

**VILLAGE OF STICKNEY, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

Year Ended April 30, 2013

# VILLAGE OF STICKNEY, ILLINOIS

Year Ended April 30, 2013

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable President and Board of Trustees  
Village of Stickney, Illinois

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

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 Stickney (the "Village"), as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

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

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

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Village's Police Pension Fund, the Village's fiduciary component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, 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, as of April 30, 2013, 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.

### ***Emphasis of Matter***

As discussed in the note 13, in June 2011, the GASB issued GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". Statement 63 is effective for the Village's fiscal year ending April 30, 2013. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. Our opinion is not modified with respect to this matter.

As discussed in the note 13, in March 2012, the GASB issued GASB Statement 65, "Items Previously Reported as Assets and Liabilities." The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2014, with earlier application being encouraged. The Village has implemented this Statement retroactively as of May 1, 2012 resulting in restated net position. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

  
Crowe Horwath LLP

VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

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As management of the Village of Stickney ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2013. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the Village's financial statements. An overview and analysis of the financial activities of the Village's component unit, the Police Pension Fund, can be found in the Police Pension Fund's separately issued financial statements.

### **Financial Highlights**

The assets of the Village of Stickney exceeded its liabilities at the close of the fiscal year by \$12,679,092 (net position). Of this amount, \$3,211,008 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net position decreased by \$119,042 during the fiscal year ended April 30, 2013 (FY13). The governmental net position decreased by \$446,312 and the business-type activities net position increased by \$327,270.

As of the close of the current fiscal year, the Village of Stickney's governmental funds reported combined ending fund balances of \$3,032,428, a decrease of \$734,728 in comparison with the prior year. Approximately \$1,558,436 is available for spending at the government's discretion (unassigned fund balance).

At the end of the current fiscal year, the Village's Capital Projects Fund had a positive fund balance of \$748,232.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other required supplementary information and other supplementary information in addition to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the Village's assets, liabilities, and deferred inflows with the difference reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Governmental Activities reflect the Village's basic services, including administration, public safety, highways and streets, and culture and recreation. Property taxes, shared state taxes, and local utility taxes finance the majority of these services. The Business-Type Activities reflect private sector-type operations where the fee for service typically covers all or most of the cost of operations, including depreciation.

VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

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### **Fund Financial Statements**

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains four individual major governmental funds:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Motor Fuel Tax Fund

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the funds listed above, all of which are considered to be major funds. Information from the Village's other governmental funds are combined into a single column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report.

The Village maintains one type of proprietary fund (enterprise). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide information for the water fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.



VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

## Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

## Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension and other benefits to its employees. Nonmajor fund information can be found following the required supplementary information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Position

The following chart reflects the condensed Statement of Net Position(in millions):

	Total Governmental Activities		Business-Type Activities		Primary Government	
	2013	2012	2013	2012	2013	2012
<b>Assets</b>						
Current and other assets	\$ 5.0	\$ 5.8	\$ 1.6	\$ 1.4	\$ 6.6	\$ 7.2
Capital assets	<u>16.6</u>	<u>16.9</u>	<u>1.6</u>	<u>1.4</u>	<u>18.2</u>	<u>18.3</u>
<b>Total assets</b>	<b>21.6</b>	<b>22.7</b>	<b>3.2</b>	<b>2.8</b>	<b>24.8</b>	<b>25.5</b>
<b>Liabilities</b>						
Other liabilities	2.4	2.0	0.2	0.1	2.6	2.1
Long-term liabilities	<u>9.6</u>	<u>10.4</u>	<u>0.0</u>	<u>0.0</u>	<u>9.6</u>	<u>10.4</u>
<b>Total liabilities</b>	<b>12.0</b>	<b>12.4</b>	<b>0.2</b>	<b>0.1</b>	<b>--</b>	<b>12.5</b>
<b>Net Position</b>						
Invested in capital assets	7.4	7.3	1.6	1.4	9.0	8.7
Restricted	0.5	1.0	0.0	0.0	0.5	1.0
Unrestricted	<u>1.8</u>	<u>2.0</u>	<u>1.4</u>	<u>1.3</u>	<u>3.2</u>	<u>3.3</u>
<b>Total net position</b>	<b>\$ 9.7</b>	<b>\$ 10.3</b>	<b>\$ 3.0</b>	<b>\$ 2.7</b>	<b>\$ 12.7</b>	<b>\$ 13.0</b>

The largest portion of the Village's net position reflects the investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Village of Stickney uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

A much smaller portion of net position reflects the Village's resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$3.2 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current and prior fiscal year, the Village is able to report a positive balance in total net position.

The following chart reflects the condensed Statement of Activities (in millions):

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Government</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 1.2	\$ 0.9	\$ 2.9	\$ 2.3	\$ 4.1	\$ 3.2
Oper. grants/contrib.	0.2	0.2	0.0	0.0	0.2	0.2
Cap. grants/contrib.	0.0	0.5	0.0	0.0	--	0.5
General revenues:						
Property taxes	2.8	3.1	0.0	0.0	2.8	3.1
Other taxes	2.7	2.9	0.0	0.0	2.7	2.9
Other	0.0	0.3	0.0	0.1	0.0	0.3
<b>Total revenues</b>	<b>6.9</b>	<b>7.9</b>	<b>2.9</b>	<b>2.3</b>	<b>9.8</b>	<b>10.2</b>
<b>EXPENSES</b>						
General government	1.1	1.8	0.0	0.0	1.1	1.8
Public safety	4.6	3.7	0.0	0.0	4.6	3.7
Public works	1.1	1.3	0.0	0.0	1.1	1.3
Culture and recreation	0.1	0.1	0.0	0.0	0.1	0.1
Interest long-term debt	0.4	0.4	0.0	0.0	0.4	0.4
Water	0.0	0.0	2.6	2.1	2.6	2.1
<b>Total expenses</b>	<b>7.3</b>	<b>7.3</b>	<b>2.6</b>	<b>2.1</b>	<b>9.9</b>	<b>9.4</b>
<b>Change in net position</b>	<b>(0.4)</b>	<b>0.6</b>	<b>0.3</b>	<b>0.2</b>	<b>(0.1)</b>	<b>0.8</b>
<b>Ending net position</b>	<b>\$ 9.7</b>	<b>\$ 10.1</b>	<b>\$ 3.0</b>	<b>\$ 2.7</b>	<b>\$ 12.7</b>	<b>\$ 12.8</b>

#### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

**Governmental Funds:** The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of roughly \$3 million, a decrease of \$734 thousand in comparison with the prior year. Approximately half of this amount, \$1.6 million, constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending.

VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

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The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1.6 million, while the total fund balance reached \$1.8 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total fund expenditures.

The fund balance of the Village's General Fund decreased by \$591 thousand during the current fiscal year. Total revenues remained consistent while expenditures increased modestly.

The following three revenues represented the largest source of funds for the general fund during FY13:

Property Taxes \$2.1 million  
Intergovernmental Revenues \$1.6 million  
Other Taxes \$1.1 million

The following three expenditures represented the largest use of funds for the general fund during FY13:

Police Department \$2.3 million  
Fire Department \$1.2 million  
Pension Fund Contributions \$600 thousand

The fund balance of the Village's Debt Service Fund remained consistent with the prior year. The Village's property tax collection for the Debt Service Fund roughly equaled the amount of principal and interest paid on the Village's debt.

The fund balance of the Village's Capital Projects Fund increased by \$11,180 during the current fiscal year.

The fund balance of the Village's Motor Fuel Tax Fund decreased by \$104,818 during the current fiscal year.

**Proprietary Funds:** The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Water Fund at the end of the year amounted to \$3,022,347, an increase of \$327,268 from the prior year. The increase in net position will likely be used for improvements to the water system in future years.

VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

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## GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule (in millions):

<b>General Fund</b>	<b>Adopted Budget</b>	<b>Actual</b>
Revenues:		
Taxes	\$ 3,474,258	\$ 3,242,443
Other	<u>2,866,975</u>	<u>2,722,087</u>
<b>Total</b>	<b>6,341,233</b>	<b>5,964,530</b>
 Expenditures:		
<b>Total</b>	<u>6,631,233</u>	<u>6,295,686</u>
 Other financing sources (uses)		
Transfers In (out):	<u>(260,000)</u>	<u>(260,000)</u>
<b>Total</b>	<b>(260,000)</b>	<b>(260,000)</b>
 Change in fund balance	<u>\$ (550,000)</u>	<u>\$ (591,156)</u>

Revenues came in under budget mainly due to a negative variance for property taxes (255k under budget).

The Village remains committed to fiscal responsibility and again was able to keep expenditures below budget.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

The largest portion of the Village of Stickney's net position reflects its investments in capital assets (e.g., land, buildings, land improvements and equipment) less any related debts used to acquire those assets that are still outstanding. Capital assets are used to provide services to users of the Village and are not available for future spending.

As of April 30, 2013, the Village had capital assets net of depreciation of \$16,620,598 for governmental funds and \$1,590,545 for the Water Fund. Annual depreciation was \$733,427 and \$105,103, respectively.

The Village invested roughly \$700 thousand in capital assets during the year. The largest investment (\$450 thousand) was made to the Village's streets.

For more detailed information related to capital assets, see note 7 to the financial statements.

VILLAGE OF STICKNEY, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2013

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**Debt Administration**

At April 30, 2013, the Village had outstanding debt as follows:

Capital Leases	\$ 68,259
General Obligation Bonds Series 2004	1,080,000
General Obligation Bonds Series 2008	6,155,000
General Obligation Bonds Series 2011	2,010,000
Time Due Payable	107,583
IMRF Net Pension Obligation	42,530
Police Net Pension Obligation	391,240
Net OPEB Obligation	177,664
Total General Obligation Bonds	<u>\$ 10,032,276</u>

Bond debt principal paid during the year was \$385,000 while interest expense was \$372,846. There were no changes in credit ratings and/or any debt limitations that may affect the financing of planned facilities or services. For more detailed information related to long-term debt, see Note 8 to the financial statements.

**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. Questions concerning this report or requests for additional financial information should be directed to the Village Treasurer, Village of Stickney, 6533 Pershing Road, Stickney, Illinois, 60402.

