

**Village of Burr Ridge,
Illinois**

Annual Financial Report

**For the Year Ended
April 30, 2014**

Wolf & Company LLP
Certified Public Accountants

VILLAGE OF BURR RIDGE, ILLINOIS

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INTRODUCTORY SECTION

VILLAGE OF BURR RIDGE, ILLINOIS
PRINCIPAL OFFICIALS AND OFFICERS

April 30, 2014

Mickey Straub	Mayor
Albert Paveza	Trustee
Guy Franzese	Trustee
Janet Ryan Grasso	Trustee
Diane Bolos	Trustee
Leonard Ruzak	Trustee
John Manieri	Trustee
Karen J. Thomas	Village Clerk
Steven S. Stricker	Administrator
Noel Hastalis	Treasurer
Jerry C. Sapp	Director of Finance
Paul May	Public Works Director/Village Engineer
John W. Madden	Chief of Police
Doug Pollock	Community Development Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Burr Ridge, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Burr Ridge, Illinois, (the Village) as of and for the year ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the Village of Burr Ridge, Illinois' basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Burr Ridge, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and the supplemental data 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 and supplemental data 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and supplemental data are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Wolf & Company LLP

Oakbrook Terrace, Illinois
September 8, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

**VILLAGE OF BURR RIDGE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2014**

This section (the MD&A) of the Village of Burr Ridge's Annual Financial Report (AFR) presents discussion and analysis of the Village's financial activities during the Fiscal Year ending April 30, 2014. This should be used in conjunction with the Village's financial statements that follow this section.

Financial Highlights

The following are some of the highlights to be reviewed in greater detail in this analysis and further presented by this Annual Financial Report (AFR):

- Net Position and Performance in Total – The Village's total net position at April 30, 2014 was \$322,374,364, a decrease of \$2,627,074.
- Governmental Activity Summary – Net position for governmental activities at April 30, 2014 was \$259,836,740, a decrease of \$1,195,692.
- Business-Type Activity Summary – Net position for business-type activities at April 30, 2014 was \$62,537,624, a decrease of \$1,431,382.
- General Fund Summary – The Village's General Fund's balance at April 30, 2014 was \$4,608,606, a decrease of \$66,583. General Fund revenues were under budget estimates by \$268,301. General Fund expenditures were under the budget by \$325,948.
- Capital Assets – Total net capital assets for governmental and business-type activities at April 30, 2014 were \$315,380,829, a net decrease for the year of \$2,143,466.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village of Burr Ridge's financial section of the AFR. This financial section of the AFR includes four components: 1) independent auditor's report; 2) the basic financial statements, including the MD&A; 3) required supplementary information; and 4) additional supplemental financial information.

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.

Government-wide financial statements, including the Statement of Net Position and Statement of Activities, provide both short and long-term information about the Village's overall financial status.

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Fund financial statements focus on individual parts of Village government and report Village operations in more detail than the government-wide financial statements. The fund financial statements describe the Village's governmental funds, proprietary funds, and fiduciary funds. The following table summarizes the major features of the Village's financial statements.

Description	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Village government (except fiduciary funds.)	Activities of the Village that are not proprietary or fiduciary such as public safety.	Activities of the Village that operate similar to private business such as Water and Sewer Funds.	Activities in which the Village is trustee or agent of another's resources such as pension plans.
Required Financial Statements	1. Statement of Net Position	1. Balance Sheet	1. Statement of Net Position	1. Statement of Fiduciary Net Position
	2. Statement of Activities	2. Statement of Revenues, Expenditures and Changes in Fund Balance	2. Statement of Revenues, Expenses and Changes in Fund Net Position	2. Statement of Changes in Fiduciary Net Position
			2. Statement of Cash Flows	
Accounting Basis	Accrual	Modified Accrual	Accrual	Accrual
Measurement Focus	Economic Resource	Current Financial Resources	Economic Resource	Economic Resource
Type of Asset and Liability Information	All assets and liabilities, both financial and capital short and long-term.	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets.	All assets and liabilities, both financial and capital short and long-term.	All assets and liabilities, both short and long-term. Does not contain capital assets.
Type of Inflow and 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 and services that have been received and payment is due during the year or shortly thereafter.	All revenues and expenses during the year regardless of when cash is received or paid.	All revenues and expenses during the year regardless of when cash is received or paid.

VILLAGE OF BURR RIDGE MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Government-Wide Financial Statements

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

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type), 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 government services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including police, public works, and general/debt administration. Property taxes, shared state sales, local utility, and shared state income taxes finance the majority of these activities. The Business-type Activities reflect private sector type operations (Water and Sewer Funds), where the fee for service typically covers all or most of the cost of operation, excluding depreciation.

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 (the previous model's) fund types.

Governmental funds are presented on a 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 (i.e. charges to customers). Proprietary funds are presented on a total economic resources basis. Proprietary fund statements, like government-wide financial statements, provide both short and long-term financial information.

Fiduciary funds are presented for certain activities where the Village's role is that of trustee (i.e. police pension fund) 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.

While the total column on the business-type fund financial statements is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bond and others) into the governmental activities column in the government-wide statements.

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure - roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental activities financial statements. This new statement requires that these assets be valued and reported within the governmental activities 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 assets management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system called the modified approach, which periodically measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Financial Analysis of the Village as a Whole

The Village implemented the new financial reporting model, GASB Statement No. 34, beginning with the fiscal year that ended April 30, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Village as a whole. In future years, historical information will be included in these analyses to improve the usefulness of this data.

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Government-Wide Statements

Statement of Net Position

The following table reflects the condensed comparative Statement of Net Position as of April 30, 2014 and 2013. For more detailed information see the Statement of Net Position on pages 13-14.

VILLAGE OF BURR RIDGE STATEMENT OF NET POSITION As of April 30						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 15,242,183	\$ 15,640,093	\$ 5,708,442	\$ 6,002,800	\$ 20,950,625	\$ 21,642,893
Capital Assets	258,227,769	259,299,468	57,153,060	58,224,827	315,380,829	317,524,295
Total Assets	273,469,952	274,939,561	62,861,502	64,227,627	336,331,454	339,167,188
Deferred Outflows	52,965	66,206	-	-	52,965	66,206
Current and Other Liabilities	2,878,265	2,389,284	285,954	213,032	3,164,219	2,602,316
Long-Term Liabilities	9,176,863	9,979,465	37,924	45,589	9,214,787	10,025,054
Total Liabilities	12,055,128	12,368,749	323,878	258,621	12,379,006	12,627,370
Deferred Inflows	1,631,049	1,604,586	-	-	1,631,049	1,604,586
Net Position						
Investment in Capital Assets, Net of Debt	250,526,035	251,206,539	57,153,060	58,224,827	307,679,095	309,431,366
Restricted - Special Projects	345,839	502,520	-	-	345,839	502,520
Restricted - Debt Service	3,151,607	3,263,216	-	-	3,151,607	3,263,216
Unrestricted	5,813,259	6,060,157	5,384,564	5,744,179	11,197,823	11,804,336
Total Net Position	\$ 259,836,740	\$ 261,032,432	\$ 62,537,624	\$ 63,969,006	\$ 322,374,364	\$ 325,001,438

Normal Impacts

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

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

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

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

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (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 capital assets.

Current Year Impacts

Statement of Activities

The following table reflects the condensed comparative Statement of Activities for the years ended April 30, 2014 and 2013.

VILLAGE OF BURR RIDGE STATEMENT OF ACTIVITIES For the Years Ended April 30						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenue						
Program Revenue						
Charges for Service	\$ 1,153,527	\$ 1,124,543	\$ 4,373,469	\$ 4,396,059	\$ 5,526,996	\$ 5,520,602
Operating Grants	470,674	483,354	-	-	470,674	483,354
Capital Grants	-	92,195	-	-	-	92,195
General Revenue						
Property Taxes	1,909,351	1,764,263	-	-	1,909,351	1,764,263
Other Taxes	4,772,395	4,697,896	-	-	4,772,395	4,697,896
Other Income	1,322,738	1,621,384	21,581	218,088	1,344,319	1,839,472
Total Revenue	9,628,685	9,783,635	4,395,050	4,614,147	14,023,735	14,397,782
Expenses						
General Government	3,664,459	3,074,361	-	-	3,664,459	3,074,361
Public Safety	5,310,975	5,089,056	-	-	5,310,975	5,089,056
Public Works	1,681,386	2,249,908	-	-	1,681,386	2,249,908
Interest	167,557	206,711	-	-	167,557	206,711
Water and Sewer	-	-	5,826,432	5,612,378	5,826,432	5,612,378
Total Expenses	10,824,377	10,620,036	5,826,432	5,612,378	16,650,809	16,232,414
Change in Net Assets	\$ (1,195,692)	\$ (836,401)	\$ (1,431,382)	\$ (998,231)	\$ (2,627,074)	\$ (1,834,632)

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Normal Impacts-Changes In Net Position

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

Revenues

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

Increase/Decrease In Village Approved Rates – While certain tax rates are set by statute, the Village Board has authority to impose and periodically increase/decrease rates (water, sewer, building permit fees, vehicle stickers, etc.). The Village's property taxes are subject to tax caps which generally limit Village increases to the lesser of Consumer Price Index or 5.0%.

