



**Village of Park Forest, Illinois**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended  
June 30, 2014**

**VILLAGE OF PARK FOREST**

**PARK FOREST, ILLINOIS**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Officials Issuing Report

Thomas Mick, Village Manager

Mary G. Dankowski, Deputy Village Manager/Finance Director

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www.villageofparkforest.com

December 18, 2014

**Mayor**  
John A. Ostenburg

**Village Trustees**  
Mae Brandon  
JeRome Brown  
Gary Kopycinski  
Robert McCray  
Georgia O'Neill  
Theresa Settles

John Ostenburg, Mayor  
and Board of Trustees  
Village of Park Forest  
Park Forest, IL 60466

Mayor Ostenburg and Board of Trustees:

**Village Clerk**  
Sheila McGann

In accordance with State Statutes and local ordinances, the Comprehensive Annual Financial Report of the Village of Park Forest, Illinois, for the year ended June 30, 2014 (Fiscal 2014) is, hereby, transmitted. Responsibility for both the accuracy of presented data and completeness of the presentation, including all disclosures, is that of the Village.

**Village Manager**  
Thomas Mick

Management believes that the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to set forth fairly the financial position, results of operations and cash flows of the Village, as measured by the financial activity of its various fund types and that all disclosures necessary to enable the reader to gain maximum understanding of the Village's financial affairs have been included. In developing and evaluating the Village's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are discussed herein and within the framework provided. We believe the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

**Village Hall**  
350 Victory Drive  
Park Forest, IL 60466  
(708) 748-1112

**DownTown Management Office**  
226 Forest Blvd.  
(708) 503-8153

The letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the report of independent auditors.

**Fire Department**  
156 Indianwood Blvd.  
(708) 748-5605

**REPORTING ENTITY**

**Freedom Hall**  
410 Lakewood Blvd.  
(708) 747-0580

The Village provides a full range of services. These services include police and fire protection; water and sanitary sewer services; the construction and maintenance of streets and infrastructure, health services, recreation and parks, building and economic development services, a Housing Authority and general administrative services. For financial reporting purposes, in conformity with the Governmental Accounting Standards Board Statement No. 34, this report includes all the funds of the Village. In Fiscal 2010 through Fiscal 2012, the Housing Authority was presented as a Component Unit. The Housing Authority is now presented, again, as a fund within the Village's financial statements. In addition, the Library is no longer presented as part of the Village's reporting entity, see Note 1 to the financial statements.

**Health Department**  
350 Victory Drive  
(708) 748-1118

**Police Department**  
200 Lakewood Blvd  
(708) 748-4700

**Recreation and Parks Department**  
350 Victory Drive  
(708) 748-2005

The fiscal year for the Village of Park Forest ended June 30, 2014. The Village is in sound financial condition.

## **ECONOMIC CONDITION AND OUTLOOK**

The Village of Park Forest is located in the northeastern corner of the State of Illinois within the Chicago metropolitan area in the southern portion of Cook County and northern portion of Will County. The economic condition and outlook of the Village have changed dramatically over the past twenty years.

For many years, the commercial hub of the Village was the Park Forest Plaza, a regional shopping center anchored by two department stores: Marshall Fields and Sears. In the 1980s, a Tax Increment Financing (TIF) District was created. The Village issued General Obligation/Tax Increment Financing Bonds to fund some infrastructure improvements. The shopping center was physically rehabilitated but, despite the "face-lift," changes in the market and its distance from major traffic arteries contributed to the further demise of the shopping center. In 1993, yet another owner purchased it. He failed to pay the property taxes or implement his redevelopment plan. In November 1995, the Village asked the courts to place the property in receivership. In December 1995, the owner offered to sell the property to the Village. The sale was consummated in late December. The sale price was \$100,000 plus the back taxes which amounted to \$764,331. After Sears announced leaving and after months of negotiations, a settlement agreement in which Sears donated its land and buildings to the Village along with \$2,623,127 to reimburse the Village for lost sales and property tax revenues was signed. The Sears settlement made possible the purchase of the shopping center, payment of the back taxes on the property, and the beginning of redevelopment.

It has been the Village's intent to convert the shopping center into a traditional main street DownTown. One key component to the process of redeveloping the shopping center into a DownTown was restructuring the Tax Increment Financing (TIF) District. The certified base equalized assessed valuation (EAV) of the Tax Increment Financing District, established in 1985, was \$11,710,716. The equalized assessed valuation at the 1994 level was \$15,132,110. When Sears closed operations and donated its property to the Village, it became tax exempt. The \$4,541,191 of equalized assessed valuation of the Sears property reduced the base to \$9,435,507. In other words, the 1995 equalized assessed valuation of the Tax Increment Financing District was below the certified base equalized assessed valuation. Thus, there was no increment with which to pay debt service.

The Tax Increment Financing District, as configured, was dissolved and a new one formally created on November 10, 1997. Besides addressing the problem of the damage to the base, creation of a new Tax Increment Financing District enabled the Village to spread the TIF debt over a longer period of time. Lengthening the life of the TIF, however, would have had a negative impact on the other participating taxing districts. For that reason, it was recommended that the residential properties formerly included in the TIF be excluded. For the taxing bodies, this created an almost equal exchange of value. The amount of base taxes generated by the Sears property was \$305,368. The increment produced by the residential property was \$285,112. The incremental income from the residential property was exchanged for the Sears base property tax.

The new DownTown TIF District has a certified base EAV of \$3,598,133. The smaller base EAV of the DownTown TIF District has given the Village a better opportunity to generate tax increment in the future. The DownTown TIF District will be in place for 23 years, until November 2020. In comparison, the expiration of the initial TIF District would have been December 23, 2008. In effect, the Village extended the life of the TIF District for approximately 12 years, allowing the Village to spread debt service payments on the existing \$10 million of debt over a longer period of time. This action minimized the property tax impact.

During 1996, the Village studied the shopping center and created a plan for its redevelopment. During 1997, the physical redevelopment began with the demolition of several vacant retail buildings. During

Fiscal 1998, Main Street was constructed from Forest Boulevard to Cunningham. Forest Boulevard was re-connected over the footprint of the demolished Sears building. A market “niche” of arts and culture was identified and a cultural arts center created. Currently located in the cultural arts center are the Tall Grass Arts Association, a juried art gallery and school, and the offices and Board Room of the Illinois Philharmonic Orchestra. The Illinois Theatre space became vacant in July 2012 after the unexpected death of the owner. SPAA (Speakers, Publishers, & Authors Association) is now using the theater space.

During Fiscal 1999, Main Street was extended to Orchard. The Village borrowed \$1,640,000 to fund Downtown redevelopment. A building that housed a five screen movie theatre was sold to the theatre operator. Sale of an out lot that now houses a 90-unit independent living facility for seniors and a 60-unit assisted living facility was consummated in the fall of 1999.

At the beginning of Fiscal Year 2000, a Western Avenue out lot was sold and developed for an Osco Foods, now CVS.

In Fiscal 2001, an out lot parcel was sold on Western Avenue and Bank Calumet, now First Midwest, was constructed. Fiscal 2001 was the first year since the Tax Increment Financing District was established in November 1997 that the Village received incremental taxes in the amount of \$129,597.

In Fiscal 2004, the senior living facilities were fully assessed and accounted for the major increase in incremental taxes. Receipt of increment allowed \$350,000 of debt service to be abated for the tax levy adopted in December 2004.

In Fiscal 2006, an Economic Development and Planning Director was hired and a stand-alone Economic Development and Planning Department created. This department was instrumental in securing a residential developer, Bigelow Homes, for a previously failed development. Bigelow entered into a redevelopment agreement with the Village in November 2005. Construction of 63 homes was completed in 2008. The department has also worked to develop a Strategic Planning Study that has produced a Strategic Plan for Land Use and Economic Development, a transit oriented development study (TOD), acquired properties through the no-cash-bid process and through CDBG and NSP and secured grant funds to demolish four commercial properties to ultimately be put back on the tax rolls.

Fiscal 2010 saw increased incremental taxes generated from the new Legacy Square development. These taxes allowed for a \$650,000 abatement in the levy for TIF debt service for 2010 and a further increase to \$750,000 for 2011. At the end of 2010, the Village received approval for four years of Community Development Block Grant Funds for a total of \$930,062 to fund the demolition of the Marshall Fields building. Demolition was completed in Fiscal 2012.

During 2012 the Village received notification of a Cook County Neighborhood Stabilization Program (NSP) grant of \$1,550,000 and a Community Development Block Grant (CDBG) of \$714,000 for a total of \$2,264,000 to demolish four blighted Commercial Buildings. The buildings demolished were at 3200 Lincoln Highway, Norwood Square Shopping Center, 320 Wildwood Street (former Wildwood School) and 350 Main Street. Property tax abatement for TIF debt increased to \$800,000 for 2012 and increased further to \$850,000 for 2013. During 2013, a restaurant/billiard parlor was built out.

Fiscal 2009 saw a major decline in the national economy which continued through 2013, this has certainly impacted Park Forest. Several major revenue sources declined from 2009 to 2013 creating a new base with little recovery. The Village saw some recovery in 2014. In addition the population of the Village declined with the 2010 Census, decreasing from 23,462 to 21,975, or 1,487 people. This decline negatively impacted a number of per capita revenues. In Fiscal 2014 the Village saw a slight recovery in key revenues such as income tax and sales tax. The Village’s conservative budgeting, maintenance of

fund balance reserves, along with a strategic planning process which allowed for mid-year budget amendments has enabled the Village to end the fiscal year with adequate reserves intact. In addition, several planning studies have been completed along with land acquisition and other housing initiatives undertaken to position the community for future growth. The challenge for Fiscal 2015 will be to monitor financial results and make changes as needed at the mid-year review. Also, the delay in hiring and position restructuring when opportunities arise will allow the Village to sustain reserves. Infrastructure needs continue to be an issue, specifically water mains and streets.

## **SERVICE DELIVERY**

The Village of Park Forest provides an unusually high level of service to its residents. These services include Fire, Police, Public Works, including water pumping, purification and distribution, a Health Department that provides home health care and public health services, Community Development, a Housing Authority, Economic Development, Recreation and Parks including two enterprise funds (a swimming pool complex and a tennis and health club), and operation of two municipal commuter parking lots.

The decline of revenue-generating commercial businesses coupled with the Village Board's intent to hold tax levy increases to a minimum, have necessitated a thorough review of all municipal services. It is the Village Board's stated goal to maintain the current high level of service, but to evaluate core versus non-core services assessing the cost effective nature of services provided. The ownership of DownTown Park Forest, several commercial sites along with a focus on acquiring residential properties will make it necessary to review this goal on an on-going basis and may make continued trade-offs for funding allocations necessary.

## **MAJOR INITIATIVES**

The Village follows a multi-step process in preparing its budget. It begins with neighborhood meetings followed by a survey or focus groups of the community to assess satisfaction with municipal services and gather resident input on timely issues confronting the Board. The survey or focus groups are followed by staff and Board goal setting that evaluate the positive aspects of the community and the challenges and suggest future directions. The Board reviews the financial condition of the Village and the financial challenges, and then writes strategic planning goals for the next budget year. Beginning for Fiscal 2015, five-year goals were adopted. A tax levy is adopted that will fund the future budget. A capital plan is developed followed by the budget. The budget is developed within the guidelines provided by the tax levy and strategic planning goals.

For Fiscal 2014, the following goals were established. Following each goal is a brief summary of its accomplishment:

- 1. Engage in relationships and program initiatives which enhance working together to provide the best education possible for the children of Park Forest.**
  - In partnership with the Village and Thorn Creek Audubon, more than 1,000 students from School District #163, #162, various home schools and school districts outside of Park Forest have enhanced their understanding of environmental science through field trips to the Wetlands Discovery Center, Junior Audubon programs and hands-on learning and research in Central Park Wetlands and Thorn Creek Woods. The Wetlands Discovery Center is also a home site for IDNR learning trunks and field kits. These are resource items on various subjects such as Illinois Mammals, Illinois Birds, and Ancient Peoples of Illinois supplied to

- hosting agencies by the IDNR that agree to manage and monitor their use. These can be checked out by individuals for a day or an extended period of time and used in the field to explore the given subject.
- Recreation & Parks is working with staff from the Park Forest Library to expand a proposal from the Library to develop an after school “Teen Zone.” Five areas have been identified by the teens as important: tutoring and homework assistance as well as academic enrichment programs such as music production and graphic arts, theatre, basketball, video games and opportunities for regular social events. Teen Zone staff is partnering with Rich East High Schools Work Experience Program, giving individual students job experience.
  - Recreation & Parks annually employs more than 200 young people of high school and college age. Staff has committed to make the experience more than “just a summer job” with ongoing support of young people who wish to advance to college, advanced degrees or an upgrade in their employment elsewhere.
  - The Police Department again had an active role with the schools by giving away bikes in the eight grammar schools located in Park Forest. Bikes were raffled off for those students who have attained the goals set out by the various schools dealing with positive behavior as part of the third year of the B.I.C.Y.C.L.E. Program. More than 275 bicycles, helmets and locks have been given out in the first three years of the program.
  - The Police Department finished its first year of the new School Liaison Program with District #163 in which off-duty officers were hired to be at Forest Trail Junior High two days a week. Officers teach a class the last period of the school day on various subjects including gang awareness, anti-bullying, drug prevention and other pertinent subjects. Liaison Officers were in attendance at special events put on by the different schools during the year and assisted the district with any problems they were having.
  - The Fire Department educational programs are being done across all elementary schools. Pre-school safety programs have been conducted; the Operation Head Start and a babysitters/latch-key classes were taught in conjunction with the Parks and Recreation Department. With classes now being presented to Blackhawk, Mohawk, Talala, Indiana and Arcadia Schools.
  - Firefighters continued participation in the annual career day programs hosted by Rich East and Forest Trail Middle School. The goal was to encourage students to consider a career in firefighting and emergency medical services. The Fire Department also assisted with the Prairie State High School Fire Academy.
  - The Fire Department has developed a relationship with Prairie State College and its Fire Science program and has assisted with its High School Firefighter Day, Basic Firefighter Operations training program and other fire science programs. Additionally, this relationship assisted in the staging of a regional training class at Freedom Hall and has initiated discussions on future cooperative training ventures.
  - The Police and Fire Departments both continue to work with the local school districts to support their Crisis Management Plans, life safety initiatives and to facilitate their annual required fire inspections to assist in providing safe and effective locations for educating the Village’s children.
  - The respondents to the Fire Department’s customer satisfaction survey continue to indicate the service they received met or exceeded their expectations. Citizens can now respond either by mail or on-line via the Fire Department’s web site.
  - The Communications Director has partnered with staff members at area high schools in efforts to outreach on the Park Forest scholarship available to high achieving students. Such Village-sponsored scholarships were awarded for the first time in August 2013.
  - Several Village staff members took part in School District 163’s annual golf outing to benefit local students and build ties between Village and School Officials. Several Village Officials also attended the dinner program for this golf outing.