## VILLAGE OF STICKNEY, ILLINOIS

## STATEMENT OF NET POSITION

April 30, 2013

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Current			
Cash & cash equivalents	\$ 1,182,307	\$ 285,916	\$ 1,468,223
Investments	1,523,671	1,048,220	2,571,891
Property taxes receivable	1,515,596	-	1,515,596
Other governmental receivables	486,981	-	486,981
Accounts receivable	169,055	273,397	442,452
Other assets	148,759	-	148,759
Non-current			
Capital assets not being depreciated	1,299,348	25,575	1,324,923
Capital assets being depreciated, net	15,321,250	1,564,970	16,886,220
<b>Total assets</b>	<b>21,646,967</b>	<b>3,198,078</b>	<b>24,845,045</b>
<b>Liabilities</b>			
Current			
Accounts payable	90,575	154,444	245,019
Accrued payroll	205,940	21,287	227,227
Accrued interest payable	150,869	-	150,869
Current portion - leases payable	33,172	-	-
Current portion - bonds payable	410,000	-	410,000
Non-current			
Bonds payable	8,835,000	-	8,835,000
Leases	35,087	-	-
Net pension obligation - IMRF	42,530	-	42,530
Net pension obligation - police	391,240	-	391,240
Net OPEB obligation	177,664	-	-
Time-due payable	107,583	-	107,583
<b>Total liabilities</b>	<b>10,479,660</b>	<b>175,731</b>	<b>10,655,391</b>
<b>Deferred inflow of resources</b>			
Unavailable revenue	1,510,562	-	1,510,562
<b>Net assets</b>			
Net investment in capital assets	7,375,598	1,590,545	8,966,143
Restricted net position			
Special revenue	170,768	-	170,768
Debt service	331,173	-	331,173
Unrestricted	1,779,206	1,431,802	3,211,008
<b>Total net position</b>	<b>\$ 9,656,745</b>	<b>\$ 3,022,347</b>	<b>\$ 12,679,092</b>

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES  
Year Ended April 30, 2013

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Primary government						
Governmental activities						
General government						
Public safety	\$ 1,115,328	\$ 439,398	\$ -	\$ (675,930)	\$ -	\$ (675,930)
Public works	4,692,712	380,010	31,541	(4,281,161)	-	(4,281,161)
Parks & recreation	1,076,749	294,715	161,592	(620,442)	-	(620,442)
Interest on long-term debt	106,241	23,695	-	(82,546)	-	(82,546)
Total government activities	368,362	-	-	(368,362)	-	(368,362)
Total government activities	7,359,392	1,137,818	193,133	(6,028,441)	-	(6,028,441)
Business-type activities						
Water	2,556,488	2,883,113	-	-	326,625	326,625
Total business-type activities	2,556,488	2,883,113	-	-	326,625	326,625
Total primary government	\$ 9,915,880	\$ 4,020,931	\$ 193,133	(6,028,441)	326,625	(5,701,816)
General revenues						
Taxes						
Property taxes, levied for general purposes						
Public service taxes				2,836,017	-	2,836,017
Unrestricted investment earnings				2,744,898	-	2,744,898
Total general revenues				1,214	645	1,859
Change in net position				5,582,129	645	5,582,774
Net position - beginning (as restated)				(446,312)	327,270	(119,042)
Net position - ending				10,103,057	2,695,077	12,798,134
				\$ 9,656,745	\$ 3,022,347	\$ 12,679,092

See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS

GOVERNMENTAL FUNDS  
BALANCE SHEET  
April 30, 2013

	Major Funds	
	General Fund	Debt Service Fund
<b>Assets</b>		
Cash	\$ 790,363	\$ 325,855
Investments	688,058	-
Property taxes receivable	1,153,993	361,603
Other governmental receivables	475,311	-
Other receivables	154,958	-
IRMA deposits	148,759	-
Interfund receivable	-	-
<b>Total assets</b>	<b>\$ 3,411,442</b>	<b>\$ 687,458</b>
<b>Liabilities and fund balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 87,787	\$ -
Accrued payroll	205,940	-
Interfund payable	-	-
<b>Total liabilities</b>	<b>293,727</b>	<b>-</b>
<b>Deferred inflows of resources</b>		
Unavailable tax revenue	1,335,460	356,285
<b>Total deferred inflows of resources</b>	<b>1,335,460</b>	<b>356,285</b>
<b>Fund balance</b>		
Unassigned	1,633,496	-
Restricted for capital projects	-	-
Restricted for IRMA	148,759	-
Restricted for debt service	-	331,173
Restricted for streets	-	-
Restricted for non major special revenue fund	-	-
<b>Total fund balance</b>	<b>1,782,255</b>	<b>331,173</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 3,411,442</b>	<b>\$ 687,458</b>

See accompanying notes to financial statements.



## STATEMENT 3

Major Funds		Nonmajor Governmental Funds		Total
Capital Projects Fund	Motor Fuel Tax Fund			
\$ 6,611	\$ 1,284	\$ 58,194	\$	1,182,307
615,621	219,992	-		1,523,671
-	-	-		1,515,596
-	11,670	-		486,981
-	-	14,097		169,055
-	-	-		148,759
126,000	-	-		126,000
<u>\$ 748,232</u>	<u>\$ 232,946</u>	<u>\$ 72,291</u>	<u>\$</u>	<u>5,152,369</u>
\$ -	\$ 2,479	\$ 309	\$	90,575
-	-	-		205,940
-	-	126,000		126,000
-	2,479	126,309		422,515
-	-	5,681		1,697,426
-	-	5,681		1,697,426
-	-	(75,060)		1,558,436
748,232	-	-		748,232
-	-	-		148,759
-	-	-		331,173
-	230,467	-		230,467
-	-	15,361		15,361
<u>748,232</u>	<u>230,467</u>	<u>(59,699)</u>		<u>3,032,428</u>
<u>\$ 748,232</u>	<u>\$ 232,946</u>	<u>\$ 72,291</u>	<u>\$</u>	<u>5,152,369</u>

## VILLAGE OF STICKNEY, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO STATEMENT OF NET POSITION  
April 30, 2013

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Total fund balances - governmental funds	\$ 3,032,428
Amounts reported for governmental activities in the statement of net position differ because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	16,620,598
Other long-term assets are not available to pay for current period expenditures and there are unavailable in the funds:	
Intergovernmental receivables	186,864
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 the governmental funds. These liabilities consist of:	
General obligation bonds	(9,245,000)
Leases payable	(68,259)
Accrued interest on general obligation bonds	(150,869)
Time-due payable	(107,583)
Net OPEB obligation	(177,664)
Net pension obligations	(433,770)
Net position of governmental activities	<u>\$ 9,656,745</u>

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See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended April 30, 2013

	Major Funds		
	General Fund	Debt Service Fund	Capital Projects Fund
Revenues			
Property taxes	\$ 2,167,506	\$ 668,511	\$ -
Intergovernmental revenues	1,649,120	-	-
Other taxes	1,074,937	-	-
Licenses & permits	241,995	-	-
Fines & fees	608,887	-	-
Other revenue	-	-	-
Motor fuel tax allotments	-	-	-
Special events	40,250	-	-
Miscellaneous	181,233	-	-
Grant revenue	-	-	-
Investment income	602	-	-
Total revenues	<u>5,964,530</u>	<u>668,511</u>	<u>356</u>
Expenditures			
Current			
Executive & legislative	67,600	-	-
Administration	216,813	-	-
Professional services	225,275	-	-
Police department	2,291,229	-	-
Fire department	1,199,606	-	-
Public works	266,400	-	-
Public buildings & grounds	209,519	-	-
Miscellaneous	15,639	-	-
Sanitation department	549,521	-	-
Insurance	155,788	-	-
Auditing	19,400	-	-
Municipal retirement	295,792	-	-
Contributions to pension fund	593,219	-	-
Parks & recreation	189,885	-	-
Capital projects	-	-	239,176
Program expenditures	-	-	-
Debt service			
Principal	-	385,000	-
Interest	-	372,846	-
Total expenditures	<u>6,295,686</u>	<u>757,846</u>	<u>239,176</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(331,156)</u>	<u>(89,335)</u>	<u>(238,820)</u>
Other financing sources (uses)			
Transfers in (out)	<u>(260,000)</u>	<u>-</u>	<u>250,000</u>
Total other financing sources (uses)	<u>(260,000)</u>	<u>-</u>	<u>250,000</u>
Net changes in fund balances	(591,156)	(89,335)	11,180
Fund balance at beginning of year	<u>2,373,411</u>	<u>420,508</u>	<u>737,052</u>
Fund balance at end of year	<u>\$ 1,782,255</u>	<u>\$ 331,173</u>	<u>\$ 748,232</u>

See accompanying notes to financial statements.

<u>Major Fund</u>	<u>Nonmajor</u>	
<u>Motor Fuel</u>	<u>Governmental</u>	
<u>Tax Fund</u>	<u>Funds</u>	<u>Total</u>
\$ -	\$ -	\$ 2,836,017
-	-	1,649,120
-	78,608	1,153,545
-	-	241,995
-	-	608,887
31,164	10,594	41,758
161,592	-	161,592
-	-	40,250
-	-	181,233
-	55,236	55,236
256	-	1,214
<u>193,012</u>	<u>144,438</u>	<u>6,970,847</u>
-	-	67,600
-	-	216,813
-	-	225,275
-	-	2,291,229
-	-	1,199,606
-	-	266,400
-	-	209,519
-	-	15,639
-	-	549,521
-	-	155,788
-	-	19,400
-	-	295,792
-	-	593,219
-	-	189,885
-	-	239,176
297,830	115,037	412,867
-	-	385,000
-	-	372,846
<u>297,830</u>	<u>115,037</u>	<u>7,705,575</u>
<u>(104,818)</u>	<u>29,401</u>	<u>(734,728)</u>
-	10,000	-
-	10,000	-
(104,818)	39,401	(734,728)
<u>335,285</u>	<u>(99,100)</u>	<u>3,767,156</u>
<u>\$ 230,467</u>	<u>\$ (59,699)</u>	<u>\$ 3,032,428</u>

## VILLAGE OF STICKNEY, 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, 2013

Amounts reported in the governmental activities in the statement of activities differ due to the following reasons:

Net changes in fund balance - total governmental funds \$ (734,728)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period is shown below

Capital outlay	\$	692,436	
Depreciation		<u>(733,427)</u>	(40,991)

Various tax revenues in the statement of activities that do not provide current financial resources are unavailable in the fund statements.

The change from the prior fiscal year totals: (57,767)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal consumes the current financial resources. Neither transaction, however, has any effect on net position. Also, governmental funds report of the effect premiums, discounts, and similar items when the debt is issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long term debt.

Principal Repayment		385,000	
Change in leases payable		31,358	
Change in Accrued Interest		<u>4,484</u>	420,842

The increase in future salary obligations will not be paid with current financial resources and therefore is not recorded in the fund statements

Change in time due payable		(34,930)	
Change in net OPEB obligation		(43,546)	
Change in IMRF net pension obligation		(12,529)	
Change in police net pension obligation		<u>57,337</u>	(33,668)

Change in net position - statement of activities \$ (446,312)



## VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
April 30, 2013

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	<u>Water Fund</u>
Assets	
Cash and cash equivalents	\$ 1,334,136
Accounts receivable (net of allowances)	273,397
Capital assets	
Capital assets not being depreciated	25,575
Capital assets being depreciated, net	<u>1,564,970</u>
Total assets	<u>3,198,078</u>
Liabilities	
Accounts payable	154,444
Accrued payroll	<u>21,287</u>
Total liabilities	<u>175,731</u>
Net position	
Net investment in capital assets	1,590,545
Unrestricted	<u>1,431,802</u>
Total net position	<u>\$ 3,022,347</u>

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See accompanying notes to financial statements.

## VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 Year Ended April 30, 2013

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	<u>Water Fund</u>
Operating revenues	
Charges for services	\$ 2,883,113
Total operating revenues	<u>2,883,113</u>
Operating expenses	
Water purchases	1,597,659
Water administration	853,726
Depreciation	<u>105,103</u>
Total operating expenses	<u>2,556,488</u>
Operating income (loss)	<u>326,625</u>
Nonoperating revenues (expenses)	
Investment income	<u>645</u>
Total nonoperating revenues (expenses)	<u>645</u>
Net income (loss)	327,270
Net position at beginning of year	<u>2,695,077</u>
Net position at end of year	<u>\$ 3,022,347</u>

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See accompanying notes to financial statements.



## VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPE  
Year Ended April 30, 2013

	<u>Water Fund</u>
Increase (decrease) in cash and cash equivalents	
Cash flows from operating activities	
Cash received from customers	\$ 2,889,518
Cash payments to suppliers for goods and services	(1,563,075)
Cash payments to employees for services	(853,976)
Net cash provided (used) by operating activities	<u>472,467</u>
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(251,911)
Net cash provided (used) by capital and related financing activities	<u>(251,911)</u>
Cash flows from investing activities	
Interest and dividends on investments	645
Net cash provided (used) by investing activities	<u>645</u>
Net increase (decrease) in cash and cash equivalents	221,201
Cash and cash equivalents at beginning of year	1,112,935
Cash and cash equivalents at end of year	<u>\$ 1,334,136</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income (loss)	\$ 326,625
Adjustment to reconcile operating income to net cash provided by operating activities	
Depreciation	105,103
Changes in net assets and liabilities	
(Increase) decrease in accounts receivable	6,405
Increase (decrease) in payables	34,584
Increase (decrease) in accrued payroll	(250)
Total adjustments	<u>145,842</u>
Net cash provided by operating activities	<u>\$ 472,467</u>

See accompanying notes to financial statements.

## VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
April 30, 2013

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	<u>Pension Trust Fund</u> <u>Police Pension Fund</u>
Assets	
Cash & cash equivalents	\$ 268,648
Investments	4,815,642
Accrued interest	<u>18,557</u>
Total assets	<u>5,102,847</u>
Liabilities	
Accounts payable	<u>950</u>
Total liabilities	<u>950</u>
Net position	
Held in trust for pension benefits	<u>5,101,897</u>
Total net position	<u>\$ 5,101,897</u>

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See accompanying notes to financial statements.

## VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
Year Ended April 30, 2013

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	<u>Police Pension Fund</u>
Additions	
Contributions	
Employer	\$ 593,219
Plan members	108,859
Total contributions	<u>702,078</u>
Investment earnings	
Interest income	153,211
Net change in fair value	<u>114,262</u>
	267,473
Less investment expenses	<u>(14,527)</u>
Total investment earnings	<u>252,946</u>
Total additions	<u>955,024</u>
Deductions	
Administration	12,161
Benefits and refunds	<u>734,995</u>
Total deductions	<u>747,156</u>
Change in net position	207,868
Net position - beginning of year	<u>4,894,029</u>
Net position - end of year	<u>\$ 5,101,897</u>

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See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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

The significant accounting policies of the Village of Stickney, Illinois are described below to enhance the usefulness of the financial statements to the readers.

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

Reporting Entity: The Village has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 61, The Financial Reporting Entity, under which the financial statements include all the organizations, activities, functions, and component units for which the Village is financially accountable. Financial accountability is defined as an appointment of a voting majority of the component units board and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

Because of the nature of the relationship of the Village and the Police Pension Fund, the Village has included the Police Pension Fund as a component unit within the Village's basic financial statements. A financial report that includes financial statements and required supplementary information for the Police Pension Fund is available from the Village of Stickney, 6533 West Pershing Road, Stickney, Illinois 60402.

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

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

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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

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

Measurement Focus and Basis of Presentation

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

The Village has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

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

*Fund Financial Statements* – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include real estate tax, state sales tax, state income tax, and motor fuel tax. All other revenue items are considered to be measurable and available only when cash is received by the government. Non-exchange transactions, in which the Village receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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

Unavailable revenue is reported on the governmental fund balance sheet. Unavailable revenues arise when potential revenue does not meet both the measurable and available criteria. Unavailable revenues also arise when resources are received prior to the government having a legal claim to them. In a subsequent period, when both recognition criteria are met or when the government has a legal claim to the resources, the liability is removed and the revenue recognized.

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

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

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

The Village reports the following major governmental funds:

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

Debt Service Funds: To account for the accumulation of resources for and the payment of general long-term debt principal and interest.

Capital Projects Fund: To account for financial resources to be used for the acquisition or construction of major capital facilities that are not financed by Proprietary and Trust Funds.

Motor Fuel Tax Fund: To account for activity of the Village's Motor Fuel Tax Allotments from the State of Illinois. This activity generally includes road resurfacing and other infrastructure improvements.

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

Special Revenue Funds: To account for the proceeds of specific revenue sources (other than debt service or major capital expenditures) that are legally restricted to expenditures for specified purposes.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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

**Proprietary Funds**

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

The Village reports the following major proprietary fund:

Water Fund: The fund accounts for the provision of waste water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

**Fiduciary Funds**

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the Village's own programs.

Police Pension Trust Fund: The fund accounts for assets held by the Village as a trustee. The pension trust fund has resources that are required to be held in trust for the members and beneficiaries of the pension plan.

**Cash and Investments**

Cash and Cash Equivalents: For purposes of the statement of cash flows, the government's proprietary fund types consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments: Investments are stated at fair value in accordance with GASB 31. Fair values for Illinois Funds are the same as the value of the pool shares. State statute requires these funds to comply with the Illinois Public Funds Investment Act (30 ILCS 235).

Short-Term Receivables/Payable: During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "advances from other funds" or "advances to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the Village-wide financial statements as "internal balances."

Capital Assets: Capital assets, which include land, property, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the village-wide financial statements. As allowed by GASB Statement 34, the Village, as a phase-three government, has elected to report governmental infrastructure assets acquired subsequent to May 1, 2004. Capital assets are defined by the Village as assets with a useful life of more than one year and an initial individual cost of more than \$5,000.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Land improvements	20	Years
Buildings	15-40	Years
Furniture and office equipment	5-10	Years
Equipment	10	Years
Vehicles	3-20	Years
Waterworks system	50	Years
General infrastructure assets	40	Years

Compensated Absences Payable: An ordinance adopted by the Village Board of Trustees provides a written policy for sick leave and vacation for salaried and hourly-paid employees of the Village. In accordance with this ordinance, vacations must be taken in the year earned or forfeited. Sick pay is allowable in accordance with the allowable days provided in the ordinance. Sick pay can be accumulated or accrued, but will not be paid out upon an employee's termination or retirement. Consequently, no liability for accrued vacations and sick leave has been provided for in these financial statements. However, police officers earn comp time, which the Village is liable to pay should the officer leave the Village. Therefore, this amount of comp time earned but not used or paid is recorded in the Village-wide financial statements as Time Due Payable.

Long-Term Obligations: In the Village-wide financial statements and in the proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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 are reported as a debt service expenditure in the year incurred.

Fund Equity/Net Position: In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net position represents the difference between assets and liabilities. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances for any borrowing used for the acquisition construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. At year end, the Village's emergency telephone system fund had a negative fund balance of \$110,075.



VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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

Property Taxes: Property taxes that have been levied but not collected during the year are recorded as property taxes receivable and Unavailable revenue to the extent they will not be available to finance current operations. Property taxes are levied and attach as an enforceable lien on property on January 1 and are payable in two installments on March 1 and (normally) August 1 subsequent to the year of levy.

Property taxes are recognized as revenue when they are available to finance operations (within 60 days of year end).

This method of recognizing property tax revenue resulted in unavailable 2012 tax revenue since this amount will not be collected within 60 days of year end and will not be available to finance operations until the succeeding year.

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

Commitments: The Village has no significant commitments at year end relating to construction projects.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

Village

***Cash***

The carrying amount of cash, excluding the Pension Trust Fund, was \$1,468,223 at April 30, 2013, while the bank balances were \$1,437,523. Of the total bank balances, \$100,000 was insured by the Federal Deposit Insurance Corporation (FDIC). The remaining \$1,337,523 was fully collateralized as of year end.

***Investments (excluding Pension Trust Fund)***

Illinois statutes authorized the Village to invest in obligations of the U.S. Treasury, U.S. agencies, and banks and savings and loan associations covered by federal depositary insurance.

The following schedule reports the fair values for the Village's investments at April 30, 2013. All investments mature in less than one year:

<u>Investment Type</u>	<u>Fair Value</u>
Illinois Funds – State Treasurer	\$ 2,571,891

The value of the Illinois Funds equates to the number of shares owned as of April 30, 2013.

*Interest Rate Risk* – The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* – The Village's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Illinois Funds are rated AAA by Standard & Poor's.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)**

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investments are fully collateralized as of April 30, 2013.

*Concentration of Credit Risk* – The Village places no limit on the amount the Village may invest in any one issuer. More than 5% of the Village's investments are in Illinois Funds. These investments are 100% of the Village's investments.

**Police Pension Fund**

**Deposits, Investments, and Concentrations** – The deposits and investments of the Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest-bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; and general accounts of life insurance companies and separate accounts of life insurance. Pension funds with net position of 2.5 million or more may invest up to 45% of plan net position in separate account of life insurance companies and mutual funds.

Deposits – At year end, the carrying amount and bank balance of the Pension Fund's deposits totaled \$268,648 and 203,370, respectively.

Investments – At year end, the Pension Fund has the following investments and maturities (using the time segmented distribution method):

Investment Type	Fair Value	Less Than			More Than 10
		1	1-5	6-10	
U.S. Treasury Notes	\$ 330,235	\$ -	\$ -	\$ 330,235	\$ -
GNMA	311,939	-	-	-	311,939
FHLMC	139,895	-	-	-	139,895
FNM	93,476	-	-	-	93,476
Municipal Obligations	414,979	204,315	210,664	-	-
Corporate Obligations	<u>682,411</u>	<u>100,000</u>	<u>454,388</u>	<u>100,659</u>	<u>27,364</u>
Total	<u>\$1,972,935</u>	<u>\$ 304,315</u>	<u>\$ 665,052</u>	<u>\$ 430,894</u>	<u>\$ 572,674</u>

The difference between the fair value total above of 1,972,935 and the amount on the Statement of Fiduciary Net Position of \$4,815,642 is due to investments without finite maturity dates. These investments include equity mutual funds, money market mutual funds, and insurance contracts in the amounts of 1,844,078, 850,808, and 147,821, respectively.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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**NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)**

Police Pension Fund (Continued):

The Pension Fund assumes any callable securities will not be called.

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

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Investments in the securities of U.S. government agencies were all rated triple A by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy also prescribes to the "prudent person" rule, which states,

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates return."

*Custodial Credit Risk – Deposits:* In the case of deposits, the risk is that in the event of a bank failure, the Pension Fund's deposits may not be returned. At April 30, 2013, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance.