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

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Current Year Impacts

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2014, the governmental funds reported a combined fund balance of \$10,531,744. This is a 5.14% decrease from the beginning of the year balance of \$11,102,412.

Major Governmental Funds

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund at the end of the fiscal year is \$4,608,606, which exceeds the Village's required fund balance reserve policy.

Total revenues were under budget by \$268,301; total expenses were also under budget by \$325,948. This surplus allowed a budget amendment to occur, to transfer \$150,000 from the General Fund to the Capital Projects Fund, to help fund future projects.

VILLAGE OF BURR RIDGE <u>GENERAL AND BUDGETARY HIGHLIGHTS</u> April 30, 2014			
	Original Budget	Amended Budget	Actual
Revenues and Other			
Taxes	\$ 5,595,990	\$ 5,595,990	\$ 5,550,067
Intergovernmental	1,063,200	1,063,200	1,092,575
Other	1,628,645	1,628,645	1,370,878
Sale of Capital Assets	15,000	15,000	21,014
Total	8,302,835	8,302,835	8,034,534
Expenditures and Transfers			
Expenditures	8,069,645	8,126,915	7,800,967
Transfers	150,150	300,150	300,150
Total	8,219,795	8,427,065	8,101,117
Change in Fund Balance	\$ 83,040	\$ (124,230)	\$ (66,583)

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Capital Assets

As of April 30, 2014, the Village's Governmental Funds had invested \$258,227,769 in a variety of capital assets and infrastructure, as reflected in the following table.

VILLAGE OF BURR RIDGE <u>GOVERNMENTAL ACTIVITIES CHANGE IN NET CAPITAL ASSETS</u> April 30, 2014			
	Beginning Balance	Net Additions/ Deletions	Ending Balance
Non Depreciable Assets			
Land	\$ 1,705,533	\$ -	\$ 1,705,533
Land Right of Way	214,262,950	-	214,262,950
Construction in Progress	469,560	(208,482)	261,078
Depreciable Assets			
Streets	56,815,640	-	56,815,640
Buildings	9,971,597	-	9,971,597
Improvements Other Than Buildings	2,056,443	453,670	2,510,113
Equipment	1,430,273	154,116	1,584,389
Vehicles	1,666,201	116,023	1,782,224
Accumulated Depreciation on Capital Assets	(29,078,729)	(1,587,026)	(30,665,755)
Capital Assets	<u>\$ 259,299,468</u>	<u>\$ (1,071,699)</u>	<u>\$ 258,227,769</u>

The removal and replacement of the Village Hall roof and renovation of the office and public spaces were completed this year. There was \$128,020 used to purchase a new Case Loader Backhoe. Also, seven vehicles were purchased, one Ford Explorer and four Ford Taurus for Police, and one Ford Explorer and a Dump Truck for Public Works. See Note 4 on pages 36 and 37 for additional information.

Debt Outstanding

As of April 30, 2014, the Village had \$7,400,000 in outstanding bonded debt service. The existing schedule extends through Fiscal Year 2017. The Village has a legal debt limit of \$29,983,650, which is 2.875% of assessed valuation. The Village has used \$7,400,000 of this limit leaving a legal debt margin of \$22,583,650. The Village's General obligation bonds are rated Aa2 by Moody's Investor Rating Service. See Note 6 on pages 39-41 for additional information.

Economic Factors

The Village of Burr Ridge is conveniently located approximately 19 miles from the Chicago Loop just off of I-55 and County Line Road. Burr Ridge is an affluent community, well known for its homes and quiet residential subdivisions. The Village includes a carefully planned mix of five office parks and limited retail area. The Village Center has a variety of retail shops and restaurants, as well as luxury lofts and condominiums.

VILLAGE OF BURR RIDGE
MANAGEMENT DISCUSSION & ANALYSIS (Continued)

The Village relies heavily on Property, Sales, and Utility Taxes to provide services to its residents and businesses. The past few years there has been flat revenue growth in the General Fund which is the source for the majority of day-to-day service delivery. Lower levels in Sales Tax and Telecommunication Taxes continue to be a concern of Village management.

The Village completed the Decennial Census in 2010, and the results indicate that the Village's population has decreased 6.2% from 11,259 to 10,559. The number of housing units in the Village has grown 9.05% from 3,933 to 4,289. The number of people per household decreased slightly from 2.96 to 2.46. This new count will result in a reduction in the state income and motor fuel tax revenues, although it is not expected to be significant.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Jerry C. Sapp, Finance Director, Village of Burr Ridge, 7660 County Line Road, Burr Ridge, Illinois 60527.

BASIC FINANCIAL STATEMENTS

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Net Position

April 30, 2014

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 1,926,302	149,540	2,075,842
Investments	8,063,076	6,384,311	14,447,387
Receivables			
Property Taxes	1,312,440		1,312,440
Intergovernmental	892,859		892,859
Other	304,222	676,857	981,079
Interest	99,421	66,283	165,704
Internal Balances	1,662,204	(1,662,204)	
Prepaid Items	981,659	93,655	1,075,314
Total Current Assets	15,242,183	5,708,442	20,950,625
Noncurrent Assets			
Capital Assets Not Being Depreciated			
Land	215,968,483	48,000	216,016,483
Construction in Progress	261,078		261,078
Capital Assets Depreciable, Net			
Buildings and Improvements	9,318,640		9,318,640
Water Distribution System and Improvements		47,526,005	47,526,005
Sewer System and Improvements		9,579,055	9,579,055
Machinery and Equipment and Vehicles	1,159,689		1,159,689
Infrastructure	31,519,879		31,519,879
Total Capital Assets	258,227,769	57,153,060	315,380,829
Total Assets	273,469,952	62,861,502	336,331,454
Deferred Outflows of Resources			
Unamortized Loss on Refunding	52,965		52,965
Total Assets and Deferred Outflows of Resources	273,522,917	62,861,502	336,384,419

See accompanying Notes to the Financial Statements.

(Cont.)

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Net Position (Cont.)

April 30, 2013

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities			
Accounts Payable	242,211	248,148	490,359
Accrued Payroll	148,489	32,692	181,181
Accrued Interest	56,818		56,818
Unearned Revenue	36,700		36,700
Deposits Payable	1,858,940	900	1,859,840
Compensated Absences	27,028	4,214	31,242
General Obligation Bonds and Note	508,079		508,079
Total Current Liabilities	2,878,265	285,954	3,164,219
Noncurrent Liabilities			
Compensated Absences	243,252	37,924	281,176
Net Pension Obligations	1,328,333		1,328,333
Net OPEB Obligation	411,623		411,623
General Obligation Bonds and Notes	7,193,655		7,193,655
Total Noncurrent Liabilities	9,176,863	37,924	9,214,787
Total Liabilities	12,055,128	323,878	12,379,006
Deferred Inflows of Resources			
Unearned Property Tax Revenues	1,631,049		1,631,049
Net Position			
Net Investment in Capital Assets	250,526,035	57,153,060	307,679,095
Restricted for Debt Service	3,151,607		3,151,607
Restricted for Special Purposes	345,839		345,839
Unrestricted	5,813,259	5,384,564	11,197,823
Total Net Position	\$ 259,836,740	62,537,624	322,374,364

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Activities

Year Ended April 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 3,664,459	948,800	22,750	
Public Safety	5,310,975	204,727		
Public Works	1,681,386		447,924	
Interest Expense	167,557			
Total Governmental Activities	10,824,377	1,153,527	470,674	-
Business-Type Activities				
Waterworks Fund	5,342,986	4,144,493		55,555
Sewer Fund	483,446	228,976		19,000
Total Business-Type Activities	5,826,432	4,373,469	-	74,555
	\$ 16,650,809	5,526,996	470,674	74,555

General Revenues

Taxes
 Property
 Sales and Use
 Telecommunications
 Utility
 Hotel/Motel
 State Shared Income Tax
 Investment Income
 Other Income

Total General Revenues

Change in Net Position

Net Position

May 1

April 30

See accompanying Notes to the Financial Statements.