- The Sustainability Coordinator provided public education at Youth Day in cooperation with the Environment Commission by providing an interactive game regarding the importance and fun of recycling.
- Community Relations continues to promote community events through school distribution channels. Events which include and involve youth help to reinforce confidence, and broaden and enhance learning beyond the classroom.
- The Health Department partnered with the Recreation and Parks Department and School District 162 in application for the Carol M. White Physical Education Grant for the 2013/2014 school year. The Health Department agreed to provide an interactive role in conducting onsite health and nutrition sessions for students and families within four of the area SD 162 schools.
- At Faith United Church, the Health Department conducted Blood Pressure Screenings and provided literature on various health topics.

## **2. Continue efforts to increase commercial, business and residential development in the Village.**

- The Public Works Department completed three roadway improvement projects: Orchard Drive, Blackhawk Drive, and portions of Lakewood Boulevard and Indianwood Boulevard. These roadway improvements provide access to and through commercial, business, residential, and industrial areas of the village.
- Public Works Staff has submitted funding applications for roadway improvements to Illinois Street, from Western Avenue to Orchard Drive, and Indianwood Boulevard, from Sauk Trail to Monee Road into the Surface Transportation Program. These roadway improvement projects provide access to and through residential and commercial areas of the village. This program will allow utilization of Federal Aid Funding for these improvements. These improvements are planned for Fiscal Year 2016 and 2019, respectively.
- In a coordinated approach, the Departments of Community Development, Economic Development and Planning and Public Works facilitated and oversaw the demolition operations of vacant and blighted commercial and residential properties. Demolition consisted of Wildwood School, 350 Main Street, 3200 Lincoln Highway, Norwood Plaza shopping center, and various residences Village wide. These properties are now ready for redevelopment opportunities.
- Public Works Staff worked with the Communications Director to organize and publicize a one month free parking/ customer appreciation promotion of the 211<sup>th</sup> Street and Matteson Metra lots. This effort was to show appreciation to current customers and attract new customers to Village lots. Results saw an increase of 16.4% at the 211<sup>th</sup> St/Lincoln Hwy Station Lot and an increase of 9.5% at the Matteson Station Lot. Additional promotion efforts will be considered yearly.
- Public Works Staff installed Metra Station signs at the 211<sup>th</sup> St/Lincoln Hwy and Matteson Station parking lots. Signs were provided free from Metra.
- The Public Works Staff reviews various commercial, residential, and business building permits. Staff works concurrently with the Building Department, developers and other interested parties to bring their developments to completion. Dollar General and Sapphire Room were recent successful developments.
- In continuing the efforts of the Troubled Building and Property Task Force to identify and comprehensively address problem properties, owners and occupants, implementation and administration of the Crime Free Housing Ordinance and Vacant Building Registry Ordinance continued in 2013-2014. In 2013, 329 vacant properties registered at a compliance rate of 84%. Related to Crime Free Housing implementation, more than 60 renters have been removed from problem properties since the program's inception in March 2008. In three cases, an eviction was contested in court proceedings and the Village prevailed in each instance.

- Related to the Crime Free Housing Ordinance, an additional tool was developed when the Village adopted the Parental Responsibility Ordinance. This initiative holds parents responsible for the actions of the law as committed by their minor children, and are brought to court to answer for those actions. The Police Department took an extended period of time to let the public know that this ordinance was enacted and then began implementation.
- Another Police Department initiative is the Problem Oriented Policing (POP) program. In its second full year, the POP program entails police officers being assigned to specific neighborhoods to “make their own.” Quality of life issues are being addressed with emphasis on compliance not enforcement unless necessary.
- The Community Development and Economic Development and Planning Departments have worked together to identify problem properties throughout the Village for demolition. Courtesy of grant funding, nine properties in the Eastgate neighborhood were demolished in 2011, fifteen more were demolished in 2012 and another six were leveled in 2013. Finally, Cook County provided an additional \$150,000 to demolish 10 vacant, blighted homes in February 2013. This now represents a total of 52 houses being demolished between 2009 and June 2014.
- Main Street Nights saw an increase in business participation as Dunagains Irish Pub had a weekly grill and other local businesses sponsored different nights during the season. The result was a festival atmosphere each Wednesday evening with crowds growing each week during the concert series. Main Street Nights was recognized as the Best Festival in 2013 by the SouthtownStar. Recreation and Parks has met with staff from Economic Development and Planning to explore ways in which the departments could work together to promote business development and participation.
- The Master Plan for expansion of the Village Green area onto the former Marshall Field’s building site is completed but awaiting funding. A grant application for implementation submitted to the Illinois Department of Natural Resources (IDNR) was not awarded in the 2013 grant cycle but was of enough interest to the IDNR to be placed on the stand-by list. The Village was encouraged to submit again in 2014 but it was suggested that the application be limited to the “play” parts of the plan. A key component to the plan is an “open area” adjacent to community activities targeted to development, especially commercial venues (i.e. eating, entertainment, etc.). Future plans are to begin construction as funds are available and continue the project in a phased mode.
- The Village hosted a booth at the October International Conference of Shopping Centers (ICSC) Deal Making trade show in Chicago. Related to the May RECon, in early September, Staff showed various Park Forest properties to a broker who first learned about development opportunities in Park Forest in Las Vegas.
- For the 2014 RECon (the spring convention of ICSC), Staff coordinated a shared booth with Calumet Park, South Holland, Olympia Fields, Richton Park, University Park, and Monee. “Select Chicago Southland” was the brand selected to showcase these communities. A website was developed.
- Staff and EDAG evaluated a request for renewal of a Cook County Class 8 Property Tax incentive for 60 S. Orchard Drive. The request was presented to and approved by the Board in September 2013. The new tenant, SterDy Built, is now open for business.
- Economic Development Staff worked closely with Millico Development, the Economic Development Advisory Group (EDAG), and the Plan Commission to facilitate the new Dollar General Store at 10 Main Street, which opened for business in December 2013. Besides Dollar General, other new businesses which opened in the current fiscal year included the Lucky Chinese Restaurant, Sapphire Room, Franciscan Physician’s Alliance and Cindy’s Nails.
- Staff began working with the Chicago Community Loan Fund and Matanky Realty Group to secure a possible grocer. Country Squire opened in November, 2014.

- To evaluate the expansion and continued success of the Annual DownTown District MidSummer Madness (DDMM) event, 2014 planning included a committee of DownTown business representatives and other Village departments. Many of the ideas and suggestions gathered from the three brainstorming sessions were incorporated in the 4<sup>th</sup> Annual DDMM held on July 16, 2014.
- The first quarterly business breakfast for the 2014 fiscal year was held in September 2013. The Small Business Administration provided an overview of their services targeting the small business owner. The January 2014 Business Breakfast featured presentations from the Village's Police, Fire, Health and Sustainability Staff. Their presentations addressed immediate business concerns, including concealed carry, the Affordable Care Act, fire safety in the work place, and green initiatives that could save business owners money.
- On April 25<sup>th</sup>, the Village hosted the Chicago Southland Economic Development Corporation's Quarterly Forum at Freedom Hall. These forums discuss south suburban economic development news, and showcase the host community. Over 200 attended.
- Six Park Forest businesses were winners of the SouthtownStar's 2013 "Best of the Chicago Southland." The Village's own Main Street Nights also won in the "Best Fest" category.
- The Business Resource Guide has taken a new name for the 2013/2014 edition. It is now the Park Forest Shopping and Services Guide. This issue included a record number of 40+ ads and was increased to 46 pages. Businesses continue to note customer inquiries directly related from this guide.
- The Quiet Zone project was finalized in early October when the quiet zone took effect at the Western Avenue crossing.
- The Village, in conjunction with the SSLBDA and the City of Oak Forest and the Villages of Richton Park, Sauk Village and Midlothian, has received funding from IHDA's Abandoned Property Program. The Village's funding will demolish five vacant, blighted homes in the Eastgate neighborhood and rehabilitate six homes scattered throughout the Village.
- At this time, two developers are working in Park Forest to purchase and rehabilitate vacant, foreclosed homes and sell them to owner-occupants. Mecca Companies was the Village's developer with the State's NSP3 program. Under that program, they purchased and rehabilitated four homes (5 E. Rocket Circle, 230 Indianwood Boulevard, 286 Westwood, 370 Westgate), two of which have been sold (230 Indianwood and 286 Westwood). Mecca is currently working with the State's CDBG-IKE program and has purchased one home in Park Forest that will be rehabilitated and sold to an income qualified buyer. A total of four homes can be purchased and rehabilitated with the CDBG-IKE funds. Tower Contracting, based in Markham, was chosen by the Illinois Housing Development Authority to be the developer for the Illinois Building Blocks program. They have purchased eight homes, two of which are already fully rehabilitated and sold to homeowners. Tower has five additional homes under contract, which will commit all their funds in Park Forest. IHDA (the funding agency) reports that they expect the construction will be completed this winter and all the homes sold by spring 2015.
- Over the past five years, Habitat for Humanity has purchased and rehabilitated 24 homes in Park Forest and closed on the sale of 15 homes to Habitat Partner Families and other income qualified home buyers. After the retirement of David Tracy, the former Executive Director, work at Habitat was put on hold while the organization goes through a restructuring. As a result, the remaining nine homes were transferred to Cook County or the State, based on the grant program through which they were purchased. These homes are currently listed for sale. Habitat for Humanity Board members have expressed their interest in becoming active in Park Forest again once the restructuring process is complete.
- In 2013, the Village submitted an application to Cook County to acquire 17 properties that have been tax delinquent for more than two years. The Village will acquire these properties through the County's No Cash Bid Program, which is an economic development tool

designed to assist municipalities and other government jurisdictions acquire tax delinquent properties that are vacant, or vacant residential land, or properties used for commercial or industrial purposes. In early 2014, Cook County notified the Village that the bid for eight of these properties was successful, and tax certificates were issued to the Village. The Village successfully obtained the tax certificates for the remaining nine properties in May 2014. Village Staff has now begun the due process required to ensure that all owners, occupants, and interested parties are notified of the Village's intention to obtain a tax deed on the properties. This entire process typically takes 18 months, so the Village should have the tax deeds to these properties no later than the end of 2015. Expenses associated with the No Cash Bid process include attorney's fees, payment to the Cook County Sheriff to serve notice to all property owners, fees for title searches, and minimal acquisition (bid) expenses.

- Throughout most of 2014, the Village has been working with Heartland Housing on their proposal for Comfrey Place, a 52 dwelling unit, workforce housing development that is proposed for the former Marshall Fields parking lot location. This development is also proposed to include an urban farm and a small orchard, as well as a commercial grade community kitchen. These amenities, all proven strategies implemented in other Heartland developments, create opportunities for education, job training and entrepreneurial activities, anchoring interdisciplinary community and economic development for Comfrey Place and Village residents, as well as the Chicago Southland more broadly. Earlier in the year, Heartland Housing had submitted a successful preliminary application to IHDA for low income housing tax credits. As a result, a final application was due to be submitted by the end of July of this year. Heartland chose, however, not to make that submittal because of a funding gap in the project that would have lowered the project's competitiveness. Since then, the Heartland staff has continued to seek other sources of funding to close this funding gap. Among the funding options they have explored are New Market Tax Credits for the non-residential elements of the project, an affordable housing subordinate loan through CitiBank, and revisions to the site plan to reduce the footprint of the project and thereby reduce the construction costs. At this point, Heartland's goal is to resubmit a preliminary application to IHDA by the end of this year.
- The South Suburban Land Bank and Development Authority (SSLBDA) has received its initial funding from the Illinois Attorney General's National Foreclosure Settlement Fund. This has enabled the SSLBDA to begin acquiring properties and seeking developers for those properties. To date, the SSLBDA owns two properties in Park Forest, 406 Suwanee Street (a single family home), and 130 Warwick Street (a vacant residential lot). The SSLBDA also acquired 225 and 262 Allegheny Street (vacant residential lots) on behalf of the Village. Both properties have been transferred to the Village's ownership to further goals for redevelopment of the Eastgate neighborhood. The SSLBDA now have 12 municipal members, including Park Forest, Oak Forest, Blue Island, Richton Park, Sauk Village, Midlothian, Hazel Crest, Phoenix, Summit, Steger, Joliet, and Dolton.
- The Chicago Metropolitan Agency for Planning (CMAP) continues to work on a comprehensive revision of the Zoning and Subdivision Ordinances. To that end, CMAP staff has prepared a recommendations memo that has been reviewed by Village Staff and the Development Regulations Update Steering Committee. This memo was based on input received from a Steering Committee meeting in July 2013, 19 stakeholder interviews held in September 2013, a public workshop held in October 2013, and input received from a web-based survey tool which Park Forest residents and businesses were invited to complete. CMAP staff is now drafting the revised ordinance language. The Village has also contracted with Terra Engineering to advise the CMAP team and Village Staff on detailed engineering issues such as street cross-sections, construction standards and storm water management to ensure that best practices and sustainability considerations are fully incorporated. CMAP staff reports that the draft Unified Development Ordinance should be ready for presentation