*Custodial Credit Risk – Investments:* For an investment, the risk is that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. The Pension Fund limits its exposure to custodial credit risk by using an independent third-party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

*Concentration of Credit Risk* – The risk is loss attributed to the magnitude of the Fund's investment in a single issuer. At April 30, 2013, the Pension Fund has no investments over 5% of net plan assets that are required to be disclosed by GASB.

**NOTE 3 - DEFINED BENEFIT PENSION PLAN**

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

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VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)**

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

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

Funding Policy - As set by statute, your employer regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2012 was 10.25% of annual covered payroll and for 2013 the rate is 11.28%. The employer annual required contribution rate for calendar year 2012 was 11.19%. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost - For the fiscal year ending April 30, 2013, the employer's annual contribution of \$138,088 for the regular plan was paid. It was less than the required contribution which was \$150,112.

Annual Required Contribution	\$ 149,549
Interest on NPO	2,288
Adjustment to annual required contribution	<u>(1,725)</u>
Annual Pension Cost	150,112
Actual Contribution	<u>138,088</u>
Increase in net pension obligation	12,024
Net pension obligation at May 1, 2012	<u>30,506</u>
Net pension obligation at April 30, 2013	<u>\$ 42,530</u>

**TREND INFORMATION - IMRF**

Fiscal Year Date	Annual pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
4/30/2013	\$ 150,112	\$ 138,088	92%	\$ 42,530
4/30/2012	139,437	127,564	91%	30,506
4/30/2011	128,506	114,883	89%	18,633

The required contribution for FY13 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)**

Funded Status and Funding Progress – As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 79.88 percent funded. The actuarial accrued liability for benefits was \$3,266,625 and the actuarial value of plan assets was \$2,609,499, resulting in an underfunded actuarial accrued liability (UAAL) of the \$657,126. The covered payroll for the calendar year 2012 (annual payroll of active employees covered by the plan) was \$1,263,298 and the ration of the UAAL to the covered payroll was 52 percent.

The Schedule of funding progress, presented in the Required Supplementary Information section following the notes to the financial statements which 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.

**SCHEDULE OF FUNDING PROGRESS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/2012	\$ 2,609,499	\$ 3,266,625	\$ 657,126	79.88%	\$ 1,263,298	52.02%
12/31/2011	2,349,060	3,201,807	852,747	73.37%	1,343,658	63.46%
12/31/2010	2,326,727	2,997,868	671,141	77.61%	1,317,808	50.93%

**NOTE 4 - PENSION FUND COMMITMENTS**

**Police Pension**

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The Police Pension Plan provides retirement, disability, and death benefits, as well as automatic annual cost of living adjustments, to plan members and their beneficiaries. Although this is a single employer pension plan the defined benefits and contribution requirements of the plan members and the Village are governed by Illinois State Statutes and may only be amended by the Illinois legislature. Administrative costs are financed through investment earnings.

At April 30, 2012, the date of the latest actuarial valuation, the Police Pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	15
Active Plan Members	15
Total	<u>30</u>

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 4 - PENSION FUND COMMITMENTS** (Continued)

The Police Pension Plan provides retirement 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 eight 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 ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer's 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 ten years may retire at or after 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. Non-compounding 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.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Policy Pension Plan is 90% funded.

Funding Status and Progress: The amount shown below as the "net pension obligation" is the cumulative difference between annual pension cost and the employer's contribution.

The net pension benefit obligation was computed as part of an actuarial valuation performed as of April 30, 2012. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7% a year compounded annually, (b) projected salary increases that are due to inflation of 5.5% a year compounded annually, and (c) 3.0% per year postretirement benefit increase.

	4/30/2012	4/30/2011
Annual required contribution	\$ 574,171	\$ 570,682
Interest on net pension obligation	31,400	29,087
Adjustment to annual required contribution	(18,472)	(21,308)
Annual pension cost	587,099	578,461
Contributions made	644,436	545,414
Increase (decrease) in net pension obligation	(57,337)	33,047
Net pension obligation, beginning of year	448,577	415,530
Net pension obligation, end of year	\$ 391,240	\$ 448,577

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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**NOTE 4 - PENSION FUND COMMITMENTS (Continued)**

Three Year Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2012	\$ 587,099	109.8%	\$ 391,240
4/30/2011	578,461	94.3%	448,577
4/30/2010	519,885	92.5%	415,530

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 actuarial accrued liabilities for benefits.

Actuarial methods and assumptions- projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and 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.

**NOTE 5 – OTHER POST EMPLOYMENT BENEFIT PLAN**

*Plan Description.* The Village provides limited health care insurance coverage for its eligible retired employees in a single employer plan. Employer provided benefit is 100% of health premiums for life for eligible disabled employees, police, and dispatch with 25 years of service, 100% of single premium to age 65. At April 30, 2013 (the most recent actuarial valuation date), the OPEB plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	8
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	20
Active nonvested plan members	<u>17</u>
Total	<u>45</u>

*Funding Policy.* Funding is provided by the Village on a pay-as-you-go basis. Retirees and their dependents may continue coverage under The Village's group health program. The Village's contribution on behalf of the employees to the insurance provider was \$128,105 for 2013.

*Annual OPEB Cost and Net OPEB Obligation.* The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for fiscal year 2013, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 5 – OTHER POST EMPLOYMENT BENEFIT PLAN (Continued)**

Annual OPEB Cost and Net OPEB Obligation	April 30, 2013
Annual required contribution	\$ 170,757
Interest on net OPEB obligation	5,365
Adjustment to annual required contribution	(4,471)
Annual OPEB cost	171,651
Contributions made	128,105
Increase (decrease) in net OPEB obligation	43,546
Net OPEB obligation beginning of year	134,118
Net OPEB obligation end of year	<u>\$ 177,664</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 was as follows:

Actuarial Valuation Date	Annual OPEB Cost	Percentage of Annual OPEB Cost	Net OPEB Obligation
4/30/2013	\$ 171,651	74.60%	\$ 177,664
4/30/2012	172,256	74.40%	134,118
4/30/2011	171,533	74.70%	89,966

*Funded Status and Funding Progress.* As of April 30, 2013 (the most recent actuarial valuation date), the plan was unfunded. The actuarial accrued liability for benefits was approximately \$3 million.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) - Entry Age (b)	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	\$ -	\$ 2,977,055	\$ 2,977,055	0.0%	\$ 1,263,298	235.7%
4/30/2012	-	2,681,522	2,681,522	0.0%	1,343,658	199.6%
4/30/2011	-	2,681,522	2,681,522	0.0%	1,317,808	203.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

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



VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 6 – IRS SECTION 457 COMPENSATION PLANS**

The Village offers its employees two compensation plans created in accordance with Internal Revenue Code Section 457 and administered by two outside providers. The plans permit eligible employees to delay a portion of their salary until future years. The compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The plan complies with subsection (g)(1) of the Internal Revenue Code Section 457, which requires that all assets and income of the plan described in subsection (b)(6) be held in trust for the exclusive benefit of the participants and their beneficiaries. As a result, the Village no longer acts in a fiduciary capacity; thus, the plan is no longer required to be reported in the financial statements of the Village.

**NOTE 7 - CAPITAL ASSETS**

A summary of changes in the Village's Governmental capital assets for the period May 1, 2012 through April 30, 2013 follows:

	Balance May 1, 2012	Additions	Retirements	Balance April 30, 2013
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,299,348	\$ -	\$ -	\$ 1,299,348
Capital assets being depreciated:				
Land improvements	675,206	58,043	-	733,249
Buildings	9,616,793	6,928	-	9,623,721
Furniture and office equipment	133,034	-	25,228	107,806
Equipment	984,008	122,682	23,136	1,083,554
Vehicles and trucks	2,701,709	52,887	20,209	2,734,387
Infrastructure	7,125,727	451,896	-	7,577,623
Subtotal	21,236,477	692,436	68,573	21,860,340
Accumulated Depreciation				
Land improvements	463,929	30,923	-	494,852
Buildings	2,537,669	253,112	-	2,790,781
Furniture and office equipment	72,361	13,875	25,228	61,008
Equipment	591,034	86,058	23,136	653,956
Vehicles and trucks	1,692,157	160,019	20,209	1,831,967
Infrastructure	517,086	189,440	-	706,526
Subtotal	5,874,236	733,427	68,573	6,539,090
Total capital assets being depreciated, net	15,362,241	(40,991)	-	15,321,250
Total governmental capital assets, net	\$ 16,661,589	\$ (40,991)	\$ -	\$ 16,620,598

Depreciation expense of the governmental activities was allocated as shown below.

General government	\$ 80,060
Public safety	372,158
Public works	236,733
Culture and recreation	44,476
	<u>\$ 733,427</u>

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 7 - CAPITAL ASSETS (Continued)**

A summary of changes in the Village's Business-type capital assets for the period from May 1, 2012 through April 30, 2013 follows:

	Balance <u>May 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>April 30, 2013</u>
Business-type activities				
Capital assets not being depreciated				
Land	\$ 25,575	\$ -	\$ -	\$ 25,575
Capital assets being depreciated:				
Pumping station and tower	353,611	218,659	-	572,270
Water works system	949,000	-	-	949,000
Office equipment	40,965	18,250	-	59,215
Trucks & accessories	171,975	-	-	171,975
Improvements to system	1,905,033	15,000	-	1,920,033
Buildings	789,049	-	-	789,049
Subtotal	<u>4,209,633</u>	<u>251,909</u>	<u>-</u>	<u>4,461,542</u>
Accumulated Depreciation				
Pumping station and tower	206,309	10,754	-	217,063
Water works system	711,908	11,343	-	723,251
Office equipment	40,964	3,650	-	44,614
Trucks & accessories	167,607	485	-	168,092
Improvements to system	1,148,269	39,419	-	1,187,688
Buildings	516,412	39,452	-	555,864
Subtotal	<u>2,791,469</u>	<u>105,103</u>	<u>-</u>	<u>2,896,572</u>
Total capital assets being depreciated, net	<u>1,418,164</u>	<u>146,806</u>	<u>-</u>	<u>1,564,970</u>
Total business-type capital assets, net	<u>\$ 1,443,739</u>	<u>\$ 146,806</u>	<u>\$ -</u>	<u>\$ 1,590,545</u>

All depreciation from business-type activities is charged to the water fund.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

**NOTE 8 - LONG-TERM DEBT**

The following is a summary of changes in the Village's long-term debt:

	Balance May 1, 2012	Issued	Retired	Balance April 30, 2013	Current
G.O. Bonds Series 2004	\$ 1,215,000	\$ -	\$ 135,000	\$ 1,080,000	\$ 135,000
G.O. Bonds Series 2008	6,245,000	-	90,000	6,155,000	100,000
G.O. Bonds Series 2011	2,170,000	-	160,000	2,010,000	175,000
Total GO Bonds	<u>9,630,000</u>	<u>-</u>	<u>385,000</u>	<u>9,245,000</u>	<u>410,000</u>
Capital Lease Payable	99,617	-	31,358	68,259	33,172
IMRF NPO	30,001	12,529	-	42,530	-
Police Pension NPO	448,577	-	57,337	391,240	-
OPEB Obligation	134,118	43,546	-	177,664	-
Police Time Due Payable	72,653	34,930	-	107,583	-
Total Long Term Liabilities	<u>\$ 10,414,966</u>	<u>\$ 91,005</u>	<u>\$ 473,695</u>	<u>\$ 10,032,276</u>	<u>\$ 443,172</u>

Interest paid during the year on the Series 2004, 2008, and 2011 General Obligation Bonds was \$372,846.