Net (Expense), Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(2,692,909)		(2,692,909)
(5,106,248)		(5,106,248)
(1,233,462)		(1,233,462)
(167,557)		(167,557)
(9,200,176)	-	(9,200,176)
	(1,142,938)	(1,142,938)
	(235,470)	(235,470)
-	(1,378,408)	(1,378,408)
(9,200,176)	(1,378,408)	(10,578,584)
1,909,351		1,909,351
2,272,629		2,272,629
740,817		740,817
1,257,378		1,257,378
501,571		501,571
1,028,933		1,028,933
(79,302)	(52,974)	(132,276)
373,107		373,107
8,004,484	(52,974)	7,951,510
(1,195,692)	(1,431,382)	(2,627,074)
261,032,432	63,969,006	325,001,438
259,836,740	62,537,624	322,374,364

VILLAGE OF BURR RIDGE, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2014

	General	Capital Improvements	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 3,457,867	1,312,908	3,209,043	1,710,295	9,690,113
Receivables					
Property Tax	884,286		428,154		1,312,440
Intergovernmental	824,499	48,894		19,466	892,859
Accrued Interest	49,712	3,314	29,825	13,256	96,107
Other	252,258			51,964	304,222
Deposits	981,659				981,659
Due from Other Funds	1,744,116				1,744,116
Total Assets	\$ 8,194,397	1,365,116	3,667,022	1,794,981	15,021,516
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 181,933	25,617		33,706	241,256
Accrued Payroll	148,489				148,489
Other Unearned Revenues	528,126				528,126
Due to Other Funds				81,912	81,912
Deposits Payable	1,611,609	247,331			1,858,940
Total Liabilities	2,470,157	272,948	-	115,618	2,858,723
Deferred Inflows of Resources					
Unavailable Revenue	1,115,634		515,415		1,631,049
Fund Balances					
Restricted					
Debt Service			3,151,607		3,151,607
Specific Purpose				345,839	345,839
Unrestricted					
Committed				1,394,313	1,394,313
Assigned					
Capital Improvements Fund		1,092,168			1,092,168
Unassigned					
General Fund	4,608,606				4,608,606
Special Revenue Funds				(60,789)	(60,789)
Total Fund Balances	4,608,606	1,092,168	3,151,607	1,679,363	10,531,744
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,194,397	1,365,116	3,667,022	1,794,981	15,021,516

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

April 30, 2014

Total Fund Balances - Governmental Funds	\$ 10,531,744
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	258,227,769
Less Internal Service Fund Capital Assets	(274,552)
Assets, liabilities and net position of the Internal Service Fund are reported as governmental activities.	576,176
Certain revenues (deposits in public entity risk pool) that are deferred in the governmental funds are recognized as revenue in the governmental activities.	491,426
Unamortized premiums on long-term debt are other financing uses in governmental funds in the year of issuance but are capitalized and amortized on the Statement of Net Position.	(95,435)
The unamortized loss on refunding is reported as a reduction of liabilities on the Statement of Net Position.	52,965
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of:	
Accrued Interest on Long-Term Debt	(56,818)
Compensated Absences	(270,280)
Net Pension Obligation	(1,328,333)
General Obligation Bonds and Notes Payable	(7,606,299)
Net OPEB Obligation	(411,623)
Net Position of Governmental Activities	<u>\$ 259,836,740</u>

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended April 30, 2014

	General	Capital Improvements	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 5,550,067		536,466	551,571	6,638,104
Licenses and Permits	416,190				416,190
Intergovernmental	1,092,575	167,245		260,679	1,520,499
Charges for Services	532,610			57,684	590,294
Fines and Forfeits	147,043				147,043
Investment Income	(39,587)	(2,649)	(23,838)	(10,579)	(76,653)
Developers Contributions		73,705			73,705
Miscellaneous	314,622			7,530	322,152
Total Revenues	8,013,520	238,301	512,628	866,885	9,631,334
Expenditures					
Current					
General Government	2,029,713			335,357	2,365,070
Public Safety	4,442,067			124,415	4,566,482
Public Works	1,329,187			12,293	1,341,480
Capital Outlay		591,746		688,091	1,279,837
Debt Service					
Principal Payments			486,630		486,630
Interest Payments			183,517		183,517
Total Expenditures	7,800,967	591,746	670,147	1,160,156	10,223,016
Excess (Deficiency) of Revenues over Expenditures	212,553	(353,445)	(157,519)	(293,271)	(591,682)
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	21,014				21,014
Transfers In		410,000	45,910	150,150	606,060
Transfers Out	(300,150)			(305,910)	(606,060)
Total Other Financing Sources (Uses)	(279,136)	410,000	45,910	(155,760)	21,014
Net Change in Fund Balances	(66,583)	56,555	(111,609)	(449,031)	(570,668)
Fund Balances					
May 1	4,675,189	1,035,613	3,263,216	2,128,394	11,102,412
April 30	\$ 4,608,606	1,092,168	3,151,607	1,679,363	10,531,744

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended April 30, 2014

Net Change in Fund Balances - Total Governmental Funds	\$ (570,668)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$1,654,331) and disposals (\$8,792) exceeded capital outlays (\$689,664) in the current period.	(973,459)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
General Obligation Bonds	450,000
Installment Notes	36,630
Net results of the Internal Service Fund are included in the Statement of Activities.	706
Certain amounts that are deferred in the governmental funds are recognized as adjustments to costs within the Statement of Activities.	98,751
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:	
Decrease in Accrued Interest Payable	5,342
Increase in Net Pension Obligations	(150,052)
Increase in OPEB Obligation	(106,944)
Decrease in Compensated Absences	14,002
Change in Net Position of Governmental Activities	<u>\$ (1,195,692)</u>

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2014

	Business-Type Activities			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service
ASSETS				
Current Assets				
Cash	\$	149,540	149,540	299,265
Investments	4,865,033	1,519,278	6,384,311	
Accounts Receivable	630,343	46,514	676,857	
Accrued Interest	49,712	16,571	66,283	3,314
Deposits with IPBC Terminal Reserve	71,874	21,781	93,655	
Total Current Assets	5,616,962	1,753,684	7,370,646	302,579
Capital Assets Not Being Depreciated	48,000		48,000	
Capital Assets Being Depreciated, Net	47,526,005	9,579,055	57,105,060	274,552
Total Capital Assets	47,574,005	9,579,055	57,153,060	274,552
Total Assets	53,190,967	11,332,739	64,523,706	577,131
LIABILITIES AND NET POSITION				
Liabilities				
Current Liabilities				
Accounts Payable	236,724	11,424	248,148	955
Due to Other Funds	1,662,204		1,662,204	
Accrued Payroll	24,637	8,055	32,692	
Deposits Payable	900		900	
Compensated Absences Payable	3,225	989	4,214	
Total Current Liabilities	1,927,690	20,468	1,948,158	955
Long-Term Liabilities				
Compensated Absences Payable	29,028	8,896	37,924	
Total Liabilities	1,956,718	29,364	1,986,082	955
Net Position				
Net Investment in Capital Assets	47,574,005	9,579,055	57,153,060	274,552
Unrestricted	3,660,244	1,724,320	5,384,564	301,624
Total Net Position	\$ 51,234,249	11,303,375	62,537,624	576,176

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Revenues, Expenses, and
Changes in Net Position - Proprietary Funds
Year Ended April 30, 2014

	Business-Type Activities			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service
Operating Revenues				
Charges for Services	\$ 4,126,332	228,976	4,355,308	231,785
Operating Expenses				
Personal Services	733,512	207,975	941,487	3,980
Contractual Services	596,259	62,706	658,965	99,748
Commodities	3,033,935	533	3,034,468	20,560
Repairs and Maintenance	17,456		17,456	5,902
Total Operating Expenses	4,381,162	271,214	4,652,376	130,190
Operating Income (Loss) Before Depreciation	(254,830)	(42,238)	(297,068)	101,595
Depreciation	961,824	212,232	1,174,056	98,240
Operating Income (Loss)	(1,216,654)	(254,470)	(1,471,124)	3,355
Non-operating Revenues				
Tap on Connection Fees	55,555	19,000	74,555	
Rental Income	18,161		18,161	
Investment Income (Loss)	(39,730)	(13,244)	(52,974)	(2,649)
Total Non-operating Revenues	33,986	5,756	39,742	(2,649)
Change in Net Position	(1,182,668)	(248,714)	(1,431,382)	706
Net Position				
Beginning - May 1	52,416,917	11,552,089	63,969,006	575,470
Ending - April 30	\$ 51,234,249	11,303,375	62,537,624	576,176

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Statement of Cash Flows - Proprietary Funds Year Ended April 30, 2014

	Business-Type Activities			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 3,955,289	219,409	4,174,698	
Receipts from Interfund Services Transactions				231,785
Payments to Suppliers	(3,590,437)	(54,129)	(3,644,566)	(202,852)
Payment to Employees	(743,736)	(209,396)	(953,132)	(4,062)
	(378,884)	(44,116)	(423,000)	24,871
Cash Flows from Noncapital Financing Activities				
Tap on Connection Fees	55,555	19,000	74,555	
Change in Due to Other Funds	278,050		278,050	
Rental Income	18,161		18,161	
	351,766	19,000	370,766	-
Cash Flows from Capital and Related Financing Activities				
Purchases of Capital Assets	(102,289)		(102,289)	
Cash Flows from Investing Activities				
Sales of Investments, Net of Purchases	168,673	(53,776)	114,897	
Interest Received	(39,266)	(13,090)	(52,356)	(2,618)
	129,407	(66,866)	62,541	(2,618)
Net Increase (Decrease) in Cash and Cash Equivalents	-	(91,982)	(91,982)	22,253
Cash and Cash Equivalents Beginning - May 1		241,522	241,522	277,012
Ending - April 30	\$ -	149,540	149,540	299,265
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities				
Operating Income (Loss)	\$ (1,216,654)	(254,470)	(1,471,124)	3,355
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Depreciation Expense	961,824	212,232	1,174,056	98,240
Change in Accounts Receivable	(171,043)	(9,567)	(180,610)	
Change in IPBC Terminal Reserve	(8,551)	(2,028)	(10,579)	
Change in Accounts Payable	57,211	9,108	66,319	(76,642)
Change in Accrued Payroll	577	1,812	2,389	(82)
Change in Compensated Absences	(2,248)	(1,203)	(3,451)	
Net Cash Provided by (Used in) Operating Activities	\$ (378,884)	(44,116)	(423,000)	24,871

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOISStatement of Net Position - Fiduciary Funds
April 30, 2014

	<u>Pension Trust Fund</u>		<u>Total Fiduciary Funds</u>
	<u>Police Pension Fund</u>	<u>Agency Fund</u>	
Assets			
Cash and cash equivalents	\$ 135,027	136,319	271,346
Investments			
U.S. Treasury Securities	1,153,474		1,153,474
U.S. Agency Securities	4,292,994		4,292,994
Equity Securities	7,986,852		7,986,852
State and Local Obligations	891,621		891,621
Receivables			
Accounts		3,315	3,315
Accrued Interest	46,675		46,675
Total Assets	<u>14,506,643</u>	<u>139,634</u>	<u>14,646,277</u>
Liabilities			
Accounts Payable	1,061		1,061
Due to Others		139,634	139,634
Total Liabilities	<u>1,061</u>	<u>139,634</u>	<u>140,695</u>
Net Position			
Held in Trust for Pension Benefits	<u>\$ 14,505,582</u>	<u>-</u>	<u>14,505,582</u>

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Police Pension Fund

**Statement of Changes in Net Position
Year Ended April 30, 2014**

Additions	
Contributions	
Employer	\$ 555,623
Employee	209,560
Total Contributions	<u>765,183</u>
Investment Income	
Net Appreciation in Fair Value of Investments	762,051
Interest and Dividends	356,466
	<u>1,118,517</u>
Less Investment Expense	(34,929)
Net Investment Income	<u>1,083,588</u>
Total Additions	<u>1,848,771</u>
Deductions	
Benefits and refunds	790,582
Administration	10,247
Total Deductions	<u>800,829</u>
Change in Net Position	1,047,942
Net Position Held in Trust for Pension Benefits	
Beginning - May 1	<u>13,457,640</u>
Ending - April 30	<u>\$ 14,505,582</u>

See accompanying Notes to the Financial Statements.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

1. Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The Village is a municipal corporation established under Illinois Compiled Statutes (ILCS) governed by an elected Mayor and Board of Trustees. The Village has defined its reporting entity in accordance with GASB Statement No. 14. Management has determined that there are no component units that are required to be included in the financial statements of the Village.

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities, PPERS is reported as a pension trust fund.

B. Fund Accounting

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

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

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

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

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

1. Summary of Significant Accounting Policies (Cont.)

B. Fund Accounting (Cont.)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity. The Village utilizes an agency fund to account for assets collected and held for payment of special assessments, which are not debt of the Village.

C. Government-wide and Fund Financial Statements

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

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

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

The Village reports the following major governmental funds:

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

The **Capital Improvements Fund** is used to account for monies restricted, committed or assigned for the Village's major capital projects.

The **Debt Service Fund** is used to accumulate monies restricted for the payment of principal and interest of the General Obligations Bonds.

The Village reports the following major enterprise funds:

The **Water Fund** accounts for the provision of water services to the residents and businesses of the Village financed by user fees.

The **Sewer Fund** accounts for the provision of sewer services to the residents and businesses of the Village financed by user fees.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

1. Summary of Significant Accounting Policies (Cont.)

C. Government-wide and Fund Financial Statements (Cont.)

Additionally, the Village reports the following internal service fund:

The **Information Technology Fund** is used to account for the acquisition of technology equipment and for technology related services to other departments of the Village. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.

The Village reports a pension trust fund as a fiduciary fund to account for the **Police Pension Fund**. The Village reports the **Special Assessment Fund**, an agency fund, to account for assets held for the payment of special assessment bonds.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for income, sales and telecommunication taxes which use a 120-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes (owed to the state at year end), motor fuel taxes, simplified telecommunications taxes, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

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

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

1. Summary of Significant Accounting Policies (Cont.)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont.)

The Village reports unearned revenue on its financial statements. Unearned 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 also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

E. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in Illinois Funds (Illinois Public Treasurers Investment Pool) and Illinois Metropolitan Investment Fund (IMET), and short-term investments with original maturities of three months or less from the date of acquisition. Investments in Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Village's fair value of the pool.

Investments with a maturity of one year or greater at the time of purchase and all investments of the pension trust fund are stated at fair value. Fair value has been based on quoted market prices at April 30 for debt and equity securities and mutual funds.

F. Interfund Receivables and Payables

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

G. Property Taxes

Property taxes attach as an enforceable lien on January 1 of each year. They are levied in December of the subsequent fiscal year by passage of a Tax Levy Ordinance. Tax bills are prepared by Cook County and issued on or about February 1 and August 1, and are payable in two installments, on or about March 1 and September 1. Tax bills are prepared by DuPage County on or about May 1 and are payable in two installments on or about June 1 and September 1. The Counties collect such taxes and remit them periodically. Property tax revenues are recognized in the year intended to finance. The 2013 taxes are intended to finance the 2015 fiscal year and are not considered available for current operations and are, therefore, shown as a receivable and unavailable revenue. The 2014 tax levy has not been recorded as a receivable at April 30, 2014, as the tax attached as a lien on property as of January 1, 2014; however, the tax will not be levied until December 2014 and, accordingly, is not measurable at April 30, 2014.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

1. Summary of Significant Accounting Policies (Cont.)

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess \$10,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs, including street overlays 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 Years
Improvements	40 Years
Equipment	5-15 Years
Vehicles	5-10 Years
Streets	50 Years
Water System	40 Years
Sanitary Sewer Lines	40 Years

The Village will report its infrastructure on a prospective basis.

I. Compensated Absences

Vested or accumulated vacation leave and compensatory time off that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements, and the remainder is reported in governmental activities. Vested or accumulated vacation leave and compensatory time off of proprietary funds and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

J. Long-Term Obligations

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

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

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

1. Summary of Significant Accounting Policies (Cont.)

K. Fund Balance/Net Position

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

The Village will maintain fund balance in the General Fund to fund operations for a period of at least three months. The cash flow target in the General Fund will be adjusted annually with the adoption of the annual budget and is calculated as three months (25%) of General Fund expenditures with the exception of transfers to capital projects.

In addition, a portion of fund balance will be assigned for capital improvement and replacement projects. These funds will be assigned in the General Fund.

It is also the policy of the Village to assign a portion of fund balance in the amount of debt service payments for governmental debt for the following year. These funds may be assigned in either the General Fund or the Debt Service Fund.

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

L. Interfund Transactions

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

All other interfund transactions, except interfund services transactions and reimbursements, are reported as transfers.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

M. Accounting Estimates

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

N. Deferred Inflows/Outflows

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position 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 Net 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

2. Receivables

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

GOVERNMENTAL ACTIVITIES

Court Fines	\$ 4,861
Sales Tax	475,847
Income Tax	161,637
Motor Fuel Tax	19,466
Telecommunications Tax	182,154
State Grant	48,894
Total Governmental Activities	<u>\$ 892,859</u>

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

GOVERNMENTAL ACTIVITIES

Franchise Fees	\$ 62,822
Utility Tax	119,382
Hotel/Motel Tax	46,674
E911 Surcharge	5,290
Places of Eating Tax	22,008
Accounts - General	44,281
Other	3,765
Total Governmental Activities	<u>\$ 304,222</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

3. Deposits and Investments

A. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agency, Government National Mortgage Association (GNMAs), money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, the IMET and Illinois Funds.

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

IMET is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, which is the price for which the investment could be sold.

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

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust fund. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 102% of the fair market value of the funds secured, with the collateral held by the Village, an independent third party or the Federal Reserve Bank of Chicago.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements

April 30, 2014

3. Deposits and Investments (Cont.)

A. Village Deposits and Investments (Cont.)

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2014:

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	More Than 5 Years	Greater Than 10 Years
U.S. Agency Securities	\$ 10,699,318	1,253,995	7,156,491	1,404,629	884,203
State and Local Obligations	3,641,355		2,212,397	1,292,668	136,290
Negotiable CD	106,714		106,714		
	<u>\$ 14,447,387</u>	<u>1,253,995</u>	<u>9,475,602</u>	<u>2,697,297</u>	<u>1,020,493</u>

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.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in external investment pools. The U.S. agency obligations are all rated AA+. The state and local obligations are rated from AA- to AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all investments be limited to the safest types of securities invested with pre-qualified institutions, broker/dealers, intermediaries and advisors and soundly diversified. IMET and Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. At April 30, 2014, the Village had greater than 5% of its overall portfolio invested in U.S. Treasury and U.S. agency obligations. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

B. Police Pension Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by the Illinois Pension Code contained in Chapter 40 of Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, interest bearing obligations of the U.S. Treasury and U.S. agencies, interest bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock and Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value).

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

3. Deposits and Investments (Cont.)

B. Police Pension Deposits and Investments (Cont.)

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, rate of return, public trust and liquidity.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy requires pledging of collateral for all investments in excess of federal depository insurance, at an amount not less than 100% of the fair market value of the funds secured, with the collateral held by the Village, an independent third party or the Federal Reserve Bank of Chicago.

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2014:

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	More Than 5 Years	Greater Than 10 Years
U.S. Agency Securities	\$ 4,292,994	585,790	2,437,555	1,269,649	
U.S. Treasury Securities	1,153,474		895,740	257,734	
State and Local Obligations	891,621		501,609	390,012	
	<u>\$ 6,338,089</u>	<u>585,790</u>	<u>3,834,904</u>	<u>1,917,395</u>	<u>-</u>

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing U.S. Treasury and U.S. agency obligations and other highly rated obligations. U.S. Treasury Securities are rated AA in the amount of \$1,153,474. U.S. agency securities in the amount of \$4,292,994 are rated AA+. The state and local obligations are rated Aa2 in the amount of \$891,621.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be held by a third party agent.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements April 30, 2014

3. Deposits and Investments (Cont.)

B. Police Pension Deposits and Investments (Cont.)

Investments (Cont.)

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk. At April 30, 2014, the Police Pension Fund had greater than 5% of its overall portfolio invested in U.S. Treasury and U.S. agency obligations. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

4. Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	\$ 1,705,533			1,705,533
Land Right of Way	214,262,950			214,262,950
Construction in Progress	469,560	148,788	357,270	261,078
	<u>216,438,043</u>	<u>148,788</u>	<u>357,270</u>	<u>216,229,561</u>
Capital Assets Being Depreciated				
Streets	56,815,640			56,815,640
Buildings	9,971,597			9,971,597
Improvements Other Than Building	2,056,443	453,670		2,510,113
Equipment	1,430,273	154,116		1,584,389
Vehicles	1,666,201	290,360	174,337	1,782,224
	<u>71,940,154</u>	<u>898,146</u>	<u>174,337</u>	<u>72,663,963</u>
Less Accumulated Depreciation For				
Streets	24,165,333	1,130,428		25,295,761
Buildings	2,518,326	249,290		2,767,616
Improvements Other Than Building	332,701	62,753		395,454
Equipment	718,974	157,252		876,226
Vehicles	1,343,395	152,848	165,545	1,330,698
	<u>29,078,729</u>	<u>1,752,571</u>	<u>165,545</u>	<u>30,665,755</u>
Total Capital Assets Being Depreciated, Net	<u>42,861,425</u>	<u>(854,425)</u>	<u>8,792</u>	<u>41,998,208</u>
Governmental Activities Capital Assets, Net	<u>\$ 259,299,468</u>	<u>(705,637)</u>	<u>366,062</u>	<u>258,227,769</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
 April 30, 2014

4. Capital Assets (Cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	\$ 48,000			48,000
Capital Assets Being Depreciated				
Buildings	6,321,153	14,975		6,336,128
Equipment	137,000			137,000
Vehicles	148,466	87,313	28,737	207,042
Water Systems	63,850,374			63,850,374
Sanitary Sewer Lines	14,307,569			14,307,569
	<u>84,764,562</u>	<u>102,288</u>	<u>28,737</u>	<u>84,838,113</u>
Less Accumulated Depreciation For				
Buildings	3,205,520	91,135		3,296,655
Equipment	62,025	13,700		75,725
Vehicles	89,802	19,350	28,737	80,415
Water Systems	18,639,131	851,338		19,490,469
Sanitary Sewer Lines	4,591,257	198,532		4,789,789
	<u>26,587,735</u>	<u>1,174,055</u>	<u>28,737</u>	<u>27,733,053</u>
Total Capital Assets Being Depreciated, Net	<u>58,176,827</u>	<u>(1,071,767)</u>	<u>-</u>	<u>57,105,060</u>
Business-Type Activities Capital Assets, Net	<u>\$ 58,224,827</u>	<u>(1,071,767)</u>	<u>-</u>	<u>57,153,060</u>

Depreciation expense was charged to functions/programs of the primary government for the year ended April 30, 2014, as follows:

GOVERNMENTAL ACTIVITIES

General Government	\$ 1,325,372
Public Safety	262,511
Public Works	<u>164,688</u>
Total Depreciation Expense - Governmental Activities*	<u>\$ 1,752,571</u>

*Depreciation expense excludes depreciation of the Internal Service Fund's capital assets of \$98,240.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

5. Interfund Accounts

A. Interfund transfers between funds for the year ended April 30, 2014 were as follows:

	Transfer In	Transfers Out
General		
Capital Improvements	\$	150,000
Nonmajor Equipment Replacement		150,150
Total General	-	300,150
Debt Service		
Nonmajor/Hotel/Motel	45,910	
Capital Projects		
Capital Improvements	410,000	
Nonmajor		
Hotel/Motel		305,910
Equipment Replacement	150,150	
Total Nonmajor	150,150	305,910
	\$ 606,060	606,060

The purpose of significant transfers is as follows:

- The General Fund transferred \$150,000 to the Capital Improvement Fund for future capital projects and \$150,150 to the Equipment Replacement Fund for future vehicle, equipment and public improvement purchases.
- The Hotel/Motel Tax Fund transferred \$260,000 to the Capital Improvement Fund to help fund costs associated with the County Line Road Bridge Over I-55 Enhancement Program, and \$45,910 to the Debt Service Fund to cover the cost of principal and interest for the installment contract to pay for the County Line Road/Burr Ridge Parkway landscape improvement project.

B. Interfund receivables between funds for the year ended April 30, 2014 were as follows:

	Due From	Due To
General	\$ 1,744,116	
Nonmajor/MFT		76,182
Nonmajor/Places of Eating		5,730
Water		1,662,204
	\$ 1,744,116	1,744,116

- \$1,662,204 due to the General Fund from the Water Fund to finance short-term cash shortfalls. This will be repaid within one year.
- \$76,182 due to the General Fund from the Motor Fuel Tax Fund to finance short-term cash shortfalls. This will be repaid within one year.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

5. Interfund Accounts (Cont.)

B. Interfund receivables between funds for the year ended April 30, 2014 were as follows (Cont.):

- \$5,730 due to General Fund from the Place of Eating Tax Fund to finance short-term cash shortfalls

6. Long-Term Debt

A. General Obligation Bonds and Certificates

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

	Fund Debt Retired By	Balance May 1	Issuances	Reductions/ Refunding	Balance April 30	Current Portion
\$5,650,000 General Obligation Refunding Bonds Series 2003, dated May 15, 2003, due in annual installments of \$275,000 to \$505,000, plus fixed interest at 2.75% to 3.10% through December 30, 2016.	Debt Service	\$ 1,915,000		450,000	1,465,000	470,000
\$5,395,000 General Obligation Refunding Bonds Series 2012, dated May 2, 2012, due at maturity, plus fixed interest at 1.75% through December 15, 2017.	Debt Service	5,935,000			5,935,000	
Total General Obligation Bonds		\$ 7,850,000	-	450,000	7,400,000	470,000

Promissory notes are direct obligations and pledge the full faith and credit of the Village. Promissory notes currently outstanding are as follows:

	Fund Debt Retired By	Balance May 1	Issuances	Reductions	Balance April 30	Current Portion
\$375,000 Promissory Note, Series 2008, dated December 12, 2008, due in semi-annual installments of \$22,956 including interest at 3.98% through December 31, 2018.	Hotel/ Motel Tax	\$ 242,929		36,630	206,299	38,079

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

6. Long-Term Debt (Cont.)

B. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	Principal	Interest	Total
2015	\$ 470,000	45,415	515,415
2016	490,000	30,845	520,845
2017	505,000	15,655	520,655
	<u>\$ 1,465,000</u>	<u>91,915</u>	<u>1,556,915</u>

Fiscal Year Ending April 30,	Principal	Interest	Total
2015	\$	103,863	103,863
2016		103,863	103,863
2017		103,863	103,863
2018	5,935,000	103,863	6,038,863
	<u>\$ 5,935,000</u>	<u>415,452</u>	<u>6,350,452</u>

Fiscal Year Ending April 30,	Promissory Note Principal	Interest	Total
2015	\$ 38,079	7,835	45,914
2016	39,609	6,305	45,914
2017	41,187	4,727	45,914
2018	42,856	3,058	45,914
2019	44,568	1,346	45,914
	<u>\$ 206,299</u>	<u>23,271</u>	<u>229,570</u>

C. Legal Debt Margin

Equalized Assessed Valuation (2013 Actual)	<u>\$ 1,042,909,564</u>
Statutory Debt Limitation (2.875% of Assessed Valuation)	\$ 29,983,650
Less Amount of Debt Applicable to Debt Limit	
General Obligation Refunding Bond Series 2003	1,465,000
General Obligation Refunding Bond Series 2012	<u>5,935,000</u>
Total Debt Margin	<u>\$ 22,583,650</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

6. Long-Term Debt (Cont.)

D. Changes in General Long-Term Liabilities

	Balance May 1	Issuances	Retirements/ Refunding	Balance April 30	Current Portion
GOVERNMENTAL ACTIVITIES					
General Obligation Bonds Series 2003	\$ 1,915,000		450,000	1,465,000	470,000
General Obligation Bonds Series 2012	5,935,000			5,935,000	
Unamortized Premium on Bonds Payable	119,294		23,859	95,435	
Promissory Note	242,929		36,630	206,299	38,079
Compensated Absences	284,282		14,002	270,280	27,028
Net Pension Obligation	1,178,281	150,052		1,328,333	
Other Postemployment Benefit Payable	304,679	106,944		411,623	
	<u>\$ 9,979,465</u>	<u>256,996</u>	<u>524,491</u>	<u>9,711,970</u>	<u>535,107</u>
BUSINESS-TYPE ACTIVITIES					
Compensated Absences	\$ 45,589		3,451	42,138	4,214

7. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, employee health and natural disasters. The Village has joined risk pools to protect itself from losses as follows:

Intergovernmental Personnel Benefit Cooperative (IPBC)

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

The IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member.

One representative from each member group serves on the IPBC board and each board member has one vote on the board. None of its members have any direct equity interest in IPBC.

The Village, along with IPBC's other members, has a contractual obligation to fund any deficit of IPBC attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits. There have been no required supplemental contributions during any of the past three years.

IPBC offers a PPO and HMO plan for its members. All IPBC indemnity medical and HMO claims are subject to an individual stop loss of \$50,000. The cooperative agreement provides that the plan will be self-sustaining through member premiums.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

7. Risk Management (Cont.)

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration, extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. There have been no required supplemental contributions during any of the past three years.

Automobile Liability	\$10,000,000 per occurrence
General Liability	\$10,000,000 per occurrence
Public Officials Liability	\$10,000,000 per occurrence
Police Professional Liability	\$10,000,000 per occurrence
Employee Benefits Liability	\$10,000,000 per occurrence
Workers' Compensation	\$151,500,000 per occurrence
First Party Property	\$250,000,000 per occurrence
Employer's Liability	\$1,000,000 per occurrence
Boiler Machinery	\$50,000,000 per occurrence
Fidelity and Crime	
a. Employee Theft	\$5,000,000 blanket limit
b. Forgery or Alteration	\$5,000,000 blanket limit
c. Computer Fraud	\$5,000,000 blanket limit
d. Credit Card Forgery	\$5,000,000 blanket limit
e. Nonfaithful Performance	\$2,500,000 blanket limit
Public Officials Bond	Blanket statutory requirements

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

8. Contingent Liabilities

A. Litigation

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

B. Grants

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

9. Employee Retirement Systems

The Village contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. Neither of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for IMRF as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

A. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police Pension Plan) 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 8 years of service. Pension benefits vest after 8 years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with 8 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 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution rate for the calendar years ended 2013 and 2014 was

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

9. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Illinois Municipal Retirement Fund (Cont.)

13.46% and 12.64%, respectively, of covered payroll. The employee also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental benefit rate is set by statute.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At April 30, 2014, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	16
Inactive Members	2
Current Employees	
Vested	17
Nonvested	<u>9</u>
Total	<u>44</u>

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

9. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Plan (Cont.)

age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually each January thereafter. The increase is the lesser of 3.00% or 1/2 of the change in the Consumer Price Index for the proceeding calendar year.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service cost for the Police Pension Plan. For the year ended April 30, 2014, the Village's contribution was 26.2% of covered payroll.

B. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net position for the Police Pension Plan. Information for the IMRF is not available.

C. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	December 31, 2013	April 30, 2014
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Asset Valuation Method	5 Year Smoothed Market	4 Year Smoothed Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization Period	23 Years, Closed	23.17 Years, Closed

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

9. Employee Retirement Systems (Cont.)

C. Annual Pension Costs (Cont.)

	Illinois Municipal Retirement	Police Pension
Significant Actuarial Assumptions:		
(a) Rate of Return on Investment of Present and Future Assets	7.50% Compounded Annually	7.25% Compounded Annually
(b) Projected Salary Increases Attributable to Inflation	4.00% Compounded Annually	5.00% Compounded Annually
(c) Additional Projected Salary Increases - Seniority/Merit	0.40% to 10.00%	Not Available

Employer annual pension costs (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual Pension Cost (APC)	2012	\$ 216,027	678,257
	2013	235,191	727,429
	2014	253,563	705,675
Actual Contribution	2012	216,027	553,333
	2013	235,191	484,639
	2014	253,563	555,623
Percentage of APC Contributed	2012	100.00%	81.58%
	2013	100.00%	66.62%
	2014	100.00%	78.74%
Net Pension Obligation	2012		935,491
	2013		1,178,281
	2014		1,328,333

The funded status of the plans as of December 31, 2013 for the IMRF and April 30, 2014 for the Police Pension Plan were as follows. The actuarial assumptions used to determine the funded status of the Police Pension Plan are the same actuarial assumptions used to determine the employer APC of the plan as disclosed in Note 9.C. The Schedule of Funding Progress, presented as Required Supplemental Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

9. Employee Retirement Systems (Cont.)**C. Annual Pension Costs (Cont.)**

	Illinois Municipal Retirement	Police Pension
Actuarial Accrued Liability (AAL)	\$ 6,986,456	20,124,051
Actuarial Value of Plan Assets	5,715,175	14,341,334
Unfunded Actuarial Accrued Liability (UAAL)	1,271,281	5,782,717
Funded Ratio (Actuarial Value of Plan Assets/AAL)	81.80%	71.26%
Covered Payroll (Active Plan Members)	1,804,893	2,121,877
UAAL as a Percentage of Covered Payroll	70.44%	272.53%

The net pension obligation (asset) for the year ended April 30, 2014 has been calculated as follows:

	Illinois Municipal Retirement	Police Pension
Annual Required Contribution	\$ 253,563	689,133
Interest on Net Pension Obligations		85,425
Adjustment to Annual Required Contribution		(68,883)
Annual Pension Cost	253,563	705,675
Contributions Made	253,563	555,623
Increase in Net Pension Obligation	-	150,052
Net Pension Obligation, Beginning of Year		1,178,281
Net Pension Obligation, End of Year	\$ -	1,328,333

10. Other Postemployment Benefits**A. Plan Descriptions**

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

10. Other Postemployment Benefits (Cont.)

B. Benefits Provided

The Village provides pre- and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's two retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

C. Membership

At April 30, 2014, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	6
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	0
Active Employees	
Vested	
Nonvested	<u>46</u>
Total	<u>52</u>
Participating Employers	<u>1</u>

D. Funding Policy

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

E. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, employer contribution, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2014 were as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
4/30/2012	\$ 83,663	19,411	23.20%	197,165
4/30/2013	127,652	20,138	15.78%	304,679
4/30/2014	127,652	20,708	16.22%	411,623

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

10. Other Postemployment Benefits (Cont.)

E. Annual OPEB Costs and Net OPEB Obligation (Cont.)

The net OPEB obligation as of April 30, 2014, was calculated as follows:

Annual Required Contribution	\$ 127,652
Interest on Net OPEB Obligations	21,328
Adjustment to Annual Required Contribution	<u>(21,328)</u>
Annual OPEB Cost	127,652
Contributions Made	<u>20,708</u>
Increase in Net Pension Obligation	106,944
Net OPEB Obligation, Beginning of Year	<u>304,679</u>
Net OPEB Obligation, End of Year	<u><u>\$ 411,623</u></u>

Funded Status and Funding Progress

The funded status of the Plan as of April 30, 2012 was as follows:

Actuarial Accrued Liability (AAL)	\$ 1,799,537
Actuarial Value of Plan Assets	
Unfunded Actuarial Accrued Liability (UAAL)	1,799,537
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	4,401,016
UAAL as a Percentage of Covered Payroll	40.89%

See the Schedules of Funding Progress in the Required Supplementary Information immediately following the notes to financial statements for additional information related to the funded status of the Plan.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the Notes to Financial Statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Financial Statements
April 30, 2014

10. Other Postemployment Benefits (Cont.)

E. Annual OPEB Costs and Net OPEB Obligation (Cont.)

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

In the May 1, 2012 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.5%, projected salary increases of 5.0% and an initial healthcare cost trend rate of 9.0% with an ultimate healthcare inflation rate of 5.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012 was 30 years.

11. Subsequent Events

Management has evaluated subsequent events through September 8, 2014, the date the financial statements were available to be issued. No subsequent events were noted that would require recognition or disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

VILLAGE OF BURR RIDGE, ILLINOIS

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2014

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 5,595,990	5,595,990	5,550,067
Licenses and Permits	377,205	377,205	416,190
Intergovernmental	1,063,200	1,063,200	1,092,575
Charges for Services	525,190	525,190	532,610
Fines and Forfeitures	165,000	165,000	147,043
Investment Income	225,000	225,000	(39,587)
Miscellaneous	336,250	336,250	314,622
Total Revenues	<u>8,287,835</u>	<u>8,287,835</u>	<u>8,013,520</u>
Expenditures			
General Government	2,022,315	2,079,585	2,029,713
Public Safety	4,664,670	4,664,670	4,442,067
Public Works	1,382,660	1,382,660	1,329,187
Total Expenditures	<u>8,069,645</u>	<u>8,126,915</u>	<u>7,800,967</u>
Excess (Deficiency) of Revenues over Expenditures	<u>218,190</u>	<u>160,920</u>	<u>212,553</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	15,000	15,000	21,014
Transfers Out			
Capital Improvement Fund		(150,000)	(150,000)
Equipment Replacement Fund	(150,150)	(150,150)	(150,150)
Total Other Financing Sources (Uses)	<u>(135,150)</u>	<u>(285,150)</u>	<u>(279,136)</u>
Net Change in Fund Balance	<u>\$ 83,040</u>	<u>(124,230)</u>	<u>(66,583)</u>
Fund Balance			
Beginning - May 1			<u>4,675,189</u>
Ending - April 30			<u>4,608,606</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Required Supplementary Information

Illinois Municipal Retirement Fund

April 30, 2014

Analysis of Funding Progress

Actuarial Valuation Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	(Overfunded) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
12/31/2013	\$ 5,715,175	6,986,456	1,271,281	81.80%	1,804,893	70.44%
12/31/2012	5,549,356	6,902,098	1,352,742	80.40%	1,712,684	78.98%
12/31/2011	4,901,546	6,459,644	1,558,098	75.88%	1,700,749	91.61%
12/31/2010	4,431,251	6,016,241	1,584,990	73.65%	1,749,182	90.61%
12/31/2009	4,307,989	5,775,302	1,467,313	74.59%	2,002,510	73.27%
12/31/2008	3,906,638	5,476,054	1,569,416	71.34%	1,971,506	79.60%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$6,623,549. On a market basis, the funded ratio would be 94.81%. The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the Village. They do not include amounts for retirees. The actuarial accrued liability for the retirees is 100% funded.

Employer Contributions

Fiscal Year	Employer Contributions	Percentage of APC Contributed	Annual Required Contribution
4/30/14	\$ 253,563	100%	253,563
4/30/13	235,191	100%	235,191
4/30/12	216,027	100%	216,027
4/30/11	215,849	99%	218,648
4/30/10	214,413	100%	214,413
4/30/09	230,272	100%	230,272

VILLAGE OF BURR RIDGE, ILLINOIS

Required Supplementary Information

Police Pension Fund

April 30, 2014

Analysis of Funding Progress

Actuarial Valuation Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	(Overfunded) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
4/30/2014	\$ 14,341,334	20,124,051	5,782,717	71.26%	2,121,877	272.53%
4/30/2013	13,291,568	18,789,814	5,498,246	70.74%	2,066,534	266.06%
4/30/2012	12,131,012	17,591,245	5,460,233	68.96%	2,024,827	269.66%
4/30/2011	11,428,082	16,096,932	4,668,850	71.00%	2,128,445	219.35%
4/30/2010	10,513,849	15,017,269	4,503,420	70.01%	2,086,282	215.86%
4/30/2009	9,825,170	13,375,000	3,549,830	73.46%	1,972,195	179.99%

Employer Contributions

Fiscal Year Ended	Actual Employer Contribution	Annual Pension Cost	Percent Contributed
4/30/2014	\$ 555,623	705,675	78.74%
4/30/2013	484,639	713,135	67.96%
4/30/2012	553,333	660,788	83.74%
4/30/2011	570,105	704,238	80.95%
4/30/2010	463,791	597,123	77.67%
4/30/2009	468,730	515,891	90.86%

VILLAGE OF BURR RIDGE, ILLINOIS

Required Supplementary Information

Other Postemployment Benefit Plan

April 30, 2014

Analysis of Funding Progress

Actuarial Valuation Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	(Overfunded) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
4/30/2013	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2012		1,799,537	1,799,537	0.00%	4,401,016	40.89%
4/30/2011	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2010	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2009		953,779	953,779	0.00%	3,947,458	24.16%

Employer Contributions

Fiscal Year Ended	Actual Employer Contribution	Annual Pension Cost	Percent Contributed
4/30/2014	\$ 20,708	127,652	16.22%
4/30/2013	20,138	127,652	15.78%
4/30/2012	19,411	83,932	23.13%
4/30/2011	18,234	83,932	21.72%
4/30/2010	16,581	83,932	19.76%

VILLAGE OF BURR RIDGE, ILLINOIS

Notes to the Required Supplementary Information
April 30, 2014

1. Stewardship, Compliance and Accountability

A. Budgetary Information

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

1. The Village Administrator submits to the Board of Trustees 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.
2. Hearings are conducted.
3. The Budget Ordinance is legally enacted.
4. The Budget Ordinance may be amended by the Board of Trustees.
5. The budget is adopted on an accrual/modified accrual basis which is consistent with GAAP.

The Village operates under the Budget Act in lieu of appropriations. Annual budgets are adopted for the general, special revenue, debt service, capital projects, enterprise, internal service and pension trust funds.

The level of control (level at which expenditures may not exceed budget) is the Fund. The Village Administrator, as Budget Director, has the authority to amend the budget within the individual fund. Budgets lapse at year end.

B Budget and Actual Expenditures/Expenses

Actual fund expenditures/expenses for the fiscal year greater than final budgeted amounts at the legal level of budgetary control are as follows:

Fund	Expenditures Budget	Actual Expenditures
Emergency 911	\$ 40,625	44,421
Motor Fuel Tax	302,730	306,904
Hotel/Motel Tax	359,285	362,957
Places of Eating Tax	50,500	52,394

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

GOVERNMENTAL FUND TYPES

VILLAGE OF BURR RIDGE, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2014

	Special Revenue Funds			
	Emergency 911	Motor Fuel Tax	Hotel Motel	Places of Eating
ASSETS				
Cash and Cash Equivalents - Unrestricted	\$ 149,943		152,630	
Receivables				
Intergovernmental		19,466		
Accrued Interest	1,657	1,657	1,657	
Other	5,290		46,674	
Total Assets	\$ 156,890	21,123	200,961	-
Liabilities				
Accounts Payable	\$ 2,445		9,567	
Due to Other Funds		76,182		5,730
Total Liabilities	2,445	76,182	9,567	5,730
Fund Balances				
Restricted				
Specific Purpose	154,445		191,394	
Unrestricted				
Committed				
Unassigned				
Special Revenue		(55,059)		(5,730)
Total Fund Balances	154,445	(55,059)	191,394	(5,730)
Total Liabilities and Fund Balances	\$ 156,890	21,123	200,961	-

Capital Projects Funds			Total Nonmajor Governmental Funds
Sidewalks/ Pathways	Storm Water Management	Equipment Replacement	
479,957	77,313	850,452	1,710,295
			19,466
3,314	1,657	3,314	13,256
			51,964
483,271	78,970	853,766	1,794,981
21,694			33,706
			81,912
21,694	-	-	115,618
			345,839
461,577	78,970	853,766	1,394,313
			(60,789)
461,577	78,970	853,766	1,679,363
483,271	78,970	853,766	1,794,981

VILLAGE OF BURR RIDGE, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended April 30, 2014

	Special Revenue Funds			
	Emergency 911	Motor Fuel Tax	Hotel/ Motel Tax	Places of Eating
Revenues				
Taxes			501,571	50,000
Intergovernmental Revenue	\$	260,679		
Charges for Services	57,684			
Investment Income	(1,324)	(1,309)	(1,324)	
Miscellaneous				
Total Revenues	56,360	259,370	500,247	50,000
Expenditures				
Current				
General Government			282,963	52,394
Public Safety	44,421		79,994	
Public Works		539		
Capital Outlay		306,365		
Total Expenditures	44,421	306,904	362,957	52,394
Excess (Deficiency) of Revenues over Expenditures	11,939	(47,534)	137,290	(2,394)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out			(305,910)	
Total Other Finances Sources (Uses)	-	-	(305,910)	-
Net Change in Fund Balances	11,939	(47,534)	(168,620)	(2,394)
Fund Balances				
Beginning - May 1	142,506	(7,525)	360,014	(3,336)
Ending - April 30	\$ 154,445	(55,059)	191,394	(5,730)

Capital Projects Funds			Total Nonmajor Governmental Funds
Sidewalks/ Pathways	Storm Water Management	Equipment Replacement	
			551,571
			260,679
			57,684
(2,649)	(1,324)	(2,649)	(10,579)
	7,530		7,530
(2,649)	6,206	(2,649)	866,885
			335,357
			124,415
	11,754		12,293
65,230		316,496	688,091
65,230	11,754	316,496	1,160,156
(67,879)	(5,548)	(319,145)	(293,271)
		150,150	150,150
			(305,910)
-	-	150,150	(155,760)
(67,879)	(5,548)	(168,995)	(449,031)
529,456	84,518	1,022,761	2,128,394
461,577	78,970	853,766	1,679,363

SPECIAL REVENUE FUNDS

VILLAGE OF BURR RIDGE, ILLINOIS

Emergency 911 Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014

	Original/Final Budget	Actual
Revenues		
Charges for Services	\$ 67,050	57,684
Investment Income	6,120	(1,324)
Total Revenues	73,170	56,360
Expenditures		
Current		
Public Safety	40,625	44,421
Net Change in Fund Balance	\$ 32,545	11,939
Fund Balance		
Beginning - May 1		142,506
Ending - April 30		154,445

VILLAGE OF BURR RIDGE, ILLINOIS**Motor Fuel Tax Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014**

	Original/Final Budget	Actual
Revenues		
Intergovernmental Revenue	\$ 296,140	260,679
Investment Income	6,590	(1,309)
Total Revenues	<u>302,730</u>	<u>259,370</u>
Expenditures		
Current		
Public Works	700	539
Capital Outlay		
Reimbursement to Capital Improvement Fund	302,030	306,365
Total Expenditures	<u>302,730</u>	<u>306,904</u>
Net Change in Fund Balance	<u>\$ -</u>	(47,534)
Fund Balance		
Beginning - May 1		<u>(7,525)</u>
Ending - April 30		<u>(55,059)</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Hotel/Motel Tax Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014

	Original/Final Budget	Actual
Revenues		
Hotel/Motel Taxes	\$ 464,145	501,571
Investment Income	6,120	(1,324)
Total Revenues	<u>470,265</u>	<u>500,247</u>
Expenditures		
Current		
General Government	288,700	282,963
Public Safety	70,585	79,994
Total Expenditures	<u>359,285</u>	<u>362,957</u>
Excess of Revenues over Expenditures	<u>110,980</u>	<u>137,290</u>
Other Financing Uses		
Transfers Out		
Capital Improvements Fund	(260,000)	(260,000)
Debt Service Fund	(45,910)	(45,910)
Total Transfers Out	<u>(305,910)</u>	<u>(305,910)</u>
Net Change in Fund Balance	<u>\$ (194,930)</u>	(168,620)
Fund Balance		
Beginning - May 1		<u>360,014</u>
Ending - April 30		<u><u>191,394</u></u>

VILLAGE OF BURR RIDGE, ILLINOIS

Places of Eating Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2014

	Original/Final Budget	Actual
Revenues		
Taxes	\$ 50,000	50,000
Expenditures		
General Government		
Marketing	50,000	52,394
Net Change in Fund Balance	\$ -	(2,394)
Fund Balance		
Beginning - May 1		(3,336)
Ending - April 30		(5,730)

CAPITAL PROJECTS FUNDS

VILLAGE OF BURR RIDGE, ILLINOIS**Capital Improvements Fund (Major Fund)****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014**

	<u>Final Budget</u>	<u>Actual</u>
Revenues		
Intergovernmental Revenue	\$	167,245
Investment Income	15,000	(2,649)
Developer Contributions	93,000	73,705
Total Revenues	<u>108,000</u>	<u>238,301</u>
Expenditures		
Capital Outlay	1,162,715	898,111
Less Reimbursement		
Motor Fuel Tax	(302,030)	(306,365)
Total Expenditures	<u>860,685</u>	<u>591,746</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(752,685)</u>	<u>(353,445)</u>
Other Financing Sources		
Transfers In		
General Fund	150,000	150,000
Hotel/Motel Tax Fund	260,000	260,000
Total Transfers In	<u>410,000</u>	<u>410,000</u>
Net Change in Fund Balance	<u>\$ (342,685)</u>	56,555
Fund Balance		
Beginning - May 1		<u>1,035,613</u>
Ending - April 30		<u>1,092,168</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Sidewalks/Pathway Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014**

	Original/Final Budget	Actual
Revenues		
Investment Income	\$ 15,000	(2,649)
Miscellaneous	47,500	
Total Revenues	62,500	(2,649)
Expenditures		
General Government		
Publishing	3,000	
Capital Outlay	234,300	65,230
Total Expenditures	237,300	65,230
Net Change in Fund Balance	\$ (174,800)	(67,879)
Fund Balance		
Beginning - May 1		529,456
Ending - April 30		461,577

VILLAGE OF BURR RIDGE, ILLINOIS**Storm Water Management Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014**

	Original/Final Budget	Actual
Revenues		
Investment Income	\$ 6,120	(1,324)
Miscellaneous	15,000	7,530
Total Revenues	21,120	6,206
Expenditures		
Current		
Public Works	24,200	11,754
Net Change in Fund Balance	\$ (3,080)	(5,548)
Fund Balance		
Beginning - May 1		84,518
Ending - April 30		78,970

VILLAGE OF BURR RIDGE, ILLINOIS**Equipment Replacement Fund****Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014**

	<u>Original/Final Budget</u>	<u>Actual</u>
Revenues		
Investment Income	\$ 15,000	(2,649)
Expenditures		
Capital Outlay	<u>327,200</u>	<u>316,496</u>
Excess (Deficiency) of Revenues over Expenditures	(312,200)	(319,145)
Other Financing Sources		
Transfers in - General Fund	<u>150,150</u>	<u>150,150</u>
Net Change in Fund Balance	<u>\$ (162,050)</u>	(168,995)
Fund Balance		
Beginning - May 1		<u>1,022,761</u>
Ending - April 30		<u>853,766</u>

DEBT SERVICE FUND

VILLAGE OF BURR RIDGE, ILLINOIS**Debt Service Fund (Major Fund)****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2014**

	Original/Final Budget	Actual
Revenues		
Taxes	\$ 509,365	536,466
Investment Income	115,225	(23,838)
Total Revenues	624,590	512,628
Expenditures		
Debt Service		
Principal	486,605	486,630
Interest and Fiscal Charges	183,900	183,517
Total Expenditures	670,505	670,147
Excess (Deficiency) of Revenues over Expenditures	(45,915)	(157,519)
Other Financing Sources		
Transfer In - Hotel/Motel Tax Fund	45,910	45,910
Net Change in Fund Balance	\$ (5)	(111,609)
Fund Balance		
Beginning - May 1		3,263,216
Ending - April 30		3,151,607

FIDUCIARY FUND TYPE

AGENCY FUND

VILLAGE OF BURR RIDGE, ILLINOIS

Agency Fund - Special Service Area

Schedule of Changes in Assets and Liabilities
Year Ended April 30, 2014

	Balances May 1	Additions	Deletions	Balances April 30
ASSETS				
Cash and Cash Equivalents	\$ 126,114	10,205		136,319
Accounts Receivable	9,023		5,708	3,315
Total Assets	<u>\$ 135,137</u>	<u>10,205</u>	<u>5,708</u>	<u>139,634</u>
LIABILITIES				
Due to Bondholders	<u>\$ 135,137</u>	<u>4,497</u>		<u>139,634</u>

SUPPLEMENTAL DATA

VILLAGE OF BURR RIDGE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2003

April 30, 2014

Date of Issue	May 15, 2003
Date of Maturity	December 30, 2016
Authorized Issue	\$ 5,650,000
Denomination of Bonds	Increments of \$5,000
Interest Rates	2.75% to 3.10%
Principal Maturity Date	December 30
Interest Dates	June 30 and December 30
Payable at	Bank of America

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	FYE 4/30	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 30	Amount	December 30	Amount
2013	2015	\$ 470,000	45,415	515,415	2014	22,707	2015	22,708
2014	2016	490,000	30,845	520,845	2015	15,422	2016	15,423
2015	2017	505,000	15,655	520,655	2016	7,826	2017	7,829
		<u>\$ 1,465,000</u>	<u>91,915</u>	<u>1,556,915</u>			<u>45,955</u>	<u>45,960</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Long-Term Debt Requirements

Promissory Note of 2008

April 30, 2014

Date of Issue	December 12, 2008
Date of Maturity	December 30, 2018
Authorized Issue	\$ 375,000
Interest Rate	3.98%
Principal Maturity Date	December 30
Interest Dates	June 30 and December 30
Payable at	Burr Ridge Bank and Trust

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Schedule			Interest Due on			
	Principal	Interest	Totals	June 30	Amount	December 30	Amount
2015	\$ 38,077	7,836	45,913	2014	4,095	2015	3,741
2016	39,608	6,305	45,913	2015	3,339	2016	2,966
2017	41,186	4,727	45,913	2016	2,567	2017	2,160
2018	42,854	3,058	45,912	2017	1,736	2018	1,322
2019	44,598	1,331	45,929	2018	885	2019	446
	<u>\$ 206,323</u>	<u>23,257</u>	<u>229,580</u>		<u>12,622</u>		<u>10,635</u>

VILLAGE OF BURR RIDGE, ILLINOIS

Long-Term Debt Requirements

General Refunding Obligation Bonds of 2012

April 30, 2014

Date of Issue	May 2, 2012
Date of Maturity	December 15, 2017
Authorized Issue	\$ 5,935,000
Denomination of Bonds	Increments of \$5,000
Interest Rates	1.75%
Principal Maturity Date	December 15
Interest Dates	June 15 and December 15
Payable at	US Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy		Totals	Interest Due on			
	Principal	Interest		June 30	Amount	December 30	Amount
2015	\$	103,863	103,863	2014	51,931	2014	51,932
2016		103,863	103,863	2015	51,931	2014	51,932
2017		103,863	103,863	2016	51,931	2015	51,932
2018	5,935,000	103,863	6,038,863	2017	51,931	2016	51,932
	<u>\$ 5,935,000</u>	<u>415,452</u>	<u>6,350,452</u>		<u>207,724</u>		<u>207,728</u>