- to Village Staff by early 2015.
- The Plan Commission has initiated a contract to work with a planning firm to prepare a market study and concept plan for future development of the former Hidden Meadows property. This work was initiated at the February 4<sup>th</sup> Plan Commission meeting. A public workshop was held on August 5<sup>th</sup> that included the Plan Commission, the Economic Development Advisory Group, and the Mayor and Board of Trustees. At that meeting, the consultant discussed the results of the market study and they facilitated a discussion about the draft concept plan. The concept plan and market analysis are now being finalized for a report to the Plan Commission, EDAG and Board of Trustees. A second public workshop will be held when the final report is ready.
  - The Village's Growing Green: Park Forest Sustainability Plan was honored with the Sustainability Award from the Illinois Chapter of the American Planning Association (ILAPA). ILAPA also awarded the Best Practices Award to the South Suburban Retail Investment Study, which was a joint effort of the Villages of Park Forest, Olympia Fields, Matteson, and Richton Park.
  - The Growing Green: Park Forest Sustainability Plan was also honored with a Charter Award from the Congress for New Urbanism.
  - As a result of efforts by the Sustainability Coordinator, Park Forest was selected in January 2014 to be one of twenty local governments nationwide to participate in the STAR Communities program. Through this program, Park Forest will pursue a goal of becoming a certified sustainable community. The community's strengths and needs to support current and future generations will be assessed as part of the certification program. Once certified, communities will receive national recognition for their local efforts and, hopefully, additional grant funding may come to Park Forest. An orientation session for STAR Communities was attended in January 2014 by the Mayor and the Sustainability Coordinator.
  - The Fire Department implemented an on-line Crowd Management training program to assist assembly use occupancies in Park Forest in meeting the new code requirement in the Life Safety Code. The Department also conducts on-site training to assist businesses and occupants in meeting the new standard including Dunagain's Irish Pub, the Sapphire Room and the temporary occupants of the former Illinois Theater Center property.
  - The Fire Prevention Bureau has assisted Economic Development and Community Development with timely technical support and plan reviews for prospective businesses, engaging new businesses and owners by providing them with a clear understanding of code requirements and issues related to their respective developments. The Fire Department provided technical support or plan reviews for Dunagain's Irish Pub, continued expansion at the Homewood Star Facility, the Sapphire Room, Dollar General and St. Irenaeus with respect to a proposed day care occupant.
  - Staff is working with a team from Cook County, the Delta Institute, OAI (Opportunity Advancement Innovation in Workforce Development), and the City of Blue Island to prepare an application for an Environmental Workforce Development and Job Training Grant from the US Environmental Protection Agency. The proposed grant would provide training to hard-to-employ individuals in the area of vacant property management. Training would include such skills as deconstruction, asbestos and lead paint remediation, brownfield remediation, and green infrastructure installation.
  - The Director and Assistant Director of the Department of Economic Development and Planning are serving on a Cook County Incentives Committee formed by the Cook County Assessor's Office and the South Suburban Mayors and Managers Association (SSMMA). The Committee's first responsibility is to review and make recommendations to improve the Cook County Class 6B and Class 8 Property Tax Incentives.
  - The Village is part of an intergovernmental effort to examine how code enforcement can be managed across municipal boundaries. This effort is being led by the Metropolitan Mayors

Caucus with funding from the Illinois Attorney General's National Foreclosure Settlement program. The City of Chicago Heights and the Villages of Richton Park and South Chicago Heights are also partners on this effort.

- The Director of Economic Development and Planning participated in training from the National Charette Institute to learn how to conduct planning/visioning workshops focused on developing a plan for land development. This training will be useful as the Village moves towards implementation of redevelopment of Eastgate, Norwood Square, and other significant Village properties. Staff from SSMMA also participated in the training, and together the Village and SSMMA staff could provide this service to other municipalities in the SSMMA service area.

**3. Continue to establish, review and refine policies which assure an acceptable and sustainable level of financial, environmental and infrastructure components of the village.**

- Public Works completed Phase I of a USEPA federal earmark of \$500,000 for sanitary sewer improvements. A majority of this work consisted of lining sanitary sewers located in the back and side yards of residences and businesses. This effort rehabilitates these sewers before failure and a more costly repair that would entail accessibility restrictions. Design work for Phase II is currently underway with construction to begin later this year.
- The Thorn Creek Bridge replacement project is complete. The existing bridge was replaced with a box culvert design. This project was funded 80% through the Highway Bridge Program.
- The Orchard Drive reconstruction and resurfacing project is complete. This roadway went from a four lane configuration to a two way configuration with a bi-directional left turn lane and bike lanes. This project was funded 70% through the Federal Surface Transportation Program.
- The Blackhawk Drive resurfacing project is completed. This work was completed from Sauk Trail to Monee Road. This project was funded 70% through the Federal Surface Transportation Program/STU program.
- The resurfacing projects of Indianwood and Lakewood Boulevards are complete. Indianwood Boulevard was resurfaced from Sauk Trail to Western Avenue and Lakewood Boulevard was resurfaced from Sauk Trail to Orchard Drive. This project was funded 70% through the Federal STP/LAPP program.
- Public Works is utilizing an Illinois Commerce Commission (ICC) EJ&E Mitigation grant to resurface North Street from Orchard Drive west to the corporate limits past Ludeman Center. This grant will cover 90% of the estimated \$280,000 construction costs. The remaining 10% (\$28,000) will be the Village match for construction work. Engineering design costs are estimated at an additional \$30,000 and are not covered by the grant.
- Public Works and Finance Department Staff have finalized the loan documents for a 1.25% IEPA Loan for sewer infrastructure. This loan saves the Village \$500,000 over the life of the loan in interest charges compared to municipal bonding.
- Public Works completed a water main lining pilot project for water mains along Central Park Avenue, from Sauganash Street to Somonauk Street and along Somonauk Street, from Central Park Avenue to Shabbona Drive. This project rehabbed existing water mains with a cured in place liner.
- In light of the recent decline in Medicare revenues in 2013, Nurses Plus is actively forming contracts with various local insurance companies which have partnered with the Illinois Department of Health and Human Services to enroll and provide health services to new Medicaid beneficiaries. The intent is to increase the health department's home health census by increasing intake referrals from the contracted service providers who have agreed to reimburse for home health care within 30 days of claims submission. In order to increase Medicare referrals as well, staff is pursuing contracts with dual eligible insurance

providers. In addition to these efforts, Nurses Plus recently received national accreditation through The Joint Commission. The Joint Commission brand has been applied to home health marketing materials, webpage, Facebook page and business cards. JCAHO is a nationally recognized symbol associated with supreme quality in the health care industry. Having attained this recognition opened up potential to increase new patient referrals as well as market to area providers. Nurses Plus has seen a steady flow in referrals since the JCAHO accreditation was achieved. Nurses Plus had been approved as a Home Health provider for IlliniCare, Humana, and Meridian. Furthermore, Nurses Plus has extended its provider status with Blue Cross Blue Shield of Illinois to also include BCBS HMO of Illinois clients as of February 2014.

- The Recreation & Parks Department continues its policy of reducing the use of pesticides in turf and landscape management and to seek ways to reduce the water runoff from parks and public lands. Last year only a single application of fertilizer and herbicides were applied to selected park lands. This year no herbicides or fertilizers were used on any public or park lands, and minimal herbicides were used in selected landscape beds to supplement the manual weed control. Parks staff has also reduced mowing in open lands where feasible, cutting down on both labor and equipment use. The Village re-applied for two grants, which are still pending, dealing with storm water management. One grant project would develop vegetated swales and rain gardens in the parks; the other grant project would expand the Central Park Wetlands into a broader interconnected system enhancing storm water management. This proposal would include incorporating Keokuk Park and other open public lands to direct storm water into the Central Park Wetlands and create other wetlands within Park Forest.
- Recreation & Parks Staff continued its program of refurbishing vehicles to extend the useful service life of its fleet. It is anticipated that this process will extend the useful life of the vehicle 5 to 7 years and cost only 25% of a new vehicle at this time.
- Recreation & Parks Staff maintain an inventory of custodial supplies for use by the various facilities and departments. For some time staff has sought to purchase “post-consumer waste” paper and green cleaning products when available.
- Economic Development and the Sustainability Coordinator have partnered with the Illinois Green Business Association to implement a green business certification program. This partnership will provide guidance for businesses on the first steps to establish sustainable principles such as energy efficiency, resource conservation and equitable business practices – working toward the triple bottom line. An informational meeting was held but the program requires more individual communication for businesses to fully understand and embrace the program.
- The Fire Department continues to manage a number of grants designed to support operations and training within the department. These include two Federal SAFER grants received to promote recruitment and retention within the Fire Department’s Paid-On-Call division. These 100% federally funded grants provided the department with funds to recruit and train new prospective members of the Paid-On-Call division up to the minimum level of basic training, provided basic equipment for the new members and provided a new electronic marquee sign to promote the Fire Department and its personnel.
- Another Federal SAFER Grant provides salary and benefit funding for one Firefighter/Paramedic position within the career division. With a recent extension granted by the Department of Homeland Security this grant will have covered the salary and benefits for this Firefighter/Paramedic for approximately 28 months.
- A fourth active Federal grant for the Fire Department provides training funds under the standard 90/10 split to complete incident command training within the department’s career and POC divisions. These funds are being used in conjunction with the command training simulator obtained in a previous Federal grant to assist in advancing the training of personnel in the areas of incident command and the National Incident Management System.

- On a much more limited basis, the Fire Department is working with the Illinois Fire Service Institute and a number of sponsors to bring free specialized training to the region on high-rise firefighting and modern science in firefighting. By working with these partners, department members and firefighters from the region experienced day long training with no cost or out of pocket expenses.
- The Fire Department is proactive in the enforcement of fire prevention codes to reduce the risk of a hostile fire negatively impacting the Village's limited tax base. The Fire Department performed 421 original inspections and re-inspections in the period from July 1, 2013 to June 30, 2014 with a 91% clearance rate on all code violations. The Fire Prevention Bureau conducts one original inspection for all commercial properties, and two on high-hazard and assembly uses within the Village.
- Fire Department personnel satisfied the customer complaint benchmark by responding to customer-driven fire hazard complaints on the day they are received or on the first business day following their receipt.
- The Fire Department continues to look to expand where possible "Green Initiatives" into the physical plant, vehicles and operations. This year, the Fire Department began to move to a paperless pre-planning process eliminating three large 3-ring binders per vehicle and replacing them with re-usable thumb data drives. Enhanced efforts at going paperless within Fire Prevention are being made by increasing e-mail reporting capabilities. The Fire Department is continuing development and refinement of an anti-idling policy to reduce the use of fossil fuels and the generation of exhaust gases. A solar panel was added to the department's newest ambulance to allow the maintenance of electrical equipment without the vehicle needing to be running. Older, less fuel efficient vehicles, have been replaced with more modern, higher miles per gallon vehicles.
- The Sustainability Coordinator has become actively engaged in the Urban Sustainability Directors Network. This network will ideally help identify and establish sustainability related policies, or best practices, as modeled by other municipalities. Additionally, grant funding will be pursued for energy efficiency projects in residential, commercial and Village owned facilities, recycling education and promotion, multi-modal transportation and green infrastructure for storm water management.
- The Sustainability Coordinator and the Director of Economic Development and Planning attended a peer-to-peer exchange workshop to learn more about the Equity Toolkit developed and used by the City of Portland, Oregon. Portland developed the Toolkit to provide guidance to City staff about how to integrate considerations of equity into all municipal operations and activities. The training was funded with a grant from the Urban Sustainability Directors Network.
- The Village's electrical aggregation plan concluded its first 12 months in September 2013. The program, approved by Park Foresters by referendum, allowed for Village-wide joint-purchase of electricity. Participating properties averaged \$173 in savings over the first fifteen months of the program compared to what would have been paid with ComEd as the power supplier. Aggregate savings for participating properties was \$1,026,000 for the fifteen month time frame.
- The Village received notification of receipt of the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal year ended June 30, 2013. The Fiscal 2014/2015 Village Budget has been submitted for the Distinguished Budget Award.
- The ladder CD approach continued to improve interest earnings over the liquid investments in the Illinois Treasurer Pool. In addition, by monitoring cash balances the Village was able to offset all U.S. Bank service charges for Fiscal 2014.
- Village Officials met with the CEO of Cook County Health and Hospitals Systems, to discuss the services and history of the Health Department and boundaries within which the

Department provides home nursing and therapy services. Goals of the meeting were to enhance the County's awareness of Park Forest Health Department services, explore partnerships and to network in order to receive referrals to provide Health Department services.

- The Health Department completed an application to become an area Home Services Provider in the Age Options Community Care Partner Program. This would lead to new patient referrals for the skilled Home Nursing and the non-skilled Home Services Programs. This application was approved by the Illinois Department on Aging and Nurses Plus is now deemed a Community Care Provider under the program for non-skilled Home Services. This opportunity introduces a new revenue stream that will hopefully help begin to offset the aforementioned Medicare decline.
- In line with the federal mandates of the Affordable Care Act, the State of Illinois has developed a plan to enroll uninsured residents into qualified active health insurance programs. The Illinois Department of HealthCare and Family Services established contracts with several private Managed Care Organizations to enroll new Medicaid applicants into their networks. In order to remain financially stable as revenues shift industry-wide from Medicare to Medicaid, the Health Department has begun to align itself to provide home care services to the new Medicaid enrollees. The Health Department has applied to become a Home Health Care Provider for IlliniCare, AETNA, Humana, and Cigna. The Health Department also continues to be a traditional Medicaid and Medicare Part A provider for Home Health Care. On October 1, 2013 the Illinois Health Insurance Marketplace was opened and available for uninsured people who do not get insurance at work or who do not qualify for traditional Medicaid to enroll for insurance coverage.