On July 6, 2004, the Village issued \$2,000,000 of debt. The issuance was used to fund capital expenditures within the Village including construction of a new police station. Interest payments are due every six months starting on June 1, 2006, with interest rates varying from 3.5% to 4.4%. Principal payments are due annually on December 1, beginning with the first principal payment due on December 1, 2006. The bond is schedule to mature on December 1, 2019.

On September 25, 2008, the Village issued General Obligation Bonds Series 2008 in the amount of \$6,400,000. The proceeds from the bonds were used for various capital projects within the Village. Interest payments are due every six months starting with interest rates varying from 3.0% to 4.5%. Principal payments are due annually on December 1. The bond is schedule to mature on December 1, 2028.

On September 7, 2011, the Village issued General Obligation Bonds Series 2011 for \$2,390,000. These funds were used to currently refund (pay in full) the Series 2001 bond issuance in order to reduce the Village's interest expense. The rate of interest on the Series 2011 ranges from 2.0 to 3.75%. This refinancing resulted in The bond is scheduled to mature December 1, 2023.

Debt Service Requirements Until Maturity

<u>Fiscal Year</u>	<u>GO Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 410,000	\$ 362,086
2015	415,000	350,206
2016	435,000	337,996
2017	450,000	324,811
2018	475,000	309,843
2019-2023	2,755,000	1,268,650
2024-2029	4,305,000	705,770
Total	<u>\$ 9,245,000</u>	<u>\$ 3,659,362</u>

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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**NOTE 9 - INSURANCE**

Intergovernmental Risk Management Agency: The Village has entered into a contractual agreement with the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperation's 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. The Village assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

The Village appoints one delegate, along with an alternate delegate, to represent the Village on the Board of Directors. The Village does not exercise any control over the activities of the Agency 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. The Village has 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.

Should a claim be paid by IRMA for which these reserves proved inadequate, the Village would be responsible for paying a portion of such deficiency. However, at April 30, 2013, management knows of no claim, asserted or unasserted, which if asserted and paid would have a materially adverse effect on the financial position of the various funds of the Village at April 30, 2013.

Health Insurance: The Village has purchased medical insurance through the State of Illinois Local Government Health Plan to cover its employees. The amount of coverage has neither decreased nor has the amount of settlements exceeded coverage during the past fiscal year.

**NOTE 10 - LEASE CONTRACTS**

The Village previously entered into a five year capital lease contract for street sweeping equipment. The Village will pay \$37,120 each year starting December 3, 2010 with final payment on December 3, 2014. Interest rate on the lease is 5.79% with total interest costs of \$28,338 over the life of the lease.

**NOTE 11 – SUBSEQUENT EVENT**

On September 16, 2013, the Village issued General Obligation Bonds Series 2013 in the amount of \$6,400,000. The proceeds from the bonds will be used for various capital projects within the Village.

**NOTE 12 – INTERFUND ACTIVITY**

During the year the general fund transferred \$250,000 to the capital projects fund and \$10,000 to the family day fund. At year end, the emergency telephone system phone owes the capital projects fund \$126,000

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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**NOTE 13 – NEW GOVERNMENTAL ACCOUNTING STANDARDS**

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The Statement improves financial reporting by addressing issues related to service concession arrangements, which are arrangements between a transferor (government) and an operator (governmental or non-governmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This statement is effective for the Village's fiscal year ended April 30, 2013, with no material impact.

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement improves financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues. This Statement is effective for the Village's fiscal year ended April 30, 2013 with no material impact.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for the Village's fiscal year ended April 30, 2013, with no material impact.

In June 2011, the GASB issued GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. This Statement is effective for the Village's fiscal year ended April 30, 2013.

In March 2012, the GASB issued GASB Statement 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The Village implemented this statement retroactively as of May 1, 2012

Governmental Activities

Beginning Net Position as Previously Reported	\$ 10,331,819
Change in Accounting Principle for Deferred Bond Costs	(228,762)
Beginning Net Position as Restated	<u>\$ 10,103,057</u>

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VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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**NOTE 13 – NEW GOVERNMENTAL ACCOUNTING STANDARDS (Continued)**

In March 2012, the GASB issued GASB Statement 66, *Technical Corrections – 2012, an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straightline basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions of this Statement are effective for the Village's Police Pension Fund fiscal year ending April 30, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the Village's financial year ending April 30, 2016. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year Ended April 30, 2013

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**NOTE 13 – NEW GOVERNMENTAL ACCOUNTING STANDARDS (Continued)**

In January 2013, the GASB issued Statement 69, Government Combinations and Disposals of Government Operations. The objective of this Statement is to improve accounting and financial reporting for U.S. state and local governments' combinations and disposals of government operations. Government combinations include mergers, acquisitions, and transfers of operations. A disposal of government operations can occur through a transfer to another government or a sale. The new standard provides guidance for:

- Determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations;
- Using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations;
- Measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based upon their acquisition values in a government acquisition; and
- Reporting the disposal of government operations that have been transferred or sold.

This Statement is effective for the Village's financial period ending April 30, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

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

## VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property taxes	\$ 2,423,258	\$ 2,167,506	\$ (255,752)
Intergovernmental revenues	1,605,000	1,649,120	44,120
Other taxes	1,051,000	1,074,937	23,937
Licenses and permits	239,600	241,995	2,395
Fines and fees	712,300	608,887	(103,413)
Special events	37,000	40,250	3,250
Miscellaneous	252,475	181,233	(71,242)
Grant revenue	20,000	-	(20,000)
Investment income	600	602	2
Total revenues	<u>6,341,233</u>	<u>5,964,530</u>	<u>(376,703)</u>
Expenditures			
Executive & legislative	68,200	67,600	600
Administration	243,950	216,813	27,137
Professional services	275,600	225,275	50,325
Police department	2,300,250	2,291,229	9,021
Fire department	1,287,800	1,199,606	88,194
Public works	300,820	266,400	34,420
Public building & grounds	215,000	209,519	5,481
Miscellaneous	50,000	15,639	34,361
Sanitation department	654,500	549,521	104,979
Insurance	240,000	155,788	84,212
Auditing	19,400	19,400	-
Municipal retirement	283,000	295,792	(12,792)
Contributions to pension fund	590,213	593,219	(3,006)
Parks & recreation	102,500	189,885	(87,385)
Total expenditures	<u>6,631,233</u>	<u>6,295,686</u>	<u>335,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(290,000)</u>	<u>(331,156)</u>	<u>(41,156)</u>
Other financing sources (uses)			
Transfers in (out)	<u>(260,000)</u>	<u>(260,000)</u>	<u>-</u>
Net changes in fund balances	<u>\$ (550,000)</u>	<u>(591,156)</u>	<u>\$ (41,156)</u>
Fund Balance at beginning of year		<u>2,373,411</u>	
Fund Balance at end of year		<u>\$ 1,782,255</u>	

See accompanying notes to required supplementary information.



## VILLAGE OF STICKNEY, ILLINOIS

RSI 2

MOTOR FUEL TAX FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Motor fuel tax allotments	\$ 160,000	\$ 161,592	\$ 1,592
Grants	-	31,164	31,164
Investment income	150	256	106
Total revenues	<u>160,150</u>	<u>193,012</u>	<u>32,862</u>
Expenditures			
Maintenance - salt	75,000	19,174	55,826
Maintenance - engineering	1,000	60,403	(59,403)
Construction	250,000	218,253	31,747
Engineering	25,000	60,403	(35,403)
Total expenditures	<u>351,000</u>	<u>297,830</u>	<u>28,170</u>
Net change in fund balance	<u>\$ (190,850)</u>	<u>(104,818)</u>	<u>\$ 86,032</u>
Fund balance at beginning of year		<u>335,285</u>	
Fund balance at end of year		<u>\$ 230,467</u>	

See accompanying notes to required supplementary information.

## VILLAGE OF STICKNEY, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 April 30, 2013

**IMRF**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL Percentage of Annual Covered Payroll ((b-a)/c)
12/31/2012	\$ 2,609,499	\$ 3,266,625	\$ 657,126	79.9%	\$ 1,263,298	52.02%
12/31/2011	2,349,060	3,201,807	852,747	73.4%	1,343,658	63.46%
12/31/2010	2,326,727	2,997,868	671,141	77.6%	1,317,808	50.93%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$2,701,942.

On a market basis, the funded ratio would be 83%.

**Police Pension Fund**

Actuarial Valuation Date	Actuarial Value of A (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL Percentage of Annual Covered Payroll (b-a)/(c)
04/30/2012	\$ 4,894,030	\$ 13,026,374	\$ 8,132,344	37.6%	\$ 1,069,149	760.6%
04/30/2011	4,818,074	12,840,460	8,022,386	37.5%	1,079,512	743.1%
04/30/2010	4,605,386	12,096,754	7,491,368	38.1%	1,020,609	734.0%

**OPEB**

Actuarial Valuation Date	Actuarial Value of A (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL Percentage of Annual Covered Payroll (b-a)/(c)
04/30/2013	\$ -	\$ 2,977,055	\$ 2,977,055	0.0%	\$ 2,402,420	123.9%
04/30/2012	-	2,681,422	2,681,422	0.0%	2,332,447	115.0%
04/30/2011	-	2,681,422	2,681,422	0.0%	2,423,170	110.7%

VILLAGE OF STICKNEY, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF EMPLOYER CONTRIBUTIONS  
 April 30, 2013

**IMRF**

<u>Fiscal Year Ending</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
04/30/2013	\$ 138,088	\$ 149,549	92%
04/30/2012	127,564	139,038	92%
04/30/2011	114,883	101,254	113%

**Police Pension Fund**

<u>Fiscal Year Ending</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
04/30/2012	\$ 664,436	\$ 574,171	116%
04/30/2011	545,414	570,682	96%
04/30/2010	480,691	512,159	94%

**OPEB**

<u>Fiscal Year Ending</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
04/30/2013	\$ 128,105	\$ 171,651	75%
04/30/2012	128,105	170,757	75%
04/30/2011	128,105	170,757	75%

VILLAGE OF STICKNEY, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
Year Ended April 30, 2013

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**NOTE 1 - LEGAL COMPLIANCE AND ACCOUNTABILITY**

Budgets:

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the following funds:

- |                                      |                         |
|--------------------------------------|-------------------------|
| - General Fund                       | - Police Badge Fund     |
| - Motor Fuel Tax Fund                | - Debt Service Fund     |
| - Emergency Telephone System Fund    | - Capital Projects Fund |
| - Police Seizure and Forfeiture Fund | - Family Day Fund       |
| - Water Fund                         |                         |

All annual appropriations lapse at fiscal year end.

The appropriated budget is prepared by fund and department. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is the fund level.

The budget may be amended during the year by the Village's Board of Trustees. During the year, no supplementary appropriations were necessary.

## VILLAGE OF STICKNEY, ILLINOIS

COMBINING NONMAJOR FUNDS BALANCE SHEET  
April 30, 2013

	Emergency Telephone System Fund	Police Seizure and Forfeiture Fund	Police Badge Program Fund	Family Day Fund	Total
<b>Assets</b>					
Cash	\$ 7,549	\$ 14,564	\$ 1,066	\$ 35,015	\$ 58,194
Accounts receivable	14,097	-	-	-	14,097
Total assets	<u>\$ 21,646</u>	<u>\$ 14,564</u>	<u>\$ 1,066</u>	<u>\$ 35,015</u>	<u>\$ 72,291</u>
<b>Liabilities, deferred inflows of resources and fund balance</b>					
<b>Liabilities</b>					
Accounts payable	\$ 40	\$ 269	\$ -	\$ -	\$ 309
Interfund payable	126,000	-	-	-	126,000
Total Liabilities	<u>126,040</u>	<u>269</u>	<u>-</u>	<u>-</u>	<u>126,309</u>
<b>Deferred inflows of resources</b>					
Unavailable tax revenue	5,681	-	-	-	5,681
Total deferred inflows of resources	<u>5,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,681</u>
<b>Fund balance</b>					
Restricted	-	14,295	1,066	-	15,361
Unassigned	(110,075)	-	-	35,015	(75,060)
Total fund balance	<u>(110,075)</u>	<u>14,295</u>	<u>1,066</u>	<u>35,015</u>	<u>(59,699)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 21,646</u>	<u>\$ 14,564</u>	<u>\$ 1,066</u>	<u>\$ 35,015</u>	<u>\$ 72,291</u>

## EXHIBIT 2

## VILLAGE OF STICKNEY, ILLINOIS

COMBINING NONMAJOR FUNDS STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
Year Ended April 30, 2013

	Emergency Telephone System Fund	Police Seizure and Forfeiture Fund	Police Badge Program Fund	Family Day Fund	Total
Revenues					
911 Surcharge	\$ 78,608	\$ -	\$ -	\$ -	\$ 78,608
Other revenue	-	10,594	-	-	10,594
Program revenue	-	-	-	23,695	23,695
Grant revenue	-	-	31,541	-	31,541
Total revenues	78,608	10,594	31,541	23,695	144,438
Expenditures					
Program expenditures	59,092	1,637	31,541	22,767	115,037
Total expenditures	59,092	1,637	31,541	22,767	115,037
Excess (deficiency) of revenues over expenditures	19,516	8,957	-	928	29,401
Other financing sources (uses)					
Transfers in	-	-	-	10,000	10,000
Total other financing sources (uses)	-	-	-	10,000	10,000
Net changes in fund balances	19,516	8,957	-	10,928	39,401
Fund balances at beginning of year	(129,591)	5,338	1,066	24,087	(99,100)
Fund balances at end of year	\$ (110,075)	\$ 14,295	\$ 1,066	\$ 35,015	\$ (59,699)

## VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND  
BALANCE SHEET  
April 30, 2013

---

Assets	
Cash	\$ 790,363
Investments	688,058
Property taxes receivable	1,153,993
Other governmental receivables	475,311
Other receivables	154,958
IRMA deposits	148,759
Total assets	<u>\$ 3,411,442</u>
Liabilities and fund balance	
Liabilities	
Accounts payable	\$ 87,787
Accrued payroll	205,940
Total liabilities	<u>293,727</u>
Deferred inflows of resources	
Unavailable property taxes	<u>1,335,460</u>
Total deferred inflows of resources	<u>1,335,460</u>
Fund balance	
Unassigned	1,633,496
Restricted for IRMA	148,759
Total fund balance	<u>1,782,255</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,411,442</u>

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## VILLAGE OF STICKNEY, ILLINOIS

EXHIBIT 4

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
Year Ended April 30, 2013

Revenues	
Property taxes	\$ 2,167,506
Intergovernmental revenues	1,649,120
Other taxes	1,074,937
Licenses and permits	241,995
Fines & fees	608,887
Special events	40,250
Miscellaneous	181,233
Investment income	602
Total revenues	<u>5,964,530</u>
Expenditures	
Executive & legislative	67,600
Administration	216,813
Professional services	225,275
Police department	2,291,229
Fire department	1,199,606
Public works	266,400
Public building & grounds	209,519
Miscellaneous	15,639
Sanitation department	549,521
Insurance	155,788
Auditing	19,400
Municipal retirement	295,792
Contributions to pension fund	593,219
Parks & recreation	189,885
Total expenditures	<u>6,295,686</u>
Deficiency of revenues under expenditures	<u>(331,156)</u>
Other financing uses	
Transfers out	<u>(260,000)</u>
Net changes in fund balance	(591,156)
Fund balance at beginning of year	<u>2,373,411</u>
Fund balance at end of year	<u>\$ 1,782,255</u>



VILLAGE OF STICKNEY, ILLINOIS  
 GENERAL FUND  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Property taxes			
Property tax revenue	\$ 2,411,258	\$ 2,157,620	\$ (253,638)
Road and bridge tax	12,000	9,886	(2,114)
Total property taxes	<u>2,423,258</u>	<u>2,167,506</u>	<u>(255,752)</u>
Intergovernmental revenues			
Personal property replacement tax	130,000	128,309	(1,691)
State income tax	675,000	777,876	102,876
State sales tax	800,000	742,935	(57,065)
Total intergovernmental revenues	<u>1,605,000</u>	<u>1,649,120</u>	<u>44,120</u>
Other taxes			
Race track - admission	8,000	5,868	(2,132)
Race track - parking tax	12,000	6,096	(5,904)
Utility tax - electricity	325,000	318,507	(6,493)
Utility tax - gas	365,000	381,488	16,488
Utility tax - telephone	225,000	206,818	(18,182)
Franchise tax	56,000	75,462	19,462
Real estate transfer tax	60,000	63,204	3,204
Video gaming tax	-	17,494	17,494
Total other taxes	<u>1,051,000</u>	<u>1,074,937</u>	<u>23,937</u>
Licenses and permits			
Licenses - business	85,000	86,198	1,198
Licenses - liquor	12,000	12,400	400
Licenses - cigarette	300	350	50
Licenses - tank	19,000	18,770	(230)
Licenses - truck	14,000	14,603	603
Licenses - animal	3,000	3,000	-
Licenses - amusement/machines	10,000	15,400	5,400
Permits - building	40,000	35,061	(4,939)
Licenses - auto	56,000	55,928	(72)

(Continued)

## VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
License - motorcycle	\$ 300	\$ 285	\$ (15)
Total licenses and permits	<u>239,600</u>	<u>241,995</u>	<u>2,395</u>
Fines and fees			
Garbage disposal fees	270,000	254,707	(15,293)
Police fines	275,000	203,799	(71,201)
Real estate exempt fees	1,800	2,725	925
Ambulance fees	150,000	133,638	(16,362)
Entertainment fees	12,000	8,630	(3,370)
Real estate inspection fees	3,500	5,388	1,888
Total fines and fees	<u>712,300</u>	<u>608,887</u>	<u>(103,413)</u>
Special events			
Special events	12,000	10,220	(1,780)
Parks and recreation	25,000	30,030	5,030
Total special events	<u>37,000</u>	<u>40,250</u>	<u>3,250</u>
Miscellaneous			
Miscellaneous	91,475	30,280	(61,195)
Rental of tower	115,000	115,518	518
Reimbursement sidewalk program	6,000	3,456	(2,544)
Miscellaneous - police department	20,000	17,683	(2,317)
Miscellaneous - fire department	20,000	14,296	(5,704)
Total miscellaneous	<u>252,475</u>	<u>181,233</u>	<u>(71,242)</u>
Grant revenue	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Investment income	<u>600</u>	<u>602</u>	<u>2</u>
Total revenues	<u>\$ 6,341,233</u>	<u>\$ 5,964,530</u>	<u>\$ (376,703)</u>

## VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Expenditures			
Executive & legislative			
Salary - village president	\$ 21,500	\$ 21,500	\$ -
Salary - trustees	43,200	42,600	600
Salary - liquor commissioner	3,500	3,500	-
Total executive and legislative	<u>68,200</u>	<u>67,600</u>	<u>600</u>
Administration			
Salary - village clerk	17,000	17,000	-
Salary - treasurer/collector	39,900	39,900	-
Salary - office clerks	51,500	53,081	(1,581)
Salary - building inspector	25,750	20,059	5,691
Compensation electrical inspector	5,000	2,905	2,095
Compensation police and fire board of commissioners	6,000	6,000	-
Police and fire board of commissioners expenses	7,500	1,266	6,234
Postage, stationary, and supplies	10,000	10,449	(449)
Purchase of license supplies	7,000	2,769	4,231
Membership and expenses IL Municipal League	2,000	1,273	727
Printing and publishing	9,500	7,601	1,899
Cost of preparing and publishing financial statements	1,800	1,545	255
Employee Insurance	10,300	9,988	312
Computer maintenance and service	9,000	6,993	2,007
Zoning board of appeals	2,000	-	2,000
Revision and recodification of ordinances	5,000	3,142	1,858
Salary - computer service	2,500	2,472	-
Plumbing inspection service	3,200	3,200	-
WCMC membership and expenses	12,000	10,170	1,830
Expenses of IMRA safety committee	17,000	17,000	-
Total administration	<u>243,950</u>	<u>216,813</u>	<u>27,109</u>

(Continued)

GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Professional services			
Retainer for village attorney	\$ 6,000	\$ 6,000	\$ -
Legal services	200,000	144,184	55,816
Village prosecutor	21,600	21,600	-
Other professional fees	42,000	46,441	(4,441)
Engineering services	6,000	7,050	(1,050)
Total professional services	<u>275,600</u>	<u>225,275</u>	<u>50,325</u>
Police department			
Salary - police chief	92,800	92,717	83
Salary - deputy police	83,500	84,619	
Salary - police sergeants	265,000	253,026	11,974
Salary - patrolmen	719,000	679,608	39,392
Salary - special police	135,000	218,288	(83,288)
Salary - radio clerks	253,000	245,074	7,926
Salary ordinance officer	30,000	29,910	90
Maintenance motor equipment	35,000	30,690	4,310
Maintenance communications equipment	25,000	13,445	11,555
Office supplies	6,500	5,609	891
Equipment/supplies	25,000	32,074	(7,074)
Motor fuel	70,000	69,096	904
Education and training	20,000	26,091	(6,091)
Employee insurance	375,000	354,776	20,224
Maintenance of gun range	3,000	2,655	345
Clothing allowance	16,850	15,250	1,600
Adjudication	36,000	29,381	6,619
Maintenance and services	12,000	18,012	(6,012)
Animal control contractual service	1,000	488	512
Adjudication hearing officer	10,800	10,800	-
Police officers holiday pay	77,500	74,181	3,319
Salary - police corporal	4,400	1,567	2,833
Salary - leads supervisor	1,400	1,400	-
Salary - computer service	2,500	2,472	28
Total police department	<u>2,300,250</u>	<u>2,291,229</u>	<u>10,140</u>

(Continued)

GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Fire department			
Salary - fire chief	\$ 65,000	\$ 65,000	\$ -
Salary - firemen	925,000	882,739	42,261
Salary - Fire inspector	38,000	34,357	3,643
MABAS Division XI Dues	10,000	10,000	-
Stationary, printing and office supplies	5,000	2,474	2,526
Motor fuel	17,000	16,468	532
Maintenance motor equipment	30,000	36,062	(6,062)
Maintenance communications equipment	12,000	11,372	628
Operating supplies	20,000	24,041	(4,041)
Education and training cost	15,000	11,107	3,893
Purchase of fire fighting clothing	28,000	24,988	3,012
Purchase of operating equipment	27,000	14,209	12,791
Emergency vehicle priority system	1,000	-	1,000
Medical examinations	12,000	11,766	234
Computer maintenance and services	7,000	7,431	(431)
Ambulance billing service	18,000	16,354	1,646
Breathing apparatus	8,000	6,683	1,317
Fire equipment grants	25,000	-	25,000
Employee insurance	22,300	22,083	217
Salary - computer service	2,500	2,472	28
Total fire department	<u>1,287,800</u>	<u>1,199,606</u>	<u>88,194</u>
Public works			
Salary - village supervisor	23,700	23,162	538
Office supplies	1,000	962	38
Material repairing streets	10,000	5,006	4,994
Material repairing alleys	5,000	-	5,000
Repairing public walks	17,000	11,369	5,631
Repairing public walks 50/50	17,000	8,058	8,942
Trimming and removal of trees	50,000	62,831	(12,831)
Maintenance motor equipment	25,000	32,585	(7,585)
Sweeper lease agreement	37,120	37,120	-
Traffic regulations and street signals	8,000	3,337	4,663
Material street snow removal	7,000	1,702	5,298
Maintenance supplies	5,000	5,833	(833)
Maintenance equipment	10,000	8,168	1,832
Energy maintenance, alley repair and street lights	85,000	66,267	18,733
Total public works	<u>300,820</u>	<u>266,400</u>	<u>34,420</u>
Public building & grounds			
Salary - buildings and grounds	36,000	35,701	299
Heat/electric - village hall	12,000	-	12,000
Telephone services	52,000	67,861	(15,861)
Maintenance and repair of building	65,000	80,463	(15,463)
Supplies	8,000	5,549	2,451
Security and fire system	22,000	19,945	2,055
Employee insurance	20,000	-	20,000
Total public building & grounds	<u>215,000</u>	<u>209,519</u>	<u>5,481</u>

(Continued)

GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Miscellaneous	\$ 50,000	\$ 15,639	\$ 34,361
Sanitation department			
Salaries - public works	340,000	333,151	6,849
Maintenance and repair of motorized equipment	65,000	50,018	14,982
Motor fuel	35,000	32,727	2,273
Materials and supplies	3,500	1,243	2,257
Disposal services	90,000	-	90,000
Uniforms	9,000	8,225	775
Employee insurance	102,000	99,783	2,217
Medical examinations	2,000	546	1,454
Containers and recycling bins	8,000	23,828	(15,828)
Total Sanitation Department	<u>654,500</u>	<u>549,521</u>	<u>104,979</u>
Insurance	<u>240,000</u>	<u>155,788</u>	<u>84,212</u>
Auditing	<u>19,400</u>	<u>19,400</u>	<u>-</u>
Municipal retirement			
Municipal retirement	98,000	97,482	518
FICA and Medicare tax	170,000	169,336	664
Unemployment tax	<u>15,000</u>	<u>28,974</u>	<u>(13,974)</u>
Total municipal retirement	<u>283,000</u>	<u>295,792</u>	<u>(12,792)</u>
Contributions to pension fund	<u>590,213</u>	<u>593,219</u>	<u>(3,006)</u>
Parks & recreation			
Salaries-parks & recreation	5,000	2,516	2,484
Salaries-park patrol	12,000	12,683	(683)
Salaries-park maintenance	-	-	-
Maintenance & supplies	25,000	123,885	(98,885)
Activities	30,000	28,700	1,300
Equipment	20,000	16,601	3,399
Stickney baseball association	2,500	2,500	-
Stickney golden agers	1,500	1,500	-
Stickney senior citizens	1,500	1,500	-
Stickney soccer	2,500	-	2,500
Stickney youth football	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total parks & recreation	<u>102,500</u>	<u>189,885</u>	<u>(87,385)</u>
Total expenditures	<u>\$ 6,563,033</u>	<u>\$ 6,295,686</u>	<u>\$ 336,038</u>

(Continued)

## VILLAGE OF STICKNEY, ILLINOIS

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET

April 30, 2013

	Motor Fuel Tax Fund	Emergency Telephone System Fund	Police Seizure and Forfeiture Fund	Police Badge Program Fund	Family Day Fund	Total
<b>Assets</b>						
Cash	\$ 1,284	\$ 7,549	\$ 14,564	\$ 1,066	\$ 35,015	\$ 59,478
Investments	219,992	-	-	-	-	219,992
Other governmental receivables	11,670	-	-	-	-	11,670
Other receivable	-	14,097	-	-	-	14,097
<b>Total assets</b>	<b>\$ 232,946</b>	<b>\$ 21,646</b>	<b>\$ 14,564</b>	<b>\$ 1,066</b>	<b>\$ 35,015</b>	<b>\$ 305,237</b>
<b>Liabilities and fund balance</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 2,479	\$ 40	\$ 269	\$ -	\$ -	\$ 2,788
Interfund Payable	-	126,000	-	-	-	126,000
<b>Total liabilities</b>	<b>2,479</b>	<b>126,040</b>	<b>269</b>	<b>-</b>	<b>-</b>	<b>128,788</b>
<b>Deferred inflows of resources</b>						
Unavailable tax revenue	-	5,681	-	-	-	5,681
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>5,681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,681</b>
<b>Fund balance</b>						
Restricted	230,467	-	14,295	1,066	35,015	280,843
Unassigned	-	(110,075)	-	-	-	(110,075)
<b>Total fund balance</b>	<b>230,467</b>	<b>(110,075)</b>	<b>14,295</b>	<b>1,066</b>	<b>35,015</b>	<b>170,768</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 232,946</b>	<b>\$ 21,646</b>	<b>\$ 14,564</b>	<b>\$ 1,066</b>	<b>\$ 35,015</b>	<b>\$ 305,237</b>

SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
Year Ended April 30, 2013

	Motor Fuel Tax Fund	Emergency Telephone System Fund	Police Seizure and Forfeiture Fund	Police Badge Program Fund	Family Day Fund	Total
Revenues						
911 Surcharge	\$ -	\$ 78,608	\$ -	\$ -	\$ -	\$ 78,608
Other revenue	31,164	-	10,594	-	-	41,758
Motor fuel tax allotments	161,592	-	-	-	-	161,592
Program revenue	-	-	-	-	23,695	23,695
Grant revenue	-	-	-	-	-	31,541
Investment income	256	-	-	31,541	-	31,541
Total revenues	<u>193,012</u>	<u>78,608</u>	<u>10,594</u>	<u>31,541</u>	<u>23,695</u>	<u>337,450</u>
Expenditures						
Program expenditures	297,830	59,092	1,637	31,541	22,767	412,867
Total expenditures	<u>297,830</u>	<u>59,092</u>	<u>1,637</u>	<u>31,541</u>	<u>22,767</u>	<u>412,867</u>
Excess (deficiency) of revenues over expenditures	(104,818)	19,516	8,957	-	928	(75,417)
Other financing sources (uses)						
Transfers in	-	-	-	-	10,000	10,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Net changes in fund balances	(104,818)	19,516	8,957	-	10,928	(65,417)
Fund balances at beginning of year	335,285	(129,591)	5,338	1,066	24,087	236,185
Fund balances at end of year	<u>\$ 230,467</u>	<u>\$ (110,075)</u>	<u>\$ 14,295</u>	<u>\$ 1,066</u>	<u>\$ 35,015</u>	<u>\$ 170,768</u>



VILLAGE OF STICKNEY, ILLINOIS  
MOTOR FUEL TAX FUND  
BALANCE SHEET  
April 30, 2013

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Assets

Cash	\$	1,284
Investments		219,992
Other governmental receivable		<u>11,670</u>

Total assets	\$	<u>232,946</u>
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Liabilities

Accounts payable	\$	<u>2,479</u>
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Total liabilities		<u>2,479</u>
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Fund balance

Restricted		<u>230,467</u>
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Total fund balance	\$	<u>230,467</u>
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## VILLAGE OF STICKNEY, ILLINOIS

EXHIBIT 10

MOTOR FUEL TAX FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Motor fuel tax allotments	\$ 160,000	\$ 161,592	\$ 1,592
Grant revenue	-	31,164	31,164
Investment income	150	256	106
Total revenues	160,150	193,012	32,862
Expenditures			
Maintenance - salt	75,000	19,174	55,826
Maintenance - engineering	1,000	60,403	(59,403)
Construction	250,000	218,253	31,747
Engineering	25,000	60,403	(35,403)
Total expenditures	351,000	297,830	28,170
Net change in fund balance	\$ (190,850)	(104,818)	\$ 86,032
Fund balance at beginning of year		335,285	
Fund balance at end of year		\$ 230,467	

## VILLAGE OF STICKNEY, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND  
BALANCE SHEET  
April 30, 2013

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Assets

Cash	\$	7,549
Accounts receivable		<u>14,097</u>

Total assets	\$	<u>21,646</u>
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## Liabilities

Accounts payable	\$	40
Interfund payable		<u>126,000</u>

Total liabilities		<u>126,040</u>
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## Deferred inflows of resources

Unavailable taxes		<u>5,681</u>
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Total deferred inflows of resources		5,681
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## Fund balance

Unassigned		<u>(110,075)</u>
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Total liabilities, deferred inflows of resources and fund balance	\$	<u>21,646</u>
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## VILLAGE OF STICKNEY, ILLINOIS

EXHIBIT 12

EMERGENCY TELEPHONE SYSTEM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended April 30, 2013

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	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
911 Surcharge	\$ <u>80,000</u>	\$ <u>78,608</u>	\$ <u>(1,392)</u>
Total revenues	<u>80,000</u>	<u>78,608</u>	<u>(1,392)</u>
Expenditures			
Maintenance of systems	<u>44,000</u>	<u>59,092</u>	<u>(15,092)</u>
Total expenditures	<u>44,000</u>	<u>59,092</u>	<u>(15,092)</u>
Net change in fund balance	\$ <u>36,000</u>	19,516	\$ <u>(16,484)</u>
Fund balance at beginning of year		<u>(129,591)</u>	
Fund balance at end of year		\$ <u>(110,075)</u>	

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## VILLAGE OF STICKNEY, ILLINOIS

POLICE SEIZURE AND FORFEITURE FUND  
BALANCE SHEET  
April 30, 2013

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**Assets**

Cash	\$	<u>14,564</u>
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Total assets	\$	<u>14,564</u>
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**Liabilities**

Accounts payable	\$	<u>269</u>
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Total liabilities		<u>269</u>
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**Fund balance**

Restricted		<u>14,295</u>
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Total liabilities and fund balance	\$	<u>14,564</u>
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VILLAGE OF STICKNEY, ILLINOIS

EXHIBIT 14

POLICE SEIZURE AND FORFEITURE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Director of Illinois state	1,950	-	\$ (1,950)
Seizures	<u>4,050</u>	<u>10,594</u>	<u>6,544</u>
Total revenues	<u>6,000</u>	<u>10,594</u>	<u>4,594</u>
Expenditures			
Returned seizures	3,000	269	2,731
Equipment	1,000	-	1,000
Supplies	1,000	578	422
Investigation expenses	<u>1,000</u>	<u>790</u>	<u>210</u>
Total expenditures	<u>6,000</u>	<u>1,637</u>	<u>4,363</u>
Net change in fund balance	<u>\$ -</u>	8,957	<u>\$ 8,957</u>
Fund balance at beginning of year		<u>5,338</u>	
Fund balance at end of year		<u>\$ 14,295</u>	

## VILLAGE OF STICKNEY, ILLINOIS

POLICE BADGE PROGRAM FUND  
BALANCE SHEET  
April 30, 2013

---

Assets

Cash	\$ <u>1,066</u>
------	-----------------

Total assets	\$ <u>1,066</u>
--------------	-----------------

## Fund balance

Restricted	\$ <u>1,066</u>
------------	-----------------

Total fund balance	\$ <u>1,066</u>
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## VILLAGE OF STICKNEY, ILLINOIS

POLICE BADGE PROGRAM FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended April 30, 2013

---

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Grant revenue	\$ 31,541	\$ 31,541	\$ -
Total revenues	<u>31,541</u>	<u>31,541</u>	<u>-</u>
Expenditures			
Project expenses	<u>31,541</u>	<u>31,541</u>	<u>-</u>
Total expenditures	<u>31,541</u>	<u>31,541</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance at beginning of year		<u>1,066</u>	
Fund balance at end of year		<u>\$ 1,066</u>	

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## VILLAGE OF STICKNEY, ILLINOIS

FAMILY DAY FUND  
BALANCE SHEET  
April 30, 2013

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Assets

Cash	\$ <u>35,015</u>
------	------------------

Total assets	\$ <u>35,015</u>
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## Fund balance

Restricted	\$ <u>35,015</u>
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Total fund balance	\$ <u>35,015</u>
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FAMILY DAY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended April 30, 2013

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	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Program revenues	\$ 25,000	\$ 23,695	\$ (1,305)
Total revenues	<u>25,000</u>	<u>23,695</u>	<u>(1,305)</u>
Expenditures			
Program expenditures	<u>30,000</u>	<u>22,767</u>	<u>7,233</u>
Excess (deficiency) of revenues over expenditures	(5,000)	928	5,928
Other financing sources (uses)			
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balance	<u>\$ 5,000</u>	10,928	<u>\$ 5,928</u>
Fund balance at beginning of year		<u>24,087</u>	
Fund balance at end of year		<u>\$ 35,015</u>	

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## VILLAGE OF STICKNEY, ILLINOIS

DEBT SERVICE FUND  
BALANCE SHEET  
Year Ended April 30, 2013

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Assets

Cash	\$	325,855
Property taxes receivable		<u>361,603</u>

Total assets	\$	<u>687,458</u>
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## Liabilities and fund balance

## Liabilities

Total liabilities	\$	<u>-</u>
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## Deferred inflows of resources

Unavailable property taxes		<u>356,285</u>
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Total deferred inflows of resources		<u>356,285</u>
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## Fund balance

Restricted		<u>331,173</u>
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Total fund balance		<u>331,173</u>
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Total liabilities, deferred inflows of resources and fund balance	\$	<u>687,458</u>
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## VILLAGE OF STICKNEY, ILLINOIS

EXHIBIT 20

DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Property taxes	\$ 772,087	\$ 668,511	\$ (103,576)
Total revenues	<u>772,087</u>	<u>668,511</u>	<u>(103,576)</u>
Expenditures			
Principal	410,000	385,000	25,000
Interest	<u>362,087</u>	<u>372,846</u>	<u>(10,759)</u>
Total expenditures	<u>772,087</u>	<u>757,846</u>	<u>14,241</u>
Net change in fund balance	\$ <u>-</u>	(89,335)	\$ <u>(89,335)</u>
Fund balance at beginning of year		<u>420,508</u>	
Fund balance at end of year		<u>\$ 331,173</u>	

## VILLAGE OF STICKNEY, ILLINOIS

CAPITAL PROJECTS FUND  
BALANCE SHEET  
April 30, 2013

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Assets

Cash	\$	6,611
Investments		615,621
Interfund receivable		<u>126,000</u>

Total assets	\$	<u>748,232</u>
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## Liabilities

Total liabilities	\$	<u>-</u>
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## Fund balance

Restricted		<u>748,232</u>
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Total fund balance		<u>748,232</u>
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Total liabilities and fund balance	\$	<u>748,232</u>
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## VILLAGE OF STICKNEY, ILLINOIS

CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended April 30, 2013

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	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Investment income	\$ 150	\$ 356	\$ 206
Total revenues	<u>150</u>	<u>356</u>	<u>206</u>
Expenditures			
Equipment and other capital expenditures	<u>820,000</u>	<u>239,176</u>	<u>580,824</u>
Total expenditures	<u>820,000</u>	<u>239,176</u>	<u>580,824</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(819,850)</u>	<u>(238,820)</u>	<u>(580,618)</u>
Other financing sources (uses)			
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (569,850)</u>	11,180	<u>\$ 581,030</u>
Fund balance at beginning of year		<u>737,052</u>	
Fund balance at end of year		<u>\$ 748,232</u>	

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## VILLAGE OF STICKNEY, ILLINOIS

WATER FUND  
SCHEDULE OF NET POSITION  
April 30, 2013

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Assets

Cash and cash equivalents	\$ 1,334,136
Accounts receivable, (net of allowances)	273,397
Capital assets	
Capital assets not being depreciated	25,575
Capital assets being depreciated, net	<u>1,564,970</u>

Total assets	<u>\$ 3,198,078</u>
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## Liabilities and fund equity

## Liabilities

Accounts payable	\$ 154,444
Accrued salaries	<u>21,287</u>

Total liabilities	<u>175,731</u>
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## Net position

Net investment in capital assets	1,590,545
Unrestricted	1,431,802

Total net position	<u>3,022,347</u>
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Total liabilities and net position	<u>\$ 3,198,078</u>
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## VILLAGE OF STICKNEY, ILLINOIS

WATER FUND  
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
 IN NET ASSETS - BUDGET (BUDGET BASIS) AND ACTUAL  
 Year Ended April 30, 2013

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Operating revenues			
Charges for services			
Water - residential	\$ 840,000	\$ 798,185	\$ (41,815)
Water - commercial	280,000	284,568	4,568
Water - industrial	1,680,000	1,743,242	63,242
Miscellaneous	11,250	55,174	43,924
Recycling revenue	2,000	1,944	(56)
Total operating revenues	<u>2,813,250</u>	<u>2,883,113</u>	<u>69,863</u>
Operating expenses			
Purchase of water	1,471,050	1,597,659	(126,609)
Electric power reservoir	36,000	23,934	12,066
Meters and connections	50,000	19,951	30,049
Materials and supplies	25,000	4,430	20,570
Contractual rep system	75,000	113,898	(38,898)
Salary - supervisor	24,900	24,900	-
Computer upgrade	15,000	912	14,088
Salary - water department	195,000	188,792	6,208
Salary - treasurer/collector	48,000	48,000	-
Salary - office clerk	92,000	88,342	3,658
Office supplies, postage	6,000	4,266	1,734
Telephone services	13,500	13,969	(469)
Maintenance - office equipment	5,000	3,495	1,505
Maintenance - pump station	50,000	21,404	28,596
Auditing services	12,000	12,000	-
Operating equipment	3,000	235	2,765
Motor fuel costs	4,200	4,186	14
Maintenance - motor equipment	5,000	1,084	3,916
Insurance	60,000	40,000	20,000
Heating fuel	3,000	1,560	1,440
Rental - sanitary district	200	200	-
Premium life, health, accident insurance	67,000	66,140	860
IL Municipal Retirement	40,000	38,875	1,125
Contingencies	10,000	753	9,247
Fire hydrants	40,000	24,093	15,907
Maintenance - computer	6,000	2,138	3,862
Lead treat/water sample	8,000	8,051	(51)
Radio service contract	3,000	115	2,885
Unemployment tax	2,000	2,321	(321)
FICA/Medicare tax	29,000	27,797	1,203
Sewer cleaning	45,000	24,327	20,673
Water main repairs	50,000	-	50,000
Repairs to water tank	650,000	-	650,000
Sewer repairs/maintenance	60,000	43,558	16,442
Depreciation	110,000	105,103	4,897
Total operating expenses	<u>3,313,850</u>	<u>2,556,488</u>	<u>757,362</u>

(Continued)



## VILLAGE OF STICKNEY, ILLINOIS

WATER FUND  
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
 IN NET ASSETS - BUDGET (BUDGET BASIS) AND ACTUAL  
 Year Ended April 30, 2013

---

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Operating income (loss)	\$ (500,600)	\$ 326,625	\$ 827,225
Nonoperating revenues (expenses)			
Investment income	<u>600</u>	<u>645</u>	<u>45</u>
Total nonoperating revenues (expenses)	<u>600</u>	<u>645</u>	<u>45</u>
Net income (loss)	<u>\$ (500,000)</u>	327,270	<u>\$ 827,270</u>
Net position at beginning of year		<u>2,695,077</u>	
Net position at end of year		<u>\$ 3,022,347</u>	

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## VILLAGE OF STICKNEY, ILLINOIS

SCHEDULE OF CASH FLOWS  
 PROPRIETARY FUND TYPE  
 Year Ended April 30, 2013

Water Fund

Increase (decrease) in cash and cash equivalents	
Cash flows from operating activities	
Cash received from customers	\$ 2,889,518
Cash payments to suppliers for goods and services	(1,563,075)
Cash payments to employees for services	(853,976)
Net cash provided (used) by operating activities	<u>472,467</u>
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(251,911)
Net cash (used) by capital and related financing activities	<u>(251,911)</u>
Cash flows from investing activities	
Interest and dividends on investments	645
Net cash provided (used) by investing activities	<u>645</u>
Net increase (decrease) in cash and cash equivalents	221,201
Cash and cash equivalents at beginning of year	<u>1,112,935</u>
Cash and cash equivalents at end of year	<u>\$ 1,334,136</u>
Reconciliation of operating income to net cash provided	
by operating activities	
Operating income (loss)	\$ <u>326,625</u>
Adjustment to reconcile operating income to net	
cash provided by operating activities	
Depreciation	105,103
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	6,405
Increase (decrease) in payables	34,584
Increase (decrease) in accrued payroll	(250)
Total adjustments	<u>145,842</u>
Net cash provided by operating activities	<u>\$ 472,467</u>