310</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (106,262)</u>	<u>\$ (328,504)</u>

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NORTH SECOND STREET TIF FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property tax	\$ 52,000	\$ 52,000	\$ 63,969	\$ 51,021
Sales tax	193,800	193,800	177,186	193,852
Intergovernmental	-	-	-	100,000
Investment income	500	500	658	1,698
Other	147,500	147,500	-	-
Total revenues	393,800	393,800	241,813	346,571
EXPENDITURES				
Current				
General government	863,600	863,600	56,453	716,687
Capital outlay	25,000	25,000	60,778	824,225
Debt service				
Principal	130,000	130,000	130,000	125,000
Interest	102,142	102,142	82,143	85,093
Bond issuance costs	10,000	10,000	-	-
Total expenditures	1,130,742	1,130,742	329,374	1,751,005
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(736,942)	(736,942)	(87,561)	(1,404,434)
OTHER FINANCING SOURCES (USES)				
Bond proceeds	600,000	600,000	-	-
Transfers in	5,200	5,200	6,397	5,102
Total other financing sources (uses)	605,200	605,200	6,397	5,102
NET CHANGE IN FUND BALANCE	\$ (131,742)	\$ (131,742)	(81,164)	(1,399,332)
FUND BALANCE (DEFICIT), MAY 1			(264,404)	1,134,928
FUND BALANCE (DEFICIT), APRIL 30			\$ (345,568)	\$ (264,404)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUILD MACHESNEY ROADS FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Sales tax	\$ 2,597,800	\$ 2,597,800	\$ 2,656,063	\$ 2,558,317
Telecommunications tax	735,000	735,000	691,668	729,286
Intergovernmental agreements	132,000	132,000	161,725	312,539
Investment income	1,000	1,000	1,565	2,044
Miscellaneous	473,700	473,700	6,185	-
Total revenues	3,939,500	3,939,500	3,517,206	3,602,186
EXPENDITURES				
Current				
Highways and streets	1,026,300	1,026,300	494,346	287,995
Capital outlay	1,905,000	1,905,000	1,270,294	2,496,273
Debt service				
Principal	485,000	485,000	485,000	450,000
Interest	215,500	215,500	215,456	231,206
Total expenditures	3,631,800	3,631,800	2,465,096	3,465,474
NET CHANGE IN FUND BALANCE	\$ 307,700	\$ 307,700	1,052,110	136,712
FUND BALANCE , MAY 1			1,355,625	1,218,913
FUND BALANCE, APRIL 30			\$ 2,407,735	\$ 1,355,625

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WESTSTONE IJRL TAX INCREMENT FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Property tax	\$ 300	\$ 300	\$ 340	\$ 285
Intergovernmental	-	-	27,673	-
Grants	1,837,600	1,837,600	-	-
Investment income	-	-	912	-
Other	515,000	515,000	-	-
Total revenues	2,352,900	2,352,900	28,925	285
EXPENDITURES				
Current				
General government	743,500	743,500	243,167	124,927
Capital outlay	3,137,600	3,137,600	1,233,665	9,750
Debt service				
Interest	42,000	42,000	26,250	-
Bond issuance costs	25,000	25,000	-	-
Total expenditures	3,948,100	3,948,100	1,503,082	134,677
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(1,595,200)	(1,595,200)	(1,474,157)	(134,392)
OTHER FINANCING SOURCES (USES)				
Promissory note proceeds	1,500,000	1,500,000	1,500,000	-
Total other financing sources (uses)	1,500,000	1,500,000	1,500,000	-
NET CHANGE IN FUND BALANCE				
	\$ (95,200)	\$ (95,200)	25,843	(134,392)
FUND BALANCE (DEFICIT), MAY 1				
			(173,353)	(38,961)
FUND BALANCE (DEFICIT), APRIL 30				
			\$ (147,510)	\$ (173,353)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Motor fuel tax	\$ 673,500	\$ 673,500	\$ 700,749	\$ 675,269
Investment income	200	200	863	235
Reimbursement - State	-	-	1,157,534	-
Other	114,800	114,800	-	-
Total revenues	788,500	788,500	1,859,146	675,504
EXPENDITURES				
Current				
Highways and streets				
Contractual services				
Snow and ice control	400,000	400,000	407,036	396,479
Street lighting	305,000	305,000	258,665	272,509
Street maintenance	40,000	40,000	-	-
Traffic signals	20,000	20,000	-	56,625
State - Route 173 construction	-	-	1,157,534	-
Contingency	114,800	114,800	-	-
Total expenditures	879,800	879,800	1,823,235	725,613
NET CHANGE IN FUND BALANCE	<u>\$ (91,300)</u>	<u>\$ (91,300)</u>	35,911	(50,109)
FUND BALANCE, MAY 1			328,997	379,106
FUND BALANCE, APRIL 30			<u>\$ 364,908</u>	<u>\$ 328,997</u>

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2014

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ 894,653	\$ 1,295,665	69.05%	\$ 401,012	\$ 619,252	64.76%
2009	698,280	1,068,393	65.36%	370,113	574,119	64.47%
2010	797,838	1,092,673	73.02%	294,835	548,328	53.77%
2011	775,655	1,097,847	70.65%	322,192	603,635	53.38%
2012	971,310	1,263,449	76.88%	292,139	693,875	42.10%
2013	1,099,895	1,365,057	80.58%	265,162	679,030	39.05%

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2014

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 58,408	\$ 58,408	100%
2010	61,465	61,465	100%
2011	63,096	63,096	100%
2012	75,747	75,747	100%
2013	79,141	79,141	100%
2014	79,945	79,945	100%

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2014

1. LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for all funds on the modified accrual basis with a line item basis by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- a. The Village Finance Committee submits to the Village Board a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to July 31, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- d. The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the Village Board as a supplemental appropriation ordinance.
- e. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for all funds.
- f. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- g. Budgetary authority lapses at year end.
- h. State law requires that “expenditures be made in conformity with appropriations/budget.” As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

The following funds had expenditures in excess of budget in the following funds:

Fund	Budget	Expenditures	Excess
Quarry Tax Increment Fund	1,200	1,535	(335)

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

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF MACHESNEY PARK, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2014

	Special Revenue Funds		
	IHDA Housing Program	Economic Development	Quarry Tax Increment
ASSETS			
Cash and cash equivalents:			
Pooled	\$ -	\$ -	\$ -
Nonpooled	-	1,279	-
Receivables			
Taxes	-	-	-
Grants	40,754	-	-
Accrued interest	-	485	-
Notes (less allowance)	-	296,671	-
Due from other governments	-	-	-
Land held for resale	-	-	-
Advances to other funds	-	-	-
TOTAL ASSETS	\$ 40,754	\$ 298,435	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 27,163	\$ -	\$ -
Retainage payable	-	-	-
Due to other funds	42,144	4,640	-
Advances from other funds	-	-	-
Total liabilities	69,307	4,640	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax/assessment revenue	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES			
Nonspendable			
Notes receivable	-	296,671	-
Land held for resale	-	-	-
Advances to other funds	-	-	-
Restricted for			
Public safety	-	-	-
Community development	-	(2,876)	-
Tax increment financing funded improvements	-	-	-
Infrastructure improvements/debt service	-	-	-
Unrestricted			
Assigned for			
Public safety	-	-	-
Highways and streets	-	-	-
Community development	-	-	-
Capital outlay	-	-	-
Unassigned	(28,553)	-	-
Total fund balances (deficit)	(28,553)	293,795	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 40,754	\$ 298,435	\$ -

Special Revenue Funds							Total
North Willow Creek IJRL Tax Increment	South Willow Creek IJRL Tax Increment	Sales Tax Rebate	Drug Recovery	Capital Projects Fund			
				Capital Projects	Utility Tax		
\$ 13,745	\$ 48,109	\$ 22,936	\$ 12,704	\$ 974,278	\$ 574,228	\$ 1,646,000	
-	-	-	-	-	-	1,279	
11,323	43,081	-	-	653	134,759	189,816	
-	-	-	-	-	-	40,754	
-	-	-	-	-	-	485	
-	-	-	-	-	-	296,671	
-	-	-	20	-	-	20	
-	-	-	-	580,000	-	580,000	
-	-	-	-	-	91,532	91,532	
<u>\$ 25,068</u>	<u>\$ 91,190</u>	<u>\$ 22,936</u>	<u>\$ 12,724</u>	<u>\$ 1,554,931</u>	<u>\$ 800,519</u>	<u>\$ 2,846,557</u>	
\$ -	\$ -	\$ 35,390	\$ -	\$ 4,669	\$ 704	\$ 67,926	
-	-	-	-	-	2,000	2,000	
-	-	-	-	-	-	46,784	
34,290	18,829	-	-	-	-	53,119	
<u>34,290</u>	<u>18,829</u>	<u>35,390</u>	<u>-</u>	<u>4,669</u>	<u>2,704</u>	<u>169,829</u>	
11,323	43,081	-	-	653	-	55,057	
<u>11,323</u>	<u>43,081</u>	<u>-</u>	<u>-</u>	<u>653</u>	<u>-</u>	<u>55,057</u>	
-	-	-	-	-	-	296,671	
-	-	-	-	580,000	-	580,000	
-	-	-	-	-	91,532	91,532	
-	-	-	12,724	-	-	12,724	
-	-	-	-	-	-	(2,876)	
-	29,280	-	-	-	-	29,280	
-	-	-	-	-	438,798	438,798	
-	-	-	-	-	42,939	42,939	
-	-	-	-	-	185,910	185,910	
-	-	-	-	-	38,636	38,636	
-	-	-	-	969,609	-	969,609	
(20,545)	-	(12,454)	-	-	-	(61,552)	
<u>(20,545)</u>	<u>29,280</u>	<u>(12,454)</u>	<u>12,724</u>	<u>1,549,609</u>	<u>797,815</u>	<u>2,621,671</u>	
<u>\$ 25,068</u>	<u>\$ 91,190</u>	<u>\$ 22,936</u>	<u>\$ 12,724</u>	<u>\$ 1,554,931</u>	<u>\$ 800,519</u>	<u>\$ 2,846,557</u>	

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014

	Special Revenue Funds		
	IHDA Housing Program	Economic Development	Quarry Tax Increment
REVENUES			
Taxes	\$ -	\$ -	\$ -
Assessments	-	-	-
Intergovernmental	203,031	-	-
Investment income	-	1,307	-
Other	-	1,900	-
Total revenues	203,031	3,207	-
EXPENDITURES			
Current			
General government	-	813	1,535
Public Safety	-	-	-
Highways and streets	-	-	-
Housing	276,814	-	-
Capital outlay	-	-	-
Total expenditures	276,814	813	1,535
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(73,783)	2,394	(1,535)
OTHER FINANCING SOURCES (USES)			
Transfers in	64,000	-	5,589
Total other financing sources (uses)	64,000	-	5,589
NET CHANGE IN FUND BALANCE	(9,783)	2,394	4,054
FUND BALANCE (DEFICIT), MAY 1, (AS PREVIOUSLY STATED)	(18,770)	291,401	(4,054)
Prior period adjustment	-	-	-
FUND BALANCE (DEFICIT), MAY 1, (RESTATED)	(18,770)	291,401	(4,054)
FUND BALANCE (DEFICIT), APRIL 30	\$ (28,553)	\$ 293,795	\$ -

Special Revenue Funds						
North Willow Creek IJRL Tax Increment	South Willow Creek IJRL Tax Increment	Sales Tax Rebate	Drug Recovery	Capital Projects Fund		Total
				Capital Projects	Utility Tax	
\$ 13,734	\$ 40,050	\$ 100,000	\$ -	\$ -	\$ 1,243,168	\$ 1,396,952
-	-	-	-	9,800	-	9,800
-	-	-	955	-	-	203,986
9	35	17	5	5,444	127	6,944
-	-	-	-	664,732	-	666,632
13,743	40,085	100,017	960	679,976	1,243,295	2,284,314
1,046	4,338	97,737	-	15,842	1,727	123,038
-	-	-	-	-	67,107	67,107
-	-	-	-	-	188,206	188,206
-	-	-	-	-	-	276,814
-	-	-	-	267,492	390,346	657,838
1,046	4,338	97,737	-	283,334	647,386	1,313,003
12,697	35,747	2,280	960	396,642	595,909	971,311
-	-	-	-	1,080,000	-	1,149,589
-	-	-	-	1,080,000	-	1,149,589
12,697	35,747	2,280	960	1,476,642	595,909	2,120,900
(33,242)	(6,467)	(14,734)	11,764	72,967	-	298,865
-	-	-	-	-	201,906	201,906
(33,242)	(6,467)	(14,734)	11,764	72,967	201,906	500,771
\$ (20,545)	\$ 29,280	\$ (12,454)	\$ 12,724	\$ 1,549,609	\$ 797,815	\$ 2,621,671

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IHDA HOUSING PROGRAM FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 280,000	\$ 280,000	\$ 203,031	\$ 187,176
Other	48,800	48,800	-	-
Total revenues	328,800	328,800	203,031	187,176
EXPENDITURES				
Current				
Housing				
Contractual services				
Construction	239,400	239,400	184,720	179,720
Legal	7,000	7,000	6,382	7,800
Professional services	75,000	75,000	83,716	80,483
Termite inspections	500	500	640	325
Title work	700	700	705	510
Miscellaneous				
Administrative expenditure	2,000	2,000	-	197
Miscellaneous	400	400	651	150
Contingency	48,800	48,800	-	-
Total expenditures	373,800	373,800	276,814	269,185
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(45,000)	(45,000)	(73,783)	(82,009)
OTHER FINANCING SOURCES (USES)				
Transfers in	64,000	64,000	64,000	60,000
Total other financing sources (uses)	64,000	64,000	64,000	60,000
NET CHANGE IN FUND BALANCE	\$ 19,000	\$ 19,000	(9,783)	(22,009)
FUND BALANCE (DEFICIT), MAY 1			(18,770)	3,239
FUND BALANCE (DEFICIT), APRIL 30			\$ (28,553)	\$ (18,770)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Investment income	\$ 1,200	\$ 1,200	\$ 1,307	\$ 2,035
Other - recovery of bad debts	-	-	1,900	-
Other - contingency	1,500	1,500	-	-
Total revenues	2,700	2,700	3,207	2,035
EXPENDITURES				
Current				
General government				
Contractual services				
Legal fees	5,000	5,000	813	3,060
Miscellaneous				
Participation incentive	-	-	-	600,000
Bad debt	5,000	5,000	-	2,400
Contingency	1,500	1,500	-	-
Total expenditures	11,500	11,500	813	605,460
NET CHANGE IN FUND BALANCE	\$ (8,800)	\$ (8,800)	2,394	(603,425)
FUND BALANCE, MAY 1			291,401	894,826
FUND BALANCE, APRIL 30			\$ 293,795	\$ 291,401

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
QUARRY TAX INCREMENT FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Investment income	\$ -	\$ -	\$ -	\$ 1
	200	200	-	-
Total revenues	200	200	-	1
EXPENDITURES				
Current				
General government				
Contractual services				
Legal	1,000	1,000	1,535	2,839
Contingency	200	200	-	-
Total expenditures	1,200	1,200	1,535	2,839
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,000)	(1,000)	(1,535)	(2,838)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	5,589	-
Total other financing sources (uses)	-	-	5,589	-
NET CHANGE IN FUND BALANCE	\$ (1,000)	\$ (1,000)	4,054	(2,838)
FUND BALANCE (DEFICIT), MAY 1			(4,054)	(1,216)
FUND BALANCE (DEFICIT), APRIL 30			\$ -	\$ (4,054)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NORTH WILLOW CREEK IJRL TAX INCREMENT FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Property tax	\$ -	\$ -	\$ 13,734	\$ 3
Investment income	-	-	9	-
Other	6,900	6,900	-	-
Total revenues	6,900	6,900	13,743	3
EXPENDITURES				
Current				
General government				
Contractual services				
Engineering	15,000	15,000	-	-
Legal	15,000	15,000	1,046	850
Professional services	15,000	15,000	-	150
Administrative	1,000	1,000	-	-
Contingency	6,900	6,900	-	-
Total expenditures	52,900	52,900	1,046	1,000
NET CHANGE IN FUND BALANCE	\$ (46,000)	\$ (46,000)	12,697	(997)
FUND BALANCE (DEFICIT), MAY 1			(33,242)	(32,245)
FUND BALANCE (DEFICIT), APRIL 30			\$ (20,545)	\$ (33,242)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SOUTH WILLOW CREEK IJRL TAX INCREMENT FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Property tax	\$ 16,500	\$ 16,500	\$ 40,050	\$ 16,046
Investment income	-	-	35	4
Other	6,900	6,900	-	-
Total revenues	23,400	23,400	40,085	16,050
EXPENDITURES				
Current				
General government				
Contractual services				
Engineering	15,000	15,000	-	-
Legal	15,000	15,000	4,338	715
Professional services	15,000	15,000	-	-
Administrative	1,000	1,000	-	-
Contingency	6,900	6,900	-	-
Total expenditures	52,900	52,900	4,338	715
NET CHANGE IN FUND BALANCE	\$ (29,500)	\$ (29,500)	35,747	15,335
FUND BALANCE (DEFICIT), MAY 1			(6,467)	(21,802)
FUND BALANCE (DEFICIT), APRIL 30			\$ 29,280	\$ (6,467)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SALES TAX REBATE FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013
	Original Budget	Final Budget	Actual	
REVENUES				
Sales tax	\$ 140,000	\$ 140,000	\$ 100,000	\$ 347,100
Investment income	-	-	17	-
Other	15,100	15,100	-	-
Total revenues	155,100	155,100	100,017	347,100
EXPENDITURES				
Current				
General government				
Contractual services				
Incentives				
Speedway Auto Mall	-	-	-	30,760
Rubloff	-	-	-	148,870
First Rockford Group	100,600	100,600	97,737	101,362
Contingency	15,100	15,100	-	-
Total expenditures	115,700	115,700	97,737	280,992
NET CHANGE IN FUND BALANCE				
	\$ 39,400	\$ 39,400	2,280	66,108
FUND BALANCE (DEFICIT), MAY 1				
			(14,734)	(80,842)
FUND BALANCE (DEFICIT), APRIL 30				
			\$ (12,454)	\$ (14,734)

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Drug recoveries	\$ 2,000	\$ 2,000	\$ 955	\$ 1,600
Investment income	-	-	5	-
Other	1,500	1,500	-	-
Total revenues	3,500	3,500	960	1,600
EXPENDITURES				
Current				
Public safety				
Personnel				
Salaries	5,000	5,000	-	-
Contingency	1,500	1,500	-	-
Capital outlay				
Equipment	5,000	5,000	-	-
Total expenditures	11,500	11,500	-	-
NET CHANGE IN FUND BALANCE	\$ (8,000)	\$ (8,000)	960	1,600
FUND BALANCE, MAY 1			11,764	10,164
FUND BALANCE, APRIL 30			\$ 12,724	\$ 11,764

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Assessment revenue	\$ -	\$ -	\$ 9,800	\$ 71,507
Intergovernmental	8,000	8,000	-	-
Investment income	-	-	5,444	-
Developer contributions	-	-	655,000	-
Other	2,900	2,900	9,732	-
Total revenues	10,900	10,900	679,976	71,507
EXPENDITURES				
Current				
General Government				
Engineering	-	-	8,971	36,170
Legal	10,000	10,000	6,871	17,105
Miscellaneous	-	-	-	924
Contingency	2,900	2,900	-	-
Total general government	12,900	12,900	15,842	54,199
Capital Outlay				
Construction				
Demolition of structures	8,000	8,000	3,543	7,243
Facilities construction	-	25,000	10,521	84,889
Land acquisition	-	251,000	252,428	-
Street construction	1,000	1,000	1,000	76,416
Total capital outlay	9,000	285,000	267,492	168,548
Debt service				
Payment on intergovernmental agreement	-	-	-	110,712
Total expenditures	21,900	297,900	283,334	333,459
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,000)	(287,000)	396,642	(261,952)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	378,000	378,000	1,080,000	295,000
Total other financing sources (uses)	378,000	378,000	1,080,000	295,000
NET CHANGE IN FUND BALANCE	\$ 367,000	\$ 91,000	1,476,642	33,048
FUND BALANCE, MAY 1			72,967	39,919
FUND BALANCE, APRIL 30			\$ 1,549,609	\$ 72,967

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
REVENUES				
Utility tax	\$ 950,000	\$ 950,000	\$ 1,243,168	\$ -
Investment income	500	500	127	-
Other	179,000	179,000	-	-
Total revenues	1,129,500	1,129,500	1,243,295	-
EXPENDITURES				
Current				
General government				
Job creation activities	300,000	300,000	-	-
Rebates	50,000	50,000	1,727	-
Contingency	179,000	179,000	-	-
Total general government	529,000	529,000	1,727	-
Public safety				
Personnel	90,000	90,000	67,107	-
Total public safety	90,000	90,000	67,107	-
Highways and streets				
Street maintenance	230,000	230,000	188,206	-
Total highways and streets	230,000	230,000	188,206	-
Capital Outlay				
Public safety - equipment	60,800	60,800	60,835	-
Street construction	400,000	400,000	291,792	-
Multi-use paths and walk ways	62,200	62,200	37,719	-
Total capital outlay	523,000	523,000	390,346	-
Total expenditures	1,372,000	1,372,000	647,386	-
NET CHANGE IN FUND BALANCE	\$ (242,500)	\$ (242,500)	595,909	-
FUND BALANCE, MAY 1, AS PREVIOUSLY STATED				
Prior period adjustments			201,906	-
FUND BALANCE, MAY 1, (RESTATED)				
			201,906	-
FUND BALANCE, APRIL 30			\$ 797,815	\$ -

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Sales	\$ 2,960,000	\$ 2,960,000	\$ 3,197,838	\$ 2,834,254
Income	2,102,400	2,102,400	2,289,888	2,117,742
Local use	365,700	365,700	411,483	372,580
Road and bridge	69,000	69,000	71,729	69,093
Hotel/Motel tax	-	-	1,628	-
Video gaming	60,000	60,000	123,950	49,191
Auto rental	-	-	861	911
Total taxes	5,557,100	5,557,100	6,097,377	5,443,771
Intergovernmental	215,000	215,000	246,579	208,463
Licenses and permits				
Liquor	55,000	55,000	72,483	6,117
Cablevision franchise fee	265,600	265,600	274,746	263,784
Natural gas franchise fee	29,300	29,300	29,382	30,789
Building permits	5,000	5,000	8,365	8,357
Permits - miscellaneous	3,700	3,700	6,827	4,355
Vehicle overweight permits	5,000	5,000	5,810	5,025
MS4 permits	2,000	2,000	7,035	5,653
Other	1,100	1,100	1,598	1,604
Total licenses and permits	366,700	366,700	406,246	325,684
Fines and fees				
Circuit court fines	200,000	200,000	248,753	280,611
Parking fines	4,000	4,000	12,213	6,785
Zoning fines	4,000	4,000	7,925	5,344
Plat fees	-	-	304	6,170
Liquor violations	-	-	3,000	-
Impound fees	48,000	48,000	68,200	62,800
Police vehicle fees	500	500	115	448
Total fines and fees	256,500	256,500	340,510	362,158
Investment income	5,000	5,000	5,844	8,697
Other				
Mowing receipts	500	500	4,770	1,622
Insurance recoveries	-	-	5,087	13,151
Miscellaneous	5,000	5,000	20,601	10,239
Professional services reimbursements	5,000	5,000	29,011	30,441
County expense contribution	19,600	19,600	19,624	19,624
Credit card processing fees	-	-	44	-
Contingency	885,000	885,000	-	-
Total other	915,100	915,100	79,137	75,077
TOTAL REVENUES	\$ 7,315,400	\$ 7,315,400	\$ 7,175,693	\$ 6,423,850

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Administrative				
Personnel				
Regular salaries	\$ 238,500	\$ 238,500	\$ 237,800	\$ 225,886
Merit increases	10,000	10,000	6,695	8,349
Health insurance	39,500	39,500	18,543	39,467
Dental insurance	1,900	1,900	1,386	2,813
Unemployment insurance	2,800	2,800	3,516	2,835
FICA	18,000	18,000	16,976	17,369
Medicare	4,300	4,300	3,970	4,062
IMRF	28,900	28,900	27,168	27,061
Total personnel	343,900	343,900	316,054	327,842
Contractual services				
Auditing	15,400	15,400	12,790	14,900
Engineering	32,000	32,000	37,375	38,261
Equipment lease	2,000	2,000	1,154	1,781
Legal	67,500	67,500	70,977	129,531
Other professional	21,800	21,800	45,374	22,526
Total contractual services	138,700	138,700	167,670	206,999
Office expenditures				
Postage	1,200	1,200	953	817
Printing	500	500	300	366
Publications	200	200	196	746
Publishing	500	500	43	940
Telephone	2,700	2,700	2,283	2,145
Credit card processing	-	-	188	-
Total office expenditures	5,100	5,100	3,963	5,014
Indirect employee expenditures				
Professional dues	2,900	2,900	1,772	2,572
Travel	3,000	3,000	1,912	2,501
Training	1,200	1,200	1,931	355
Insurance - general	14,400	14,400	8,509	13,526
Total indirect employee expenditures	21,500	21,500	14,124	18,954
Materials and supplies				
Computer	3,000	3,000	5,532	3,992
Equipment maintenance	300	300	-	225
Office	3,000	3,000	3,950	2,375
Total materials and supplies	6,300	6,300	9,482	6,592

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Administrative (Continued)				
Miscellaneous				
Miscellaneous	\$ 3,500	\$ 3,500	\$ 4,309	\$ 3,223
Total miscellaneous	3,500	3,500	4,309	3,223
Capital outlay				
Equipment	5,800	5,800	13,105	37,150
Vehicles	30,000	30,000	24,437	-
Total capital outlay	35,800	35,800	37,542	37,150
Debt service				
Principal	-	-	7,362	6,029
Interest	-	-	2,474	1,482
Total debt service	-	-	9,836	7,511
Contingency	83,200	83,200	-	-
Total administrative	638,000	638,000	562,980	613,285
Village Clerk				
Personnel				
Clerk's salary	62,000	62,000	59,957	55,476
Health insurance	4,500	4,500	4,079	11,705
Dental insurance	300	300	251	237
FICA	3,900	3,900	3,666	3,311
Medicare	900	900	857	774
Total personnel	71,600	71,600	68,810	71,503
Contractual services				
Equipment leases	1,000	1,000	323	359
Advertising	500	500	550	500
Legal	10,000	10,000	21,574	23,076
Other professional	900	900	150	-
Web site cost	17,000	17,000	8,200	1,900
Total contractual services	29,400	29,400	30,797	25,835
Office expenditures				
Postage	300	300	140	197
Printing	500	500	-	42
Publishing	500	500	406	41
Telephone	1,100	1,100	1,262	1,017
Total office expenditures	2,400	2,400	1,808	1,297

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Village Clerk (Continued)				
Indirect employee expenditures				
Professional dues	\$ 600	\$ 600	\$ 510	\$ 495
Travel	3,700	3,700	3,541	3,102
Insurance - general	1,400	1,400	978	1,430
Training	700	700	695	760
Total indirect employee expenditures	6,400	6,400	5,724	5,787
Materials and supplies				
Computer	500	500	528	518
Office	1,000	1,000	696	238
Total materials and supplies	1,500	1,500	1,224	756
Miscellaneous				
Miscellaneous	500	500	490	268
Total miscellaneous	500	500	490	268
Contingency	16,800	16,800	-	-
Total Village Clerk	128,600	128,600	108,853	105,446
Executive				
Personnel				
Mayor salary	50,200	50,200	47,357	69,036
Trustees salaries	46,800	46,800	47,096	46,980
Treasurer salary	5,400	5,400	5,444	5,400
Health insurance	9,500	9,500	10,479	-
Dental insurance	600	600	546	431
FICA	6,400	6,400	6,049	6,377
Medicare	1,600	1,600	1,415	1,491
IMRF	9,700	9,700	8,037	3,311
Total personnel	130,200	130,200	126,423	133,026
Contractual services				
Treasurer legal	400	400	-	360
Mayor legal	7,000	7,000	5,038	10,050
Trustee legal	2,500	2,500	813	2,240
Total contractual services	9,900	9,900	5,851	12,650

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Executive (Continued)				
Indirect employee expenditures				
Treasurer expense	\$ 4,000	\$ 4,000	\$ 3,027	\$ 1,718
Mayor expense	7,000	7,000	4,512	2,508
Trustee expense	6,000	6,000	5,568	1,078
Total indirect employee expenditures	17,000	17,000	13,107	5,304
Contingency	23,600	23,600	-	-
Total executive	180,700	180,700	145,381	150,980
Community development				
Personnel				
Regular salary	66,500	66,500	65,098	56,342
Health insurance	4,800	4,800	4,573	4,938
Dental insurance	300	300	253	235
Unemployment insurance	700	700	771	1,170
FICA	4,100	4,100	4,118	3,954
Medicare	1,000	1,000	963	925
IMRF	7,700	7,700	7,739	7,322
Total personnel	85,100	85,100	83,515	74,886
Contractual services				
Equipment leases	600	600	323	359
Legal	7,000	7,000	10,295	7,148
Engineering	-	-	2,388	-
Other professional	31,500	31,500	30,540	995
Total contractual services	39,100	39,100	43,546	8,502
Office expenditures				
Postage	400	400	140	196
Publishing	500	500	381	-
Telephone	500	500	461	274
Total office expenditures	1,400	1,400	982	470
Indirect employee expenditures				
Professional dues	35,000	35,000	33,339	34,155
Travel	2,500	2,500	65	383
Insurance - general	1,500	1,500	1,031	1,430
Training	2,000	2,000	978	425
Total indirect employee expenditures	41,000	41,000	35,413	36,393

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Materials and supplies				
Computer	\$ 500	\$ 500	\$ 591	\$ 518
Office	500	500	972	248
Special development	25,000	25,000	29,744	34,371
Total materials and supplies	26,000	26,000	31,307	35,137
Miscellaneous				
Marketing communications	1,000	1,000	2,578	5,044
Village newsletter	5,000	5,000	4,913	-
Miscellaneous	200	200	128	77
Total miscellaneous	6,200	6,200	7,619	5,121
Contingency	29,800	29,800	-	-
Total community development	228,600	228,600	202,382	160,509
Planning and zoning				
Personnel				
Regular salaries	109,900	109,900	96,677	105,894
Health insurance	14,100	14,100	14,337	15,601
Dental insurance	800	800	607	957
Unemployment insurance	1,400	1,400	2,133	1,769
FICA	6,800	6,800	5,788	6,405
Medicare	1,600	1,600	1,354	1,498
IMRF	12,800	12,800	11,031	12,045
Total personnel	147,400	147,400	131,927	144,169
Contractual services				
Engineering	30,000	30,000	10,052	26,235
Equipment leases	1,300	1,300	649	739
Legal	50,000	50,000	52,426	45,787
Other professional	900	900	194	-
Win GIS	15,000	15,000	14,565	14,527
RMAP	12,000	12,000	11,547	11,509
Total contractual services	109,200	109,200	89,433	98,797
Office expenditures				
Postage	1,000	1,000	560	477
Recording fees	1,600	1,600	1,652	1,459
Publications	200	200	-	-
Publishing	2,500	2,500	936	1,032
Telephone	1,300	1,300	797	781
Total office expenditures	6,600	6,600	3,945	3,749

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Planning and zoning (Continued)				
Indirect employee expenditures				
Professional dues	\$ 700	\$ 700	\$ 340	\$ 615
Insurance - general	4,800	4,800	4,843	6,107
Travel	500	500	1	207
Training	1,300	1,300	348	235
Total indirect employee expenditures	7,300	7,300	5,532	7,164
Materials and supplies				
Computer	1,200	1,200	1,453	1,405
Maintenance				
Auto/fuel	2,000	2,000	1,236	999
Office	1,000	1,000	1,424	745
Total materials and supplies	4,200	4,200	4,113	3,149
Capital outlay				
Equipment	-	-	2,499	-
Total capital outlay	-	-	2,499	-
Miscellaneous				
Planning commission	2,300	2,300	1,200	1,680
Miscellaneous	300	300	30	32
Total miscellaneous	2,600	2,600	1,230	1,712
Contingency	41,600	41,600	-	-
Total planning and zoning	318,900	318,900	238,679	258,740
Total general government	1,494,800	1,494,800	1,258,275	1,288,960
PUBLIC SAFETY				
Police				
Personnel				
Public safety coordinator	27,300	27,300	24,714	-
Resource officer	15,000	15,000	14,546	-
Total personnel	42,300	42,300	39,260	-
Contractual services				
Regular salary	43,700	43,700	31,585	41,934
Detective	399,600	399,600	398,187	385,596
Management	106,700	106,700	106,141	130,277
Patrol officer	1,903,300	1,903,300	1,896,508	1,847,610

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police (Continued)				
Contractual services (Continued)				
Resource officer	\$ 201,500	\$ 201,500	\$ 200,731	\$ 208,557
911 dispatch	138,000	138,000	136,578	136,578
Records cost	64,300	64,300	63,561	63,561
MDT alert system	4,200	4,200	4,176	5,233
Licenses and fees	8,400	8,400	8,400	20,200
Vehicle maintenance	151,800	151,800	151,780	145,103
Contract report forms	800	800	800	800
Total contractual services	3,022,300	3,022,300	2,998,447	2,985,449
Other expenditures				
Unemployment insurance	1,400	1,400	1,423	1,494
Equipment lease	2,600	2,600	544	844
Field equipment and repairs	36,800	36,800	33,113	29,082
Other professional services	200	200	-	215
Insurance - general	1,900	1,900	1,201	1,389
Legal	90,000	90,000	76,282	82,024
Postage	200	200	-	49
National night out	4,000	4,000	3,980	3,808
Telephone	1,400	1,400	1,424	1,393
Total other expenditures	138,500	138,500	117,967	120,298
Materials and supplies				
Maintenance				
Equipment	1,300	1,300	1,272	1,260
E-Ticketing	2,100	2,100	-	-
Office supplies	3,000	3,000	2,493	2,054
Totals materials and supplies	6,400	6,400	3,765	3,314
Capital outlay				
E-Ticketing hardware	20,700	20,700	-	-
Equipment	33,000	33,000	33,571	-
Laptops	-	-	-	64,112
Vehicles	51,000	51,000	53,746	50,974
Total capital outlay	104,700	104,700	87,317	115,086
Debt service				
Interest	-	-	-	748
Total debt service	-	-	-	748

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police (Continued)				
Contingency	\$ 497,100	\$ 497,100	\$ -	\$ -
Total police	3,811,300	3,811,300	3,246,756	3,224,895
Building inspection				
Personnel				
Regular salary	29,500	29,500	29,848	29,319
Health insurance	4,800	4,800	4,141	5,028
Dental insurance	300	300	253	237
Unemployment insurance	700	700	740	743
FICA	1,800	1,800	1,780	1,726
Medicare	400	400	416	404
IMRF	3,400	3,400	3,399	3,012
Total personnel	40,900	40,900	40,577	40,469
Contractual services				
Engineering	6,000	6,000	8,418	7,624
Equipment leases	1,300	1,300	613	697
Insurance - general	1,500	1,500	1,031	1,430
Legal	5,000	5,000	4,697	2,575
Other professional	900	900	-	-
Total contractual services	14,700	14,700	14,759	12,326
Office expenditures				
Postage	500	500	346	340
Telephone	600	600	560	567
Total office expenditures	1,100	1,100	906	907
Indirect employee expenditures				
Training	-	-	383	-
Total indirect employee expenditures	-	-	383	-
Materials and supplies				
Computer	1,000	1,000	1,204	2,545
Maintenance				
Auto/fuel	-	-	-	-
Building	-	-	-	-
Office	1,000	1,000	1,191	490
Total materials and supplies	2,000	2,000	2,395	3,035
Miscellaneous				
Miscellaneous	100	100	-	-
Total miscellaneous	100	100	-	-

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
PUBLIC SAFETY (Continued)				
Building inspection (Continued)				
Contingency	\$ 8,800	\$ 8,800	\$ -	\$ -
Total building inspection	67,600	67,600	59,020	56,737
Total public safety	3,878,900	3,878,900	3,305,776	3,281,632
HIGHWAYS AND STREETS				
Personnel				
Regular salaries	202,600	202,600	180,124	214,266
Part-time wages	17,600	17,600	9,599	3,688
Overtime wages	12,000	12,000	23,212	14,484
Health insurance	31,700	31,700	21,668	26,385
Dental insurance	1,900	1,900	1,689	1,882
Unemployment insurance	2,800	2,800	3,709	4,492
FICA	13,200	13,200	12,551	14,071
Medicare	3,100	3,100	2,935	3,291
IMRF	24,700	24,700	22,570	26,391
Uniform expense	500	500	271	-
Total personnel	310,100	310,100	278,328	308,950
Contractual services				
Animal control	55,000	55,000	41,839	42,359
Engineering	5,000	5,000	4,643	1,903
Forestry	50,000	50,000	19,252	11,834
Janitorial	10,000	10,000	10,712	9,064
J.U.L.I.E.	3,500	3,500	3,239	3,289
Legal	10,000	10,000	9,378	11,134
Mass transit	155,000	155,000	151,811	124,997
Mosquito control	24,000	24,000	23,157	16,088
Mowing	65,000	65,000	47,318	39,426
Other professional	900	900	-	60
Street striping	20,000	20,000	8,650	8,450
Street sweeping	18,400	18,400	15,625	-
Street signalization	25,000	25,000	39,891	-
Contracted street maintenance	30,000	30,000	7,116	-
Total contractual services	471,800	471,800	382,631	268,604
Office expenditures				
Postage	500	500	346	363
Publishing	1,000	1,000	604	-
Printing	500	500	42	83
Telephone	2,000	2,000	1,755	1,790
Total office expenditures	4,000	4,000	2,747	2,236

(This schedule is continued on the following pages.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
HIGHWAYS AND STREETS (Continued)				
Public works (Continued)				
Indirect employee expenditures				
Professional dues	\$ 500	\$ 500	\$ -	\$ -
Travel	1,800	1,800	356	937
Training	1,000	1,000	1,572	117
Publications	-	-	-	269
Insurance - general	40,200	40,200	45,706	46,869
Total indirect employee expenditures	43,500	43,500	47,634	48,192
Streets				
Snow and ice control	75,000	75,000	50,537	2,859
Street maintenance	37,000	37,000	20,752	16,630
Flood expense	-	-	13,145	27,109
Street supplies	30,000	30,000	29,855	37,254
Traffic signs	75,000	75,000	15,947	31,976
Total streets	217,000	217,000	130,236	115,828
Maintenance				
Lift station maintenance	6,000	6,000	5,195	572
Building maintenance	58,000	58,000	66,748	9,446
MS4 maintenance	6,000	6,000	3,597	2,787
Auto maintenance	6,000	6,000	6,976	5,436
Fuel costs	15,000	15,000	22,565	16,884
Equipment maintenance	4,000	4,000	7,228	2,578
Signalization maintenance	15,000	15,000	177	-
Total maintenance	110,000	110,000	112,486	37,703
Utilities				
Water charges	500	500	374	433
Sanitary sewer charges	500	500	246	306
Gas charges	3,500	3,500	3,320	2,414
Utilities - lease building	500	500	-	-
Total utilities	5,000	5,000	3,940	3,153
Parks				
Parks maintenance	20,000	20,000	19,863	5,110
Recreational space program	5,000	5,000	5,000	5,000
Total parks	25,000	25,000	24,863	10,110

(This schedule is continued on the following page.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

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

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
HIGHWAYS AND STREETS (Continued)				
Public works (Continued)				
Equipment				
Tools	\$ 4,000	\$ 4,000	\$ 2,393	\$ 2,961
Safety equipment	3,000	3,000	4,794	508
Equipment leases	1,200	1,200	540	612
Equipment rental	8,000	8,000	2,456	7,806
Total equipment	16,200	16,200	10,183	11,887
Supplies				
Computer expense	1,100	1,100	1,170	1,436
Miscellaneous supplies	3,000	3,000	2,100	2,936
Office supplies	1,000	1,000	1,068	523
Total supplies	5,100	5,100	4,338	4,895
Miscellaneous				
Miscellaneous	1,500	1,500	1,413	365
Total miscellaneous	1,500	1,500	1,413	365
Capital outlay				
Equipment	18,000	18,000	28,182	76,721
Total capital outlay	18,000	18,000	28,182	76,721
Debt service				
Principal - capital lease	-	-	14,146	6,903
Interest - capital lease	-	-	1,982	1,161
Total debt service	-	-	16,128	8,064
Contingency	184,100	184,100	-	-
Total public works	1,411,300	1,411,300	1,043,109	896,708
Total highways and streets	1,411,300	1,411,300	1,043,109	896,708
TOTAL GENERAL FUND	\$ 6,785,000	\$ 6,785,000	\$ 5,607,160	\$ 5,467,300

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
IL RTE. 251/173 GATEWAY TIF FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
EXPENDITURES				
Current				
General government				
Contractual services				
Engineering	\$ -	\$ -	\$ -	\$ 90
Legal	5,000	5,000	14,374	2,658
Professional services	-	-	1,095	-
Administrative	1,100	1,100	1,040	1,030
Contingency	191,300	191,300	-	-
Total general government	197,400	197,400	16,509	3,778
Capital outlay				
Land acquisition	7,600	7,600	7,698	7,418
Total capital outlay	7,600	7,600	7,698	7,418
Debt service				
Principal	1,145,000	1,145,000	1,145,000	1,075,000
Interest	116,500	116,500	116,433	155,108
Total debt service	1,261,500	1,261,500	1,261,433	1,230,108
TOTAL EXPENDITURES	\$ 1,466,500	\$ 1,466,500	\$ 1,285,640	\$ 1,241,304

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FLOOD MITIGATION FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
EXPENDITURES				
Current				
General government				
Engineering	\$ 70,000	\$ 70,000	\$ 17,461	\$ 15,309
Legal	25,000	25,000	20,718	16,983
Appraisals	-	-	1,800	7,200
Other closing costs	-	-	9,218	3,988
Other professional	10,000	10,000	-	9,904
Postage	500	500	132	232
Administrative expense	-	-	5,339	10,012
Contingency	296,600	296,600	-	-
Total general government	402,100	402,100	54,668	63,628
Capital outlay				
Land acquisition	1,541,600	1,541,600	1,841,316	725,642
Relocation	10,000	10,000	10,333	2,500
Demolition of structures	320,000	320,000	223,271	9,800
Total capital outlay	1,871,600	1,871,600	2,074,920	737,942
TOTAL EXPENDITURES	\$ 2,273,700	\$ 2,273,700	\$ 2,129,588	\$ 801,570

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
NORTH SECOND STREET TIF FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
EXPENDITURES				
Current				
General government				
Contractual services				
Engineering	\$ 40,000	\$ 40,000	\$ 20,077	\$ 60,310
Engineering - design	-	-	-	933
Legal	50,000	50,000	34,474	48,943
Professional services	25,000	25,000	709	8,429
Miscellaneous				
Developer incentive	600,000	600,000	-	597,042
Miscellaneous	1,100	1,100	1,193	1,030
Contingency	147,500	147,500	-	-
Total general government	863,600	863,600	56,453	716,687
Capital outlay	25,000	25,000	60,778	824,225
Debt service				
Principal	130,000	130,000	130,000	125,000
Interest	102,142	102,142	82,143	85,093
Bond issuance costs	10,000	10,000	-	-
Total debt service	242,142	242,142	212,143	210,093
TOTAL EXPENDITURES	\$ 1,130,742	\$ 1,130,742	\$ 329,374	\$ 1,751,005

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
BUILD MACHESNEY ROADS FUND**

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
EXPENDITURES				
Current				
Highways and streets				
Contractual services				
Engineering	\$ 365,000	\$ 365,000	\$ 360,279	\$ 173,097
Engineering - Roosevelt	-	-	-	109,938
Legal	80,000	80,000	18,159	4,195
Land acquisition	105,000	105,000	100,556	150
Land acquisition - Roosevelt	-	-	294	50
Contingency	473,700	473,700	-	-
Total contractual services	1,023,700	1,023,700	479,288	287,430
Miscellaneous				
Telecommunication claims	-	-	14,436	-
Bank charges	600	600	515	515
Senior refunds	2,000	2,000	107	50
Total miscellaneous	2,600	2,600	15,058	565
Total highways and streets	1,026,300	1,026,300	494,346	287,995
Capital outlay				
Construction				
Street construction	1,700,000	1,700,000	1,076,616	913,877
Street overlays	205,000	205,000	193,678	327,809
Drainage construction	-	-	-	1,254,587
Total capital outlay	1,905,000	1,905,000	1,270,294	2,496,273
Debt service				
Bond principal	485,000	485,000	485,000	450,000
Bond interest	215,500	215,500	215,456	231,206
Total debt service	700,500	700,500	700,456	681,206
TOTAL EXPENDITURES	\$ 3,631,800	\$ 3,631,800	\$ 2,465,096	\$ 3,465,474

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
WESTSTONE IJRL TAX INCREMENT FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
EXPENDITURES				
Current				
General government				
Contractual services				
Engineering	\$ 182,000	\$ 182,000	\$ 210,391	\$ 83,222
Legal	30,000	30,000	28,061	35,762
Professional services	15,000	15,000	4,000	5,943
Administrative	1,500	1,500	-	-
Miscellaneous	-	-	715	-
Contingency	515,000	515,000	-	-
Total general government	743,500	743,500	243,167	124,927
Capital outlay				
Construction	3,137,600	3,137,600	1,233,665	9,750
Total capital outlay	3,137,600	3,137,600	1,233,665	9,750
Debt service				
Interest	42,000	42,000	26,250	-
Bond issuance costs	25,000	25,000	-	-
Total debt service	67,000	67,000	26,250	-
TOTAL EXPENDITURES	\$ 3,948,100	\$ 3,948,100	\$ 1,503,082	\$ 134,677

(See independent auditor's report.)

VILLAGE OF MACHESNEY PARK, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2014
(with comparative actual for 2013)

	2014		Actual	2013 Actual
	Original Budget	Final Budget		
EXPENDITURES				
Current				
Highways and streets				
Contractual services				
Snow and ice control	\$ 400,000	\$ 400,000	\$ 407,036	\$ 396,479
Street lighting	305,000	305,000	258,665	272,509
Street maintenance	40,000	40,000	-	-
Traffic signals	20,000	20,000	-	56,625
State - Route 173 construction	-	-	1,157,534	-
Contingency	114,800	114,800	-	-
Total highways and streets	879,800	879,800	1,823,235	725,613
TOTAL EXPENDITURES	\$ 879,800	\$ 879,800	\$ 1,823,235	\$ 725,613

(See independent auditor's report.)