#### **4. Increase awareness of the quality of life in the Village of Park Forest.**

- Public Works Staff worked to obtain additional funding to complete a scenic beautification project along Route 30/Lincoln Highway from Indiana St. to Brookwood Drive. This area is along the Village's northern boundary and a gateway point into the Village. This project consists of removal of a deteriorated wooden fence and brush, and replacement with a natural landscape barrier and new fencing. A new sidewalk will be incorporated from Orchard Drive to Indiana Street. The Village recently received approval to proceed with the design for this project.
- The completion of various roadway projects such as Orchard Drive, Blackhawk Drive, and portions of Lakewood and Indianwood Boulevards have provided adjacent residences and users of these roads with a new roadway surface.
- Public Works recently completed the replacement of Thorn Creek Bridge with a box culvert and newly restored roadway intersections within the project limits. New guardrails, new 60 inch storm culvert, new section of sanitary sewer, new water main and appurtenances and new landscaping have been incorporated resulting in an important and quality project for the residents of Thorn Creek Estates.
- In May, with the cooperation and assistance of Police, Nurses Plus, Economic Development and the Sustainability Coordinator and Recreation and Parks staff joined the National Parks Trust in celebrating "National Kids to Parks Day in Park Forest". This day was recognized by a total of 306 entities from all 50 states with the intent to promote the various local state and national parks across the country. The theme in Park Forest was to "Discover" where participants discovered games, arts and science in Central Park as well as exploring important health issues and how to be more environmentally responsible. There were also vendors and sponsors present to offer ways for families to enjoy camping, scouting and other outdoor activities. Parents were provided information on Asthma, Poison Control, Dangers of Smoking, preventing West Nile Virus and more. Brochures and flyers were distributed about

Health Department programs and services. Children were also given healthy snacks such as carrots and apple slices donated by McDonalds. All activities and efforts were geared towards encouraging healthy eating and increasing day to day physical activity to reduce childhood obesity.

- The Health Department presented a Poison Control Seminar to parents and children at the Park Forest Library during Poison Control Month.
- Freedom Hall continues to offer excellent entertainment to residents through its Main Series, Senior Matinee programming and Children's Theater. The Main Street Nights concert series is a favorite mid-week interlude for many Park Forest residents and families through the summer.
- The Park Forest Tennis and Health Club has seasonal indoor tennis and offers high quality tennis instruction and exercise opportunities as well as a comfortable lounge for social gathering.
- Aqua Center Staff continues its efforts to enlist young people in swim lessons. National statistics indicate that for every 10 drownings, seven (7) are young African-American kids. All Village campers and visiting camps are now required to take swim lessons if they come to the facility. Plans for the 2014 swim season included a movie and game night on Sunday evenings, additional family nights and a party on the 4<sup>th</sup> of July for adults only.
- In August 2013 the Village changed its water/utility billing form bi-monthly to monthly. A public awareness campaign unfolded to inform the public of this pending change. Resident awareness of Village happenings will now be enhanced with a newsletter insert to be included with each monthly billing.
- Finance staff fielded over 100 calls related to the transition from bi-monthly to monthly billing. Information was disseminated and gathered which will be reflected on future billings. The monthly billing process allows for modification to the bill format and information as needed. Monthly billing has proven to be an excellent outlet for informative and promotional items.
- With the January water bill, Village Staff offered a one-time \$10 credit to the utility billing account for residents who sign up during the months of January or February for direct debit/automatic payment. Paying by direct debit benefits both the resident and the Village in time and cost savings. On the Village's part, one data file is sent to the bank that contains all the direct debit payments and those payments are posted to the accounts in a matter of seconds. As a result of this effort more than 125 new applications for direct debit have been submitted bringing the total number of residents paying water bills this way to about 468. There is a cost savings in staff time with not processing individual payments, banking service charges are less for electronic deposits over paper deposits and the funds are available quickly.
- The Orchard Drive LED sign is used to advertise community events for non-profits and civic organizations. Messages are also posted for Village activities and amenities such as Youth Day, Main Street Nights, Freedom Hall Series events, Park Forest Art Fair, Pancake Day, etc. Staff utilizes Village-owned digital message/marquee/monument signs throughout the Village to further heighten upcoming activities. In the Fire Department's case, there are some restrictions on the use of the sign for a 12 month period as related to grant funding. However, the sign has already been of great benefit in the recruitment and public education efforts allowed for this sign.
- The Recreation and Parks Department and the Department of Economic Development and Planning cooperate on a full-page advertisement in the annual Chicago Southland Convention and Visitors Bureau guide and the Illinois Lincoln Highway brochure to promote events and venues throughout the Village.

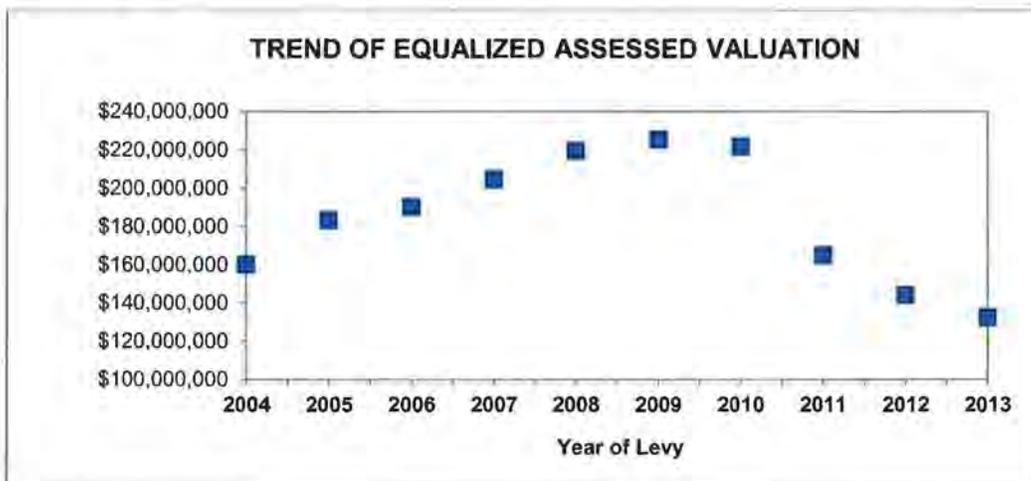
- The Village published the largest ever community calendar of events for the Fall 2013/Spring 2014 season. This calendar is mailed to every address in Park Forest and is available at a number of locations and events throughout the community.
- In 2014, the New Resident Reception evolved into a Resident Appreciation Month with a focus on new residents. This endeavor included different partnerships with local civic organizations, Village departments, and local businesses. Events included a Multi-Cultural Event, a Family Brunch and a Family Picture Day. This expo included all local civic organizations, religious institutions, Village departments, and local businesses. The Resident Appreciation Month will be held twice a year in March and June. The June event included partnerships with the Main Street Nights series and Mayor and Board of Trustees for a BBQ Meet and Greet. The Village Manager worked the grill.
- Community Relations launched a new health initiative entitled “Spring into a Better You” in April. This initiative included live workout sessions, cooking tips, and vendors.
- This year’s Good Egg Award reception was hosted in September by the Commission on Human Relations. This year’s recipient was Sandra Spann, who played a major role in recruiting volunteers for the Habitat for Humanity’s Women Build Program. Ms. Spann is a Park Forest resident and an active member of Calvary United Protestant Church.
- The Village of Park Forest remains committed to be an employer of choice. All recruitments encourage candidates to access the Village’s website in order to help awareness of what Park Forest has to offer and what it stands for as a community.
- The Fire Department has put noteworthy effort and staff hours into building and maintaining a web presence in order to increase outreach to various aspects of the community. Some of the key improvements related to the website include on-line CPR class registration and information being readily available such as electronic copies of the department’s annual reports and frequently asked questions. The Fire Department has also turned to Facebook to increase outreach efforts and maintain communications with residents. While not as comprehensive as the website, the Facebook page provides a ready opportunity to reach out to citizens and provide immediate notification of items pertaining to emergencies and non-emergency information. When time and staffing allow the department will be looking at other social media avenues (Instagram, vine, etc.) in an attempt to more fully expose Village operations and activities to the citizens of Park Forest.
- The Fire Department continues to make efforts at providing direct information and opportunity to citizens. The department provided four vehicles for the Main Street Nights activity “Touch a Truck” and thanks to a recent change in the Collective Bargaining Agreement has the opportunity to add public educators at a reduced rate to assist in these public education efforts.
- After three fire-related deaths in 2012, the first in decades, the fire department continues to look to develop programs to positively impact resident’s quality of life. Among those being researched for the new public educators are expanded CPR training availability, revamped school programs, team efforts aimed at babysitters and latch key children, Remembering When and other senior oriented safety programs and the possible return of the citizen’s fire academy.
- The Communications Director continues to work with local media on stories that help tell the story of the happenings in Park Forest. Some notable stories that have garnered coverage this year include: Park Forest Rail Fan Park Grand Opening, Park Forest Metra Lot Promotion, Park Forest Farmers’ Market new payment option, and outreach to local television stations on Governor Quinn’s participation in the 4<sup>th</sup> of July day parade (which was covered by Fox 32).
- For the first time ever, the Village of Park Forest awarded scholarships to three local high school students. It is believed that these scholarship award winners will go on to do great things, and will share with others positive details about growing up in the Village – furthering awareness of the life in and of Park Forest.

- The Communications Director has been working on a new Park Forest website over the past two years. After a move to switch companies to a new vendor, CivicPlus, the Communications Director began work to direct the look, feel, and content of the site. This re-worked site launched in January.
- In addition to working with media, the Communications Director continues to use the Discover Magazine, local cable, posters at Village Hall, the Village's website, the Village's social media pages, videos playing at Village Hall and on YouTube, as well as an email newsletter to outreach to residents on the life of the town. The most recent outreach initiative is a monthly insert with water bills detailing a few happenings and/or reminders to keep in mind for the given month.
- A Community Garden on a grand scale was designated for the former Wildwood School site. A site plan was developed with grant funding from the Chicago Community Trust.
- After the departure of longtime resident, Environment Commissioner and community gardening supporter, the Firehouse Community Garden was taken over by Village Staff. Planting, weeding and harvesting was enjoyed by the gardeners as well as the staff at the Park Forest Fire Department.
- The St. Irenaeus Garden continues to thrive with the many volunteers from the South Suburban Food Co-op. A member of this gardening group had the opportunity to take over a green house and farm in Wilton Center, expanding the mission of this gardening group to provide even more fresh produce to the St. Irenaeus food pantry and other organizations in need. The garden expanded by nearly 100%.
- The Peach Street Garden is the newest garden and the result of a program developed by Aunt Martha's and students from Bloom Trail high school. They installed twelve raised beds and grew a variety of vegetables and herbs. As part of the Park Forest community garden program maintenance of the lot is the responsibility of the gardening group. Aunt Martha's group fulfilled this role and in addition cleaned out and cleared what once was an overgrown adjacent sidewalk cut-through, making it passable which has in turn increased its use and is an asset to the neighborhood. The addition of the Peach Street garden provided educational opportunities to the gardening group and the residents of Peach Street allowing for the intergenerational exchange of knowledge and building community around the concept of community gardening. Added this year was an "Arts in the garden" component.
- The Sustainability Coordinator has partnered with the Environment Commission, Garden Club and Thorn Creek Nature Center for educational workshops and fundraising events for current/future gardens and projects. A Saturday morning educational series is now underway. The program includes presentations on the 3<sup>rd</sup> Saturday of each month through October.
- The 40<sup>th</sup> year of the Park Forest Farmers' Market included the addition of an Electronic Benefits Transfer (EBT) program. This program allows for residents to use their Link/SNAP benefits card to purchase fresh fruits, vegetables, cheese, and bakery items from participating vendors. The feedback from the residents has been extremely positive with the exception of the request that more vendors participate in the program. At the end of Fiscal 2014 there were \$2,868 and 169 EBT transactions. At the start of the 2014 market season one additional vendor was participating in the program.
- Also at the market this season and many other community events (Faith Fest, Family Fitness Fest, Park Forest Garden Club, Youth Day and Art Fair) different sustainability topics were presented by the Sustainability Coordinator including: community gardens, recycling, water conservation and cycling.
- Clearly identifiable recycling receptacles have been ordered for all Village facilities, will be placed out for use for special events and will be provided to houses of worship and schools. These recycle bins will have a newly created recycling logo hot-stamped on both sides and a universal top to encourage all recyclable items (aluminum, paper and plastic) to be deposited. Educational campaigns regarding recycling will be continued and expanded.

- The Park Forest Health Department participated in various community health events throughout the village, including events at Faith United Church, St Irenaeus Church, Annual Youth Day, and Wright Family Fitness Fest to promote health and wellness by providing blood pressure and glucose screenings. Information was provided to residents on multiple health conditions and raising awareness of the services available to them by Nurses Plus/ Health Department. During the summer, farmers' market brochures and flyers were displayed at the manager's booth highlighting Health Department services. Social networking was also used through the creation of a Facebook page highlighting the Farmers and various types of fruits and vegetables that could be bought at the market. The Health Department will continue to advertise in the village publications (Discover magazine, local churches, seasonal Recs and Parks books and water bill mailings) to increase exposure to area residents. This year, the Health Department began offering health screening services and free flu shots to clients at the St. Irenaeus food pantry.

### Trend in Equalized Assessed Valuation

The Village is subject to a triennial reassessment. This occurred in 2002, 2005, 2008 and again in 2011. In addition, the Cook County equalization rate steadily increased from 2.2235 in 2000 to 3.30 for 2010 and down to 2.6621 for 2013. Over the ten years, the Village's overall equalized assessed valuation has decreased 17.2% to \$132,579,603. The decline in housing values from 2009 caused a sharp 41% decline from that time to present.



## **FINANCIAL INFORMATION**

### **Internal Accounting System and Budgetary Controls**

In developing and evaluating the Village's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

1. safeguarding of assets against losses from unauthorized use or disposition, and
2. the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed benefits likely to be derived and (2) evaluation of costs and benefits requires valuation and judgment by management. All internal evaluations occur within the above framework. We believe that the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Beginning in 2004, the Village began to conduct internal audits in addition to the external audit required. Several improvements to cash handling were recommended and implemented. Budgetary control is maintained at the fund level. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village. A departmental line item budget is prepared and approved. Purchase orders are required for expenditures over \$2,500. The dollar level dictates the approvals needed.

### **General Governmental Functions - General Fund**

Operating Revenues for the General Fund totaled \$20,429,044. This number represents a 3.0% increase from the prior year. General property taxes continued to make up a significant portion of the Village's revenue. General property taxes increased 5.3% and constituted 60.6% of operating revenues. The increase in property taxes in the General Fund related to the blended increase in the 2011 and 2012 levy. Levy dollars were shifted to General Corporate purposes with an overall levy increase in 2011 of 3.4% and in 2012 of 2.7%. For 2013 the Village was able to abate \$850,000 of TIF bonds, thus, shifting levy dollars to the General Corporate Fund. Sales taxes constituted 3.5% of revenues and increased 1.1% over the prior year. Utility taxes represent 6.4% of General Fund revenue and decreased 2.4% as a result of reduced telecommunications tax. Real Estate Transfer Tax payments increased 10.4% showing signs of an improving housing market. Licenses and Permits represent 6.1% of revenue and increased 4.6% reflecting Crime Free Housing licenses and electrical aggregation fees. Intergovernmental revenue, which is predominantly the State Income Tax allocation, is a major contributor to General Fund revenue. The Village experienced a \$118,772 reduction in intergovernmental revenue as a result of smaller grant revenues as compared to 2013. Charges for Services constituted 6.3% of revenue and included Medicare public aid fee payments of \$223,928, an increase of \$26,434, and paramedic services of \$406,303. Interest earnings increased compared to last year 447.1%. These revenues are a direct result of the laddered CD portfolio established. Interest rates on liquid funds declined from 5% in 2007 to 2% in 2008 to .012% in 2014. Other revenues decreased by 9.0% reflecting smaller asset sales compared to the prior year.

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) over FY 2013</u>	<u>Percent of Increase (Decrease) over FY 2013</u>
Property Tax	12,374,248	60.6%	617,436	5.3%
Sales Tax	705,591	3.5%	7,460	1.1%
Utility Tax	1,315,502	6.4%	(32,294)	-2.4%
Real Estate Transfer Tax	79,969	0.4%	7,549	10.4%
Licenses and Permits	1,240,040	6.1%	54,719	4.6%
Intergovernmental	2,529,338	12.4%	(118,772)	-4.5%
Charges for Service	1,277,424	6.3%	(24,011)	-1.8%
Fines and Forfeits	468,231	2.3%	33,519	7.7%
Interest	97,909	0.5%	80,012	447.1%
Other	<u>340,792</u>	<u>1.7%</u>	<u>(33,850)</u>	<u>-9.0%</u>
Total Operating Revenue	20,429,044	100.0%	591,768	3.0%
Transfer in from Other Funds	<u>941,943</u>			
Total Revenue after Transfers	21,370,987			

The 3.0% overall increase in revenue sources is the net result of an increase in property taxes and income tax, coupled with lower utility tax and grant revenues.

Operating Expenditures in the General Fund totaled \$19,968,209. This represented a 7.9% decrease over prior year. The largest reason for the decrease was the Orchard Drive reconstruction cost for the prior year at \$2,399,799. Removing this amount would reflect a 3.6% increase in expenditures. This 3.6% reflects salary increases, with salaries and benefits representing 72% of General Fund Expenditures offset by savings in Intergovernmental Risk Management Association (IRMA) insurance fees. Other factors affecting the increase were health insurance premiums and increasing pension costs.

<u>Expenditure</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) over FY 2013</u>	<u>Percent of Increase (Decrease) over FY 2013</u>
Administrative	3,149,074	15.8%	138,384	4.6%
Police	7,254,557	36.3%	159,607	2.2%
Fire	3,933,993	19.7%	198,482	5.3%
Health	904,609	4.5%	61,437	7.3%
Recreation & Parks	2,533,327	12.7%	146,929	6.2%
Public Works	1,114,762	5.6%	(2,457,954)	-68.8%
Community Development	540,948	2.7%	27,963	5.5%
Economic Development	<u>536,939</u>	<u>2.7%</u>	<u>15,183</u>	<u>2.9%</u>
Total Operating Expenditures	19,968,209	100.0%	(1,709,969)	-7.9%
Transfer to Other Funds	<u>1,110,563</u>			
Total Expenditures after Transfers	21,078,772			

In addition to these operating expenditures, transfers to other funds included: Aqua Center \$200,000 for operations, Tennis and Health Club \$100,000, DownTown CAM of \$155,036, Capital Projects \$133,327, for economic development and sustainability and \$522,200 for sound mitigation, Eastgate.

Cook County represents 82% of the EAV of the Village. Tax rates for Cook County increased 14.1% and were majorly impacted by the 2011 reassessment and continued reductions in value through 2013. Following is a chart of tax rates over a five-year period.

<b>Tax Rates</b>					
<b><u>Purpose</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>
General Fund	3.6110	3.9525	6.0618	7.2659	8.1392
Bonds and Interest	0.4051	0.3490	0.4303	0.4116	0.4211
Police Pension	0.4491	0.4702	0.6702	0.8099	1.0520
Fire Pension	0.3232	0.3425	0.4526	0.5275	0.6948
FICA	0.1968	0.1875	0.2691	0.2930	0.3284
IMRF	<u>0.2253</u>	<u>0.1926</u>	<u>0.2767</u>	<u>0.3012</u>	<u>0.3376</u>
<b>VILLAGE</b>	<b>5.2105</b>	<b>5.4943</b>	<b>8.1607</b>	<b>9.6091</b>	<b>10.9731</b>
 LIBRARY	<u>0.8140</u>	<u>0.8500</u>	<u>1.2440</u>	<u>1.4490</u>	<u>1.6390</u>
 <b>TOTAL</b>	<b>6.0245</b>	<b>6.3443</b>	<b>9.4047</b>	<b>11.0581</b>	<b>12.6121</b>

The 2013 Will County Village tax rate was 8.9420.

### **General Fund Balance**

The General Fund balance presentation was changed in Fiscal 2010. The Village implemented GASB 54 which changed fund balance classifications. The Unreserved designation has become Unassigned with additional categories of Non-spendable (inventories, prepaid items and the SouthCom deposit), Restricted for (drug related forfeitures, IMRF and FICA unspent levies), Committed to (PEG fees) and Assigned (property held for resale, budgeted, committed and unspent, contribution funds, and remaining dollars set aside for Orchard construction of \$300,000, Eastgate redevelopment of \$477,800 and IRMA deductible of \$500,000). The unassigned fund balance as of June 30, 2014 was \$9,342,058. This fund balance represents a 5 months reserve. The Village Board has established a policy requiring a three to four month reserve in the General Fund. Of the total fund balance, \$677,188 has been budgeted to be spent in Fiscal 2015, \$900,000 is set aside for roadway matching funds, \$60,000 for added Aqua Center support, and \$640,000 was utilized to reduce the 2014 property tax levy increase. This leaves an available fund balance reserve of 3.8 months of expenditures.

### **Governmental Funds**

#### **Tax Increment Finance District**

In 1986, the Village established a Tax Increment Financing (TIF) District in its commercial center. As a result of the departure of one of the major anchor stores, Sears, the equalized assessed value of the TIF district dropped below the frozen base year and the district no longer generated incremental taxes. At the time of the departure of Sears, the Village had \$9,500,000 of outstanding TIF debt. In November

1997, the Village Board approved the dissolution of the existing TIF and the establishment of a new TIF which reduced the base equalized assessed value (EAV) from the original \$11 million to \$3.6 million. This restructuring allowed the existing debt to be “spread” over a longer repayment period which reduced annual debt service payments. The reduced EAV of the TIF district helped ensure that future sales and improvements within the district increased the EAV and facilitated the receipt of future increment.

In Fiscal 2004, incremental taxes were also used to acquire a stalled and tax delinquent residential development in DownTown Park Forest. The property was sold and developed into Legacy Square and the TIF was replenished. In Fiscal 2009 the Village restructured a large portion of TIF debt to take advantage of favorable interest rates and accelerate debt repayment. These actions produced an \$114,327 gain on debt restructuring in the TIF fund. In Fiscal 2013 incremental property taxes decreased to \$992,542 as a result of successful protests by the senior complex. Property tax rebates declined \$214,989 with the final payment to Legacy Square in January 2013. The Village was able to increase the debt service abatement to \$875,000 for the 2014 tax levy.

### Housing Authority

The Housing Authority of the Village of Park Forest was established under the Illinois Revised Statutes and approved by the Department of Housing and Urban Development. The Mayor appoints a five-member board of commissioners. The Housing Authority administers the Housing Choice Voucher Program. This program subsidizes the housing costs of low-income families. The Park Forest Housing Authority’s program began with HUD funding for 50 Certificates (now called Vouchers). The Authority is now allocated 177 Park Forest certificates. The Housing Choice Voucher Program is designed to give participants mobility. To date, the Housing Authority is administering 587 vouchers. Currently 130 Park Forest vouchers are being administered with 9 ported out to other communities, along with 457 portable vouchers. All participants are eligible for portability, that is, they may move to any geographic area of their choice. Once a Voucher holder from another agency relocates to Park Forest, the Park Forest Housing Authority becomes the administering agency and receives a portion of the administrative fees associated with the Voucher.

Beginning with the Fiscal Year 2010 the presentation of the Housing Authority changed from a “Major Governmental” fund type to a “Discretely Presented Component Unit.” For Fiscal 2013 and 2014 the Housing Authority is again presented as a “Major Governmental Fund.”

### Motor Fuel Tax

A portion of revenue from Motor Fuel Taxes is returned to municipalities by the State of Illinois. This distribution is made on a per capita basis. In Fiscal 2014, \$751,712 was received from this source. In addition \$519,344 was received in federal grant dollars to offset costs for roadway projects. Beginning in Fiscal 2006, salaries were no longer being charged to MFT. Vehicle costs in Fiscal 2013 were also moved to the General Fund. Dollars are being accumulated for future roadway projects. Use of these funds is restricted to the maintenance and improvements of streets.

### Cook County Community Development Block Grant

CDBG funds can be used for approved public works projects in census tracts with a high concentration of low income individuals or families. Such projects may include street improvements, lighting, water main improvements, demolition and other infrastructure improvements that would improve the lives of the families in the area. In Fiscal 2013, the Village received notification that Cook County CDBG and NSP funds of \$2,055,266 were awarded to demolish four commercial structures; Norwood, 3200 Lincoln

Highway, Wildwood School and a small blighted commercial building in the DownTown. For Fiscal 2014, the commercial demolition projects were completed. In addition, \$78,751 was awarded for IKE community stabilization programs to fund residential demolition.

### Foreign Fire Insurance

The Village receives two percent of the gross receipts from foreign fire insurance companies on property within the Village. Foreign fire insurance companies are those fire insurance companies not incorporated by state law. These funds, which totaled \$12,848 in Fiscal 2014 are used to benefit Fire Department activities.

### E-9-1-1

The Village has imposed a surcharge on local telephone bills generated within the Village limits to cover emergency 9-1-1 operating costs. In 2003, a referendum permitted an increase in the surcharge from \$ .75 to \$1.25. On October 2, 2005, the Village began participation in SouthCom Joint Dispatch. The Village E 9-1-1 fund was closed in Fiscal 2006. The Village maintains a \$143,800 fund balance at SouthCom. On March 20, 2012 a referendum for an increase to \$5.00 was defeated.

### Capital Projects Fund

In December 2001, the Village borrowed \$3,255,973 to fund Public Safety Building renovation. The Village Board allocated these funds for the construction of a new fire station. Construction of the new fire station began in Fiscal 2004 and was completed in Fiscal 2006. This remaining portion of the fund balance was utilized to re-surface the fire station/DownTown parking lot. This project was completely closed in Fiscal 2008 with an arbitrage calculation indicating no balance owed to the IRS. In Fiscal 2007, the Capital Projects Fund also began to include costs associated with the economic development efforts to acquire, maintain and develop no-cash bid properties; \$140,000 was initially transferred from the General Fund. In addition, a total of \$925,000 was transferred to fund the lower level of Village Hall build out for Health and Recreation and Parks use. In Fiscal 2009 \$455,000 was transferred, \$50,000 for signage, \$55,000 for land banking efforts and \$350,000 for the Railfan Park. In Fiscal 2010, a total of \$345,000 was transferred to the Capital Projects Fund, \$55,000 for land banking and maintenance, \$50,000 for signage and \$240,000 from the CN settlement. A transfer out of \$100,000 was made to the DownTown to fund the Route 30 LED sign. In Fiscal 2011, an additional \$100,000 was transferred for property maintenance and \$500,000 was transferred to be distributed to residents related to sound mitigation needs as a result of increased rail traffic. In Fiscal 2012, \$50,000 was transferred to begin funding for sustainability projects. In Fiscal 2013, \$140,000 was transferred for sustainability projects, land banking and economic development efforts. In Fiscal 2014, \$522,200 was transferred for sound mitigation in Eastgate and \$133,327 was transferred for economic development and sustainability including funds from the Star Disposal contract and electrical aggregation.

### **Business-type Activities – Enterprise Funds**

#### Water Fund

The operations of the Water Fund include water pumping, purification and distribution. Water service is charged to customers based on gallons of water used. For Fiscal 2014, water rates were increased to \$11.93 per 1,000 gallons used. July 1, 2014 water rates per 1,000 gallons were increased to \$12.77. The fund recorded a positive change in net position for the Fiscal year of \$1,291,958 reflecting the increased

water rates and removal of payment in lieu of taxes. Funds are being accumulated to make infrastructure improvements such as water main replacement.

#### Sewer Fund

Maintenance of the sanitary sewer system is funded through a use charge tied directly to water consumption. Reserves in the fund are used to fund major capital expenditures. Sewer rates increased to \$2.60 per 1,000 gallons July 1, 2009 and to \$2.86 per 1,000 gallons July 1, 2010. Sewer rates have not been increased since this time. In July 2013 the Village was notified that it no longer needed to remain in compliance with the inflow and infiltration plan submitted to Thorn Creek Sanitary Basin District. The Village is still required to be in compliance with the Clean Water Act and will continue to maintain sewer lines and reduce inflow and infiltration. Beginning in Fiscal 2015, storm sewer maintenance will be charged to the Sewer Fund.

#### DownTown Park Forest

The Village purchased a regional shopping area located in the middle of town, initially known as the Park Forest Plaza and later as the Centre of Park Forest, on December 1, 1995. At the time of purchase, the property was badly blighted following many years of neglect and abuse by a series of owners. No repairs had been made to basic infrastructure, parking lots, heating and air conditioning or sprinkler systems. A Master Plan was developed and redevelopment was begun in Fiscal 1998 to convert the shopping center into a traditional Main Street DownTown. In Fiscal 1999, \$1,640,000 was borrowed to fund redevelopment. The debt service on this borrowing is now being totally funded with TIF increment. The Village has spent nineteen years renovating and occupying the DownTown, most recently demolishing the Marshall Fields and ByUs buildings. Total occupancy in the Village owned buildings is now at 75%.

For Fiscal 2014, the DownTown had a (\$487,620) operating loss before transfers. DownTown funding history is as follows:

**DownTown Funding History**  
**December 1995 through June 30, 2014**

**Outside Sources of Funds**

Sears settlement:		
Part 1	\$	2,623,127
Part 2		250,000
State grant -- Sears demolition		500,000
State grant -- Main Street		740,000
State grant -- parking lot		75,000
TIF Funds beginning balance		884,721
Cook County CDBG Grants		1,687,062
Marshall Fields CDBG Demolition		930,062
By-Us Building CDBG Demolition (Main Street)		217,293
Sale of Property *		1,402,846
Nineteen years' operating and other revenues		10,846,680
Total Outside Sources of Funds	\$	<u>20,156,791</u>

**Village Funds**

Motor Fuel Tax	\$	850,000
Transfers from the General Fund:		
Identified as CAM beginning Fiscal 2001		2,926,851
Other Transfers		2,796,720
	\$	<u>6,573,571</u>

**Borrowing**

1999 Borrowing to be paid by Tax Increment	\$	1,640,000
Total Funding Through 2014	\$	28,370,362

\* Sale of Legacy Square is not included in the DownTown Fund. This residential property was purchased with TIF Funds and, therefore, sales are included in the TIF Fund.

A Resolution was approved in January 2001 designating \$4,494,374 of TIF allowable expenses to be established. These expenses can then be reimbursed to the Village should there be sufficient tax increment. Of the total \$28,370,362 of investment in the DownTown, the Village has contributed 23%. The remaining 77% has come from outside sources. With the TIF Fund generating \$844,206 in increment, this investment represents a 13% return.

### Refuse

Garbage, recycling and yard waste collection in single family residential areas are funded through this fund. Collection is done by contract with a private scavenger service, Star Disposal. Residents were billed \$19.85 monthly beginning January 1, 2013. This rate stayed the same through 2014, for garbage collection. Rates are scheduled to increase January 1, 2015 to \$20.52 per month.

### Municipal Parking Lot

The Village operates two municipal commuter parking lots. Revenues generated from these lots are included in this enterprise fund. Revenues have declined since the Matteson lot was reconstructed. For Fiscal 2015, salary allocations will be reduced. The fund had a change in net position of (\$108,830).

### Aqua Center

The Village owns an outdoor pool facility which is located within the heart of the Village of Park Forest. Known as the Aqua Center, this four pool complex includes a play area and sand volleyball. The Center currently serves between 50,000 and 90,000 patrons annually. In Fiscal 2010 the Aqua Center was awarded a \$400,000 OSLAD grant to renovate the bath house and establish a wetlands discovery classroom. The Village contributed \$620,000 with the assistance of the CN settlement, and \$1,020,000 of improvements were undertaken. The net operating loss for the Fiscal 2014 was (\$271,752). The General Fund transferred \$200,000 to the Aqua Center for operations. The change in net position for the Aqua Center was (\$55,405).

### Tennis and Health Club

The Village also owns an indoor tennis and health club. The Park Forest Tennis and Health Club is a six court indoor tennis facility with health and exercise facilities, a pro shop, full service lounge and space for aerobics classes. The Club runs an extensive tennis instructional program, both indoors and out, serving preschoolers to senior citizens. The net operating loss for Fiscal 2014 was (\$97,086). The General Fund transferred \$100,000 to the Tennis and Health Club. The change in net position for the Tennis Club was (\$17,081)

### Vehicle Service Fund (Internal Service Fund)

This internal service fund was established to allocate the cost of maintenance, fuel and replacement of vehicles. An improved and monitored contribution process has resulted in an unrestricted net assets amount of \$1,239,791. A major reoccurring expenditure for this fund includes the replacement of fire engines, ambulances, snow plows, police vehicles and the Vactor. The fund builds a balance in order to make major vehicle replacements.

### Trust and Agency Funds

Outside contributions are occasionally made to support specific Village programs. The contributions are segregated. The combined contribution fund balances total \$53,299. For GASB 34, the fund balances have been transferred to the General Fund and are reflected as an assigned fund balance.

The Village is allocated a portion of confiscated drug money and assets. These funds are required to be maintained separately and utilized for certain drug-prevention programs and activities. For financial

statement reporting purposes, the \$15,550 balance is presented in the General Fund as restricted for police forfeiture/DUI fines.

Police and Fire sworn personnel are covered by the police and firefighters pension plan. These plans are defined benefit single employer pension plans with employee and employer contribution levels mandated by Illinois State Statutes. The Village levies for its share of the contribution. The Police Pension Fund balance held in trust for pension benefits at fiscal year-end was \$19,199,485. The Firefighters Pension fund balance held in trust for pension benefits at fiscal year-end was \$11,274,612.

Village employees are offered the opportunity to participate in a deferred compensation plan. The plan is a Section 457 plan administrated by ICMA-RC. These assets are not reflected as Village assets.

### **Component Units**

Prior to Fiscal 2013, the Village of Park Forest had two discreetly-presented component units, the Housing Authority and the Library. The Housing Authority is no longer presented as a component unit. The Library is now presented as a separate entity.

### **Library**

The Library's financial statements are no longer presented as a part of the Village. Excerpts from the financial statements show operations for the current year adding \$585,362 fund balance. The June 30, 2014 unassigned fund balance for the Library is \$2,287,359.

### **Debt Administration**

In Fiscal 2014 general obligation debt and installment contracts decreased \$918,320 to \$8,964,913. Total debt is a combined obligation of the General, TIF, Water, Sewer and Aqua funds. In 2009 and 2013 the Village refunded debt for an economic gain. The total approved IEPA loan amount for the new water plant was \$15,642,209. In addition, the Village secured IEPA loan funds for water main and sewer improvements. The June 30, 2014 IEPA loan balance is \$15,077,034, a reduction of \$943,362. The Village continues to operate on a pay as you go basis avoiding borrowing without an identified revenue source.

### **Cash Management**

Procedures for the handling of cash receipts and investments are identified in an investment policy which was adopted in December, 1999. Safety of principal is the foremost objective of the investment policy as it is the objective of the Village Treasurer. It is imperative that the investment portfolio remain sufficiently liquid to enable the Village to meet all operating requirements. Investment return is the third objective. Monies collected are deposited no later than the next business day. Investment income in the General Fund for the Fiscal Year 2014 was \$97,909 as a result of a laddered CD portfolio.

### **Risk Management**

The Village is a member of the Intergovernmental Risk Management Association (IRMA). This municipal pooled insurance program covers the Village for liability and workers compensation insurance. There is an established safety committee that reviews training opportunities. Individual departments conduct accident reviews. In the 2012 calendar year the IRMA deductible increased to \$100,000.

## **OTHER INFORMATION**

### **Independent Audit**

Village ordinances require an annual audit of accounting, financial records and transactions of all departments by an independent certified public accountant. This requirement has been fulfilled. The auditors' opinion has been included in this report.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Village of Park Forest the Distinguished Budget Award for its budget each year from 1995 through 2013 budgets. In order to be awarded this recognition, a governmental unit must present a document that is a 1) Policy Document 2) Financial Plan 3) Operations Guide and 4) Communications Device. Among other measurements, the document must include a coherent statement of organization-wide financial and programmatic policies and goals that address long-term concerns and issues.

The Village of Park Forest received the Certificate of Achievement for Excellence in Financial Reporting for the seventeenth time last fiscal year. Through this program, the Government Finance Officers Association recognizes governmental units that publish an easily-readable and efficiently-organized comprehensive annual financial report whose contents conform to program standards. Such annual financial reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The Village believes its current report conforms to the Certificate of Achievement program requirements. It is being submitted to the GFOA for consideration for the certificate program.

### **Acknowledgment**

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated service of the entire Finance Department staff. Special recognition is given to Stephanie Masson, the Assistant Finance Director, for her coordination of the audit.

Our deepest appreciation is extended to the Mayor and Trustees for their interest and support in planning and conducting Village governance in a progressive and responsible manner. This report evidences the significant progress the Village of Park Forest has made toward developing responsible financial reporting.

Respectfully submitted,



Thomas K. Mick  
Village Manager



Mary G. Dankowski, CPA  
Deputy Village Manager/Treasurer/Finance Director



Government Finance Officers Association

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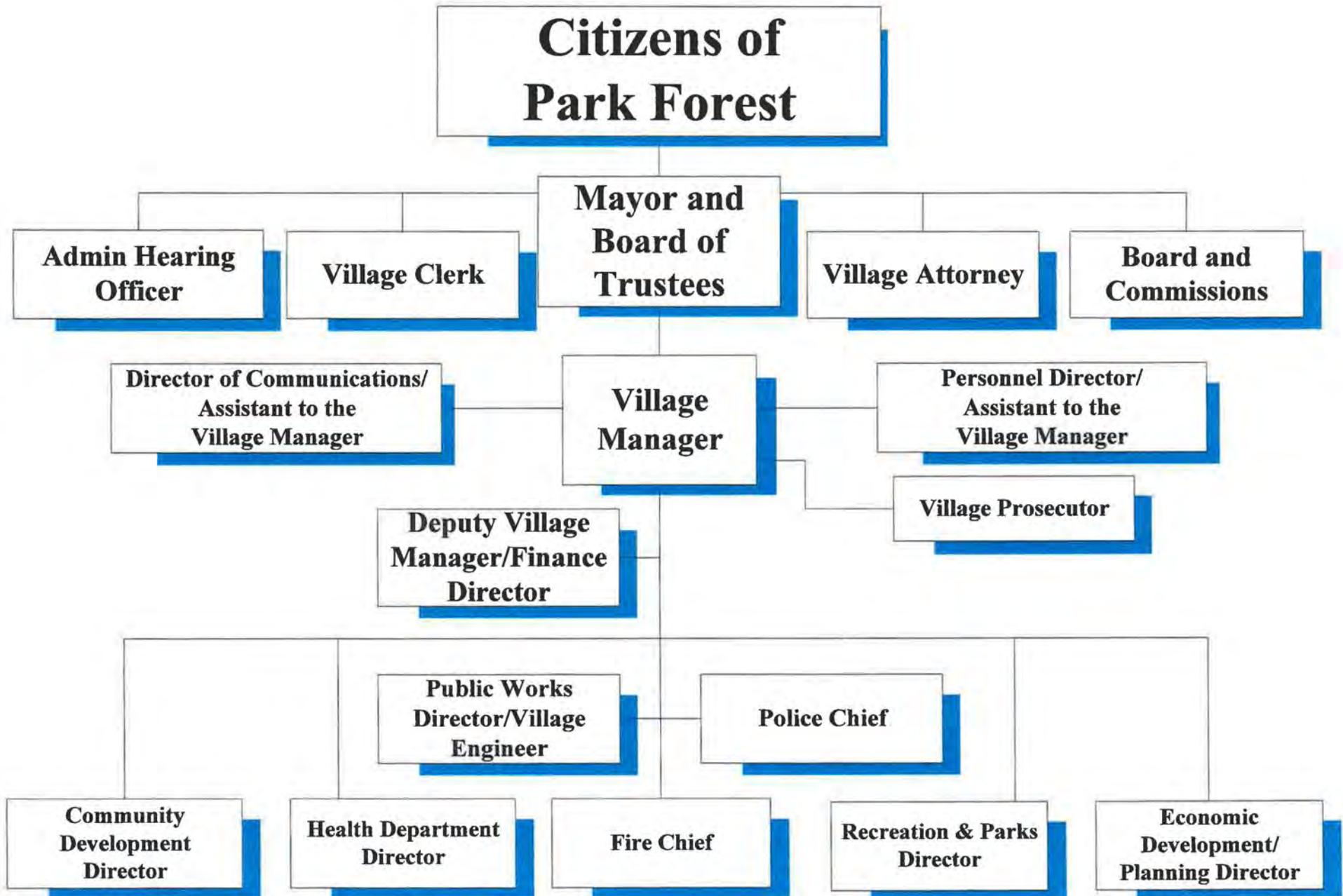
**Village of Park Forest  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

# Village of Park Forest Organizational Chart



**VILLAGE OF PARK FOREST, ILLINOIS**

**List of Elected and Appointed Officials**

**June 30, 2014**

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**LEGISLATIVE**

**VILLAGE BOARD OF TRUSTEES**

John A. Ostenburg, Mayor

Mae Brandon  
JeRome Brown  
Gary Kopycinski

Robert McCray  
Georgia O'Neill  
Theresa Settles

Sheila McGann, Village Clerk

**ADMINISTRATIVE**

Thomas K. Mick, Village Manager

**FINANCE DEPARTMENT**

Mary G. Dankowski, Finance Director and Treasurer,  
Deputy Village Manager



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Oak Brook, IL 60523-3389  
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fax 630 990 0039  
bakertilly.com

## INDEPENDENT AUDITORS' REPORT

To the Honorable Village Mayor and Trustees  
Village of Park Forest  
Park Forest, 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 Park Forest, Illinois, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Village of Park Forest'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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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 over financial reporting relevant to the Village of Park Forest's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Village of Park Forest'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.

To the Honorable Village Mayor and Trustees  
Village of Park Forest

### ***Opinions***

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

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

As discussed in Note 1, the Village of Park Forest adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective July 1, 2013. Our opinions are not modified with respect to this matter.

As discussed in Note 1, the Village of Park Forest adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25*, effective July 1, 2013. Our opinions are 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 basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Our audit for the year ended June 30, 2014 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Park Forest's basic financial statements. The supplementary information as listed in the table of contents for the year ended June 30, 2014 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2014, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents for the year ended June 30, 2014 is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2014.

To the Honorable Village Mayor and Trustees  
Village of Park Forest

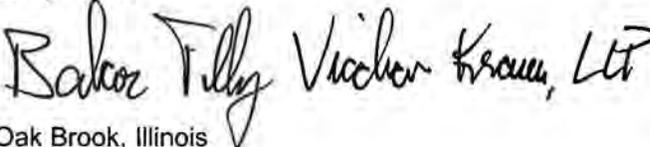
We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village of Park Forest as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated December 18, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The supplementary information as listed in the table of contents for the year ended June 30, 2013 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents for the year ended June 30, 2013 is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Park Forest's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014 on our consideration of the Village of Park Forest's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Park Forest's internal control over financial reporting and compliance.

  
Oak Brook, Illinois  
December 18, 2014

## VILLAGE OF PARK FOREST, ILLINOIS

### Management's Discussion and Analysis (Unaudited)

June 30, 2014

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Our discussion and analysis of the Village of Park Forest's financial performance provides an overview of the Village of Park Forest's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the transmittal letter on page vi and the Village of Park Forest's financial statements, which begin on page 24.

#### FINANCIAL HIGHLIGHTS

- During the year, Village wide revenues of \$39.1 million exceeded expenses of \$35.8 million, increasing net position by \$3.3 million. This 6.2% increase in net position is a result of this year's operations.
- Net position of business-type activities increased by \$1.7 million, or 7.4%, while net position of governmental activities increased \$1.6 million or 5.2%.
- Over the prior year, revenues for governmental activities decreased \$6.1 million or 17.3% and expenses decreased \$2.5 million or 8.2%.
- The decrease in governmental revenues of \$6.1 million occurred in large part due to a combined decline of \$6.7 million in Capital Grants/Contributions and Operating Grants/Contributions. The prior year included IDOT grants for the Orchard Drive reconstruction and CDBG/NSP funds for demolition work. Property taxes increased \$ .4 million over the prior year due to an increase in the levy.
- Governmental expenses, decreased \$2.5 million or 8.2%. Public Works and Streets and Transportation combined decreased \$2.0 million over the prior year due to roadway resurfacing projects completed in the prior year on Indianwood and Blackhawk and costs related to the engineering for the building demolition project. Community Development expense decreased \$1.5 million due to the \$2.0 million spent on grant funded building demolition in the prior year offset by an increase in Housing Authority voucher payments. The balance of the change is related to annual increases related to salary and insurance expenses.
- Charges for services revenue of governmental activities remained the same.
- Transfers into governmental activities and out of business-type activities of \$ .5 million relate to the cost allocation of administrative services provided to the business-type funds net of the support provided to business-type activities.
- Revenues for business-type activities increased \$ .6 million to \$10.1 million while expenses before transfers remained the same at \$7.9 million.

## VILLAGE OF PARK FOREST, ILLINOIS

### Management's Discussion and Analysis (Unaudited) June 30, 2014

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#### FINANCIAL HIGHLIGHTS – continued

- The increase in business-type revenue was a result of operations with a \$ .7 million increase overall in Charges for Services offset by a combined \$ .1 million decrease in grants and other revenues.
- The increase in Charges for Services in business-type activities of \$ .7 million was a result of an increase of \$ .9 million in the Water Fund due to a rate increase. DownTown, Sewer and Aqua funds combined declined slightly by \$ .2 million due to operations.
- Business-type expenses remained the same with no overall changes in any of the funds.

#### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 24-26) provide information about the activities of the Village of Park Forest as a whole and present a longer-term view of the Village of Park Forest's finances. Fund financial statements begin on page 27. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Park Forest's operation in more detail than the government-wide statements by providing information about the Village of Park Forest's most significant funds. The remaining statements provide financial information about activities for which the Village of Park Forest acts solely as a trustee or agent for the benefit of those outside of the government.

#### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Park Forest's finances, in a manner similar to a private-sector business. The government-wide financial statements are on pages 24-26 of this report.

The Statement of Net Position reports information on all of the Village of Park Forest's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between them 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 of Park Forest is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Park Forest's property tax base and the condition of the Village's roads, is needed to assess the overall health of the Village of Park Forest.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### USING THIS ANNUAL REPORT – Continued

#### Government-Wide Financial Statements – Continued

The Statement of Activities presents information showing how the government'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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village of Park Forest that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Park Forest include general government, law enforcement, fire and emergency, public health, recreation and parks, public works, streets and transportation, community development, the housing authority, economic development, and interest on long-term debt. The business-type activities of the Village of Park Forest include water, sewer, DownTown Park Forest, refuse, municipal parking, aqua center, and the tennis and health club.

The Park Forest Public Library is now reported separately due to the implementation of GASB 61.

#### 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 of Park Forest, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Park Forest can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

#### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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. Such information may be useful in evaluating the Village of Park Forest's near-term financing requirements.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### USING THIS ANNUAL REPORT – Continued

#### Governmental Funds -- Continued

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 government'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 the comparison between governmental funds and governmental activities.

The Village of Park Forest maintains nine individual governmental funds. 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 General Fund, Housing Authority, DownTown Tax Increment Financing District, Motor Fuel Tax Fund, Debt Service Fund and the Capital Projects Fund, all of which are considered major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

From Fiscal 2010 through Fiscal 2012, the financial statement presentation of the Housing Authority was changed from a governmental fund to a discretely presented component unit. With the implementation of GASB 61 in Fiscal 2013, the Housing Authority is presented again as a governmental fund.

The Village of Park Forest adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27-34 of this report.

#### Proprietary Funds

The Village of Park Forest maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Park Forest utilizes enterprise funds to account for its water, sewer, DownTown, refuse, municipal parking, aqua center and tennis and health club operations. Internal service funds are an accounting device used to accumulate and allocate service costs internally among the Village of Park Forest's various functions.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### USING THIS ANNUAL REPORT – Continued

#### Proprietary Funds – Continued

The Village of Park Forest uses internal service funds to account for vehicle maintenance and replacement. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer and the DownTown funds, all of which are considered to be major funds of the Village of Park Forest. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 35-40 of this report.

#### Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government such as pension funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Park Forest's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 41-42 of this report.

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-78 of this report.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Park Forest's Illinois Municipal Retirement Fund (IMRF) and police and firefighters employee pension obligations. Required supplementary information can be found on pages 79-95 of this report. The combining statements referred to earlier in connection with non-major governmental funds and the internal service fund are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 96-125 of this report.

**VILLAGE OF PARK FOREST, ILLINOIS**

**Management's Discussion and Analysis (Unaudited)  
June 30, 2014**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Park Forest, assets/deferred outflows of resources exceeded liabilities/deferred inflows of resources by \$56.4 million, up from the prior year.

	Net Position (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2014	2013*	2014	2013*	2014	2013*
Current and Other Assets	\$ 31.0	30.3	11.3	10.4	42.3	40.7
Capital Assets	22.7	22.3	30.2	30.6	52.9	52.9
Total Assets	53.7	52.6	41.5	41.0	95.2	93.6
Deferred Outflows of Resources	0.1	-	-	-	0.1	-
Long-Term Debt Outstanding	11.2	11.6	15.6	16.7	26.8	28.3
Other Liabilities	3.4	10.8	1.3	1.4	4.7	12.2
Total Liabilities	14.6	22.4	16.9	18.1	31.5	40.5
Deferred Inflows of Resources	7.4	-	-	-	7.4	-
Net Position						
Net Investment in						
Capital Assets	20.2	19.7	14.7	14.0	34.9	33.7
Restricted	3.9	3.7	-	-	3.9	3.7
Unrestricted	7.7	6.8	9.9	8.9	17.6	15.7
Total Net Position	31.8	30.2	24.6	22.9	56.4	53.1

\* Prior year information has not been updated for the District's implementation of GASB Statement No. 65 in fiscal year 2014.

**VILLAGE OF PARK FOREST, ILLINOIS**

**Management’s Discussion and Analysis (Unaudited)  
June 30, 2014**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

The largest portion of the Village of Park Forest’s net position are capital assets. Investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding total \$34.9 million. The Village of Park Forest uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Park Forest’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. Of the total current and other assets of \$42.3 million, \$27.6 million represent cash and investments. This amount includes the reserves for all funds. The general fund targets a three to four month reserve. The motor fuel tax fund is accumulating reserves for roadway repairs. The water and sewer funds are carrying reserves for capital purposes.

	Changes in Net Position (in millions)					
	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for Services	\$ 3.3	\$ 3.3	\$ 9.9	\$ 9.2	\$ 13.2	\$ 12.5
Capital Grants/Contributions	0.7	6.2	0.2	0.1	0.9	6.3
Oper. Grants/Contributions	6.7	7.9	-	-	6.7	7.9
General Revenues						
Property Taxes	13.7	13.3	-	-	13.7	13.3
Utility Taxes	1.3	1.3	-	-	1.3	1.3
Intergovernmental	2.3	2.3	-	-	2.3	2.3
Other General Revenues	1.0	0.8	-	0.2	1.0	1.0
Total Revenues	\$ 29.0	\$ 35.1	\$ 10.1	\$ 9.5	\$ 39.1	\$ 44.6

**VILLAGE OF PARK FOREST, ILLINOIS**

**Management's Discussion and Analysis (Unaudited)  
June 30, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

	Changes in Net Position (in millions)					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Expenses:</b>						
General Government	\$ 3.8	\$ 3.6	\$	\$	\$ 3.8	\$ 3.6
Law Enforcement	7.4	7.1			7.4	7.1
Fire and Emergency	4.1	3.8			4.1	3.8
Public Health	0.9	0.8			0.9	0.8
Recreation and Parks	2.5	2.5			2.5	2.5
Public Works	1.3	1.8			1.3	1.8
Streets and Transportation	0.6	2.1			0.6	2.1
Community Development	6.1	7.6			6.1	7.6
Economic Development	0.8	0.7			0.8	0.7
Interest on Long-Term Debt	0.4	0.4			0.4	0.4
Water			4.4	4.4	4.4	4.4
Sewer			0.5	0.5	0.5	0.5
DownTown Park Forest			1.0	1.0	1.0	1.0
Refuse			1.1	1.1	1.1	1.1
Municipal Parking Lot			0.2	0.2	0.2	0.2
Aqua Center			0.4	0.4	0.4	0.4
Tennis and Health Club			0.3	0.3	0.3	0.3
<b>Total Expenses</b>	<b>27.9</b>	<b>30.4</b>	<b>7.9</b>	<b>7.9</b>	<b>35.8</b>	<b>38.3</b>
Increase in Net Position Before Transfers	1.1	4.7	2.2	1.6	3.3	6.3
Transfers	0.5	0.4	(0.5)	(0.4)	-	-
Increase in Net Position	1.6	5.1	1.7	1.2	3.3	6.3
Net Position-Beginning	30.2	25.1	22.9	21.7	53.1	46.8
Net Position-Ending	\$ 31.8	\$ 30.2	\$ 24.6	\$ 22.9	\$ 56.4	\$ 53.1

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the Village of Park Forest's governmental activities increased 5.2% to \$31.8 million, a \$1.6 million increase over prior year. This increase was attributable to a \$ .4 million net increase in capital assets, a \$ .8 million increase in receivables of which \$ .7 million relates to property taxes and a \$ .4 million increase in cash and investments.

Net position of business-type activities increased by \$1.7 million or 7.4% (\$24.6 million compared to \$22.9 million). This increase was attributable to several factors including a \$ .5 million increase in cash and a \$ .4 increase in receivables over the prior year. In addition, noncurrent liabilities related to debt decreased \$1 million due to scheduled debt payments and Accounts payable combined with Accrued Payroll decreased \$ .2 million. Capital assets decreased \$ .4 million as a result of the net effect of additions less accumulated depreciated.

Government-wide revenues decreased 12.3% (\$39.1 million compared to \$44.6 million). Revenue in the governmental activities decreased \$6.1 million as a result of grant revenues related to Orchard Drive IDOT funding and the demolition grants recorded in the prior year that are not reoccurring. For business-type activities, revenue increased \$ .6 million largely as a result of an increase in charges for services related to the Water Fund. An increase in rates is being used to fund future infrastructure improvements.

Government-wide expenses decreased 6.5% (\$35.8 million compared to \$38.3 million). This \$2.5 million decrease is largely a result of a decrease in operating expenses of \$2.0 million related to expenditures related to grant funded building demolition projects and grant funded roadway resurfacing projects in the prior year and an increase in departmental expenses related to the cost of living salary increases and insurance.

### Governmental Activities

Revenues for governmental activities decreased by 17.3% (\$6.1 million). Total expenses decreased 8.2% (\$2.5 million). Operating results before transfers produced a \$1.1 million increase in net position.

For Fiscal 2014 the following revenue categories decreased:

- Capital Grants/Contributions decreased \$5.5 million.
- Operating Grants/Contributions decreased \$1.2 million

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities -- Continued

The following revenues increased over the prior year:

- Property taxes increased \$ .4 million.
- Other General Revenues increased \$ .2 million
- Transfers from other funds increased \$ .1 million

The cost of all governmental activities this year was \$27.9 million compared to \$30.4 million last year. Overall, governmental revenues decreased in 2014 from \$35.1 million to \$29.0 million.

The Village continues to seek out grants for capital improvements and other operational needs. The Village recognized \$7.4 million in grants in the governmental activities. The largest portion of the grants received relate to the Housing Authority of which \$5.6 million in federal funds was received from HUD's Voucher Program. \$1.5 million relates to MFT allotment and federal roadway grant dollars. The remaining \$ .3 million is made up of several smaller grants supporting Administration, Police and Fire, Recreation and Economic Development departments. Of the \$4.8 million received in Fiscal 2010 from CN Railroad, the following amounts are still assigned for future projects:

Eastgate Neighborhood Redevelopment	\$ .5 million
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The Village Board has taken major actions to fund much needed capital improvements. Over the past few years the following major asset additions were completed with the noted revenue sources:

- Water rates were increased funding:

New Water Plant	\$ 15.9 million
Water Main improvements	2.3 million
Autumn Ridge Water Tower	1.2 million
Monee Water Main replacement	.1 million
Sangamon Water Main Lining	.3 million
- Sewer rates were increased funding:

Illinois Lift Station	\$ .2 million
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- Several capital projects were completed 2010-2012 with the assistance of grant funds.

Aqua Center rehab	\$ 1.0 million
Freedom Hall seats	.1 million
Orchard Drive resurfacing, Sauk to Lakewood	.4 million
Marshall Fields Building Demolition (CDBG)	.9 million
Municipal Parking Lot improvements (CN)	1.2 million

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities – Continued

- 2012 Rail Fan Park site preparation (reserves in Capital Projects) .2 million with an additional \$ .1 million spent in 2013 completing the project.
- Three projects were completed in 2012 and funded through low interest IEPA loans:
  - \$3.2 million Water main Replacement project
  - \$ .7 million Excess Flow Facility
  - \$ .6 million Sewer Rehabilitation project.

In 2014, a final \$ .3 million was spent to combine with 2013 expenditures of \$ .2 million through a USEPA grant funding sewer repairs. Also, grant dollars helped to fund a replacement of the Thorn Creek Bridge. \$ .3 million was spent in 2013 and an additional \$ .5 million was spent in 2014 on the bridge. Both of these projects are complete.

In addition, Orchard Drive reconstruction began in Fiscal 2012 and was closed out in Fiscal 2014. This project is funded 70% through the Surface Transportation Program (STP) funds.

Orchard Drive improvements	\$ 9.4 million
STP funding committed (70%)	<u>6.5 million</u>
Village cost (30%)	\$ 2.9 million

The Village had assigned fund balance reserves of \$2.8 million to allocate toward the above \$2.9 million and the new traffic signal on Orchard Drive at Westwood (an additional \$ .3 million). The additional \$ .4 million was funded through \$ .1 million in state participation and accumulated fund balance. These funds were accumulated through maintenance of reserves and redirection of personnel and vehicle costs from MFT to the General Fund.

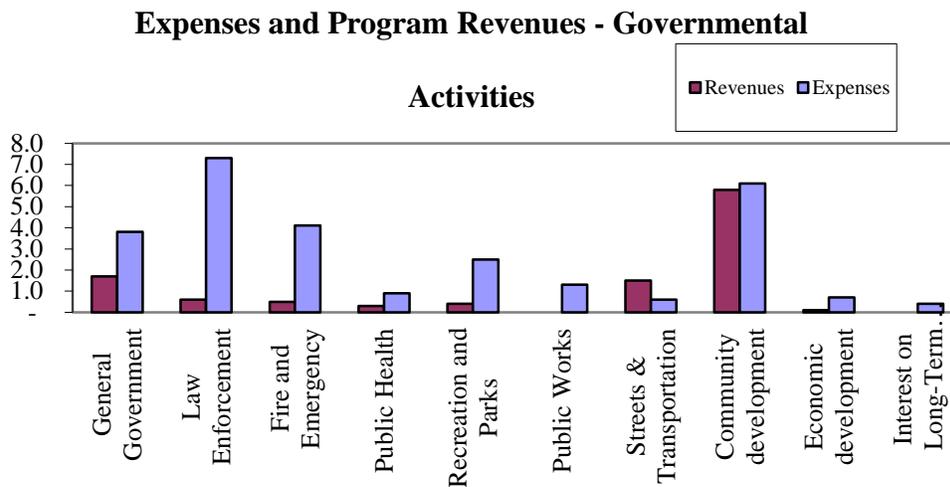
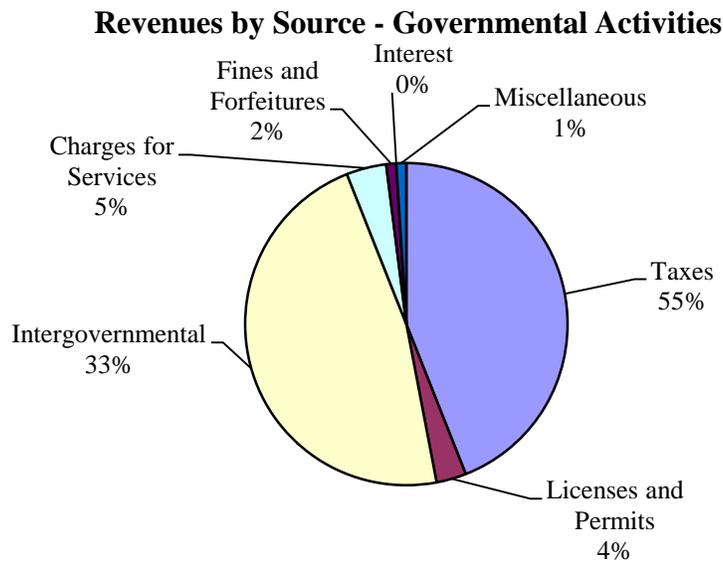
The following table graphically depicts the major revenue sources of the Village of Park Forest. It depicts very clearly the reliance on taxes to fund governmental activities. The tax presentation includes property, sales, utility tax and real estate transfer tax. For the Governmental Funds, 87% of taxes indicated are property taxes. For Fiscal 2014 Intergovernmental revenues include the Housing Authority revenue of \$5.6 million. Sales tax represents only 4.4% of tax revenue. Economic development efforts could improve this position.

**VILLAGE OF PARK FOREST, ILLINOIS**

**Management’s Discussion and Analysis (Unaudited)  
June 30, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Governmental Activities – Continued**



The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. Law Enforcement, Fire and Emergency and Recreation and Parks areas are substantially tax supported.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

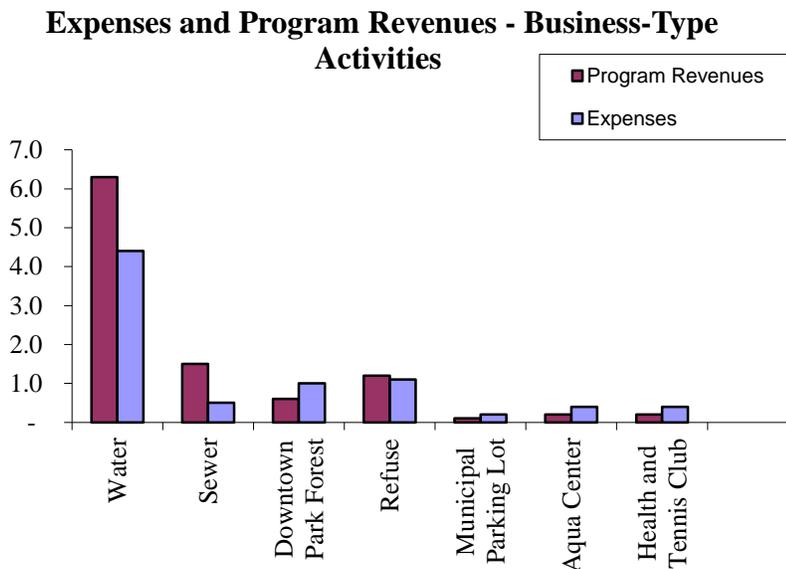
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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Business-Type Activities

Revenues of the Village's business-type activities increased by 6.3% (\$10.1 million in 2014 compared to \$9.5 million in 2013) while expenses remained level at \$7.9 million. Key factors behind these results include:

- Charges for services increased \$ .7 million from last year. This increase is largely a result of the increase in the Water Fund due to rate increases and more gallons billed over the prior year.
- Capital Grants/Contributions increased \$ .1 million as a result of more capital grants in the current year.
- Operating expense remained level over all the funds as a result of new services and prudent management. Fund balances are being accumulated in the water and sewer funds to for capital improvements related to infrastructure.
- The Aqua Center and the Tennis and Health Club require a Village subsidy to offset operating losses. The combined operating loss for 2014 was \$ .4 million before transfers, an increase of \$ .2 million over the prior year.



The above graph compares program revenues to expenses for all business-type activities. The surplus indicated in the water and sewer funds will fund capital projects and debt service.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village of Park Forest uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. 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 governmental funds reported combined ending fund balances of \$18.7 million, up from last year's reported total of \$17.6 million. The general fund balance increased \$ .3 million. Fund balance highlights are:

- Assigned fund balance of \$ .5 million remains in the general fund related to Fiscal 2010's \$4.8 million CN settlement for Eastgate redevelopment. \$ .3 million remains in Orchard Drive reconstruction assignment for the Westwood traffic signal.
- The Village Board has adopted a policy of maintaining a three to four month reserve in the general fund. The unassigned fund balance of \$9.3 million represents a 5 month reserve.
- An assigned fund balance of \$ .5 million was established in Fiscal 2012 for IRMA to cover the increase in deductibles to \$ .1 million per incident.
- The capital projects fund ended the fiscal year with a \$ 1.3 million fund balance up from last year. \$ .5 million was transferred in 2014 for an expansion of the Sound Mitigation program related to rail traffic. The fund balance represents amounts transferred in prior years for CN related projects, land acquisition expenses, sustainability initiatives and recreation related projects.
- Of the total general fund balance of 5 month reserve \$2.3 million has been allocated to fund the 2015, the 2014 tax levy increase reductions and to provide grant matching funds. The remaining fund balance represents a 3.8 month reserve.
- The TIF fund balance remains at \$1.9 million and reflects the tax increment receipts offsetting debt service and fund expenses. During the 2013 fiscal year the 2001 debt was restructured, aligning debt service with the life of the TIF and achieving savings. The 1999 series was refunded in the 2014 fiscal year, replacing a floating rate with a low fixed percentage.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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

#### Governmental funds - Continued

- The MFT fund balance of \$ .8 million reflects a \$ .1 million increase from the prior year to be used for future roadway projects.

#### Proprietary funds

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

The Village reports the Water Fund, Sewer Fund and DownTown Park Forest Fund as the major proprietary funds. These funds account for all of the operations of the municipal water, sewer system and DownTown fund. Overall, net position for the Proprietary Funds increased \$ 1.6 million over the prior year.

The Water Fund, one of the major proprietary funds, provides the water to the residents and businesses of the Village. The operations of the Water Fund are as follows: water is drawn from a deep aquifer by a system of wells. The well water is transported to the Village's water treatment and purification plant. It is then distributed through the Village's water main system to residents and businesses. The Village charged \$11.93 per 1000 gallons to fund the operations of the water system including labor costs, supplies, and infrastructure maintenance as well as debt service on the new water plant. During Fiscal 2007 the construction of a \$15.9 million new water plant was completed. Net position of the Water Fund increased \$1.3 million reflecting the increase in water rates, adding \$ .9 million which is intended to fund distribution system repairs.

The sewer fund maintains the sewer system within the Village. A sewer use charge of \$2.86 per 1,000 gallons is added to water bills to fund maintenance of the system. The sewer fund currently has an unrestricted net position of \$4.1 million, up \$ .5 million from the prior year. Unrestricted net position is accumulated in order to make capital improvements. Operating income contributed \$ .8 million before transfers of \$ .2 million.

The DownTown Park Forest fund accounts for all of the operating and capital costs of the DownTown. The net position decreased \$ .3 million in part due to less rental income due to the sale of the Chase building in the prior year (\$ .1 million) and \$ .1 million recorded due to asset disposals.

## VILLAGE OF PARK FOREST, ILLINOIS

### Management's Discussion and Analysis (Unaudited) June 30, 2014

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#### GENERAL FUND BUDGETARY HIGHLIGHTS

The Village budgets conservatively. Revenues are budgeted based on historic trends. Expenditures are budgeted based on the previous adopted levy.

The Village board receives quarterly financial statements. At the six-month review, the Board approves budget amendments. Budget amendments are made for prior fiscal year-end assignments, new Board directives, or adjustments such as grants received after budget approval. For Fiscal 2014, budget amendments of an added \$ .2 million in revenues related to CDBG, IKE and Community Trust grants along with funds distributed to the Village for the electrical aggregation program. Budget amendments related to added expenses of \$1.6 million included the expense related to the Lester roadway reconstruction project, prior year assignments and costs related to the grant revenues noted above. Not included in the above totals were budget amendments of \$ .5 million shifting previously assigned fund balance from the General Fund to the Capital Projects Fund for the expanded Sound Mitigation program.

General fund revenues exceeded budget by \$ .7 million, of which \$ .2 million represents a slight increase in charges for services, \$ .3 million of intergovernmental revenues related to an uptick in income tax and fines and forfeitures increased \$ .2 million.

Expenditures were lower than budget by \$2 million. Of this amount, \$1.5 million was for Board approved projects not yet spent. Intergovernmental Risk Management Association (IRMA) costs were \$ .2 million below budget, legal fee expenses were \$ .1 million less than budget and \$ .1 million in Administration related to fund balance for unspent PEG fees will flow through to Fiscal 2015. The fire department achieved an overall \$ .1 million in savings to budget spread amongst several categories. All savings flow through to fund balance with \$ .6 million used to offset the 2014 tax levy increase.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The Village of Park Forest's investment in capital assets for its governmental and business-type activities as of June 30, 2014 was \$52.9 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, distribution systems, vehicles, furniture and equipment and infrastructure. There was no overall change in the Village of Park Forest investment in capital assets for the current fiscal year.

**VILLAGE OF PARK FOREST, ILLINOIS**

**Management's Discussion and Analysis (Unaudited)  
June 30, 2014**

**CAPITAL ASSETS AND DEBT ADMINISTRATION - continued**

	<b>Capital Assets - Net of Depreciation (in Millions)</b>					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 2.4	2.4	0.4	0.4	2.8	2.8
Construction in Progress	-	9.3	0.3	0.3	0.3	9.6
Buildings & Improvements	5.6	5.7	20.9	21.0	26.5	26.7
Distribution System	-	-	8.4	8.7	8.4	8.7
Vehicles	1.3	1.1	-	-	1.3	1.1
Furniture & Equipment	0.3	0.4	0.2	0.2	0.5	0.6
Infrastructure	13.1	3.4	-	-	13.1	3.4
<b>Total</b>	<b>22.7</b>	<b>22.3</b>	<b>30.2</b>	<b>30.6</b>	<b>52.9</b>	<b>52.9</b>

This year's major additions included:

Work Completed on Thorn Creek Bridge	.5
Work Completed on USEPA Sewer Improvement	.4
Watermain improvements	.3
Replacement Ambulance	.2
Completion of Work on Orchard Drive reconstruction	.1
HVAC unit at Freedom Hall	.1
Replacement 2 ½ ton Dump Truck	.1
	<u>\$ 1.7</u>

The Village Board includes infrastructure improvements as one of their goals. In prior years, a new fire station for \$3 million was constructed, \$1.1 million of Sauk Trail water mains were replaced with \$.9 million contributed by Cook County, the Central Park Avenue roadway resurfacing added \$.1 million in capital assets and the lower level Village Hall build out totaled \$.8 million. In addition, a \$15.9 million water plant was completed, a water main replacement project of \$2.3 million was finished and a new water tower for \$1.2 million was built at Autumn Ridge. Phase I Orchard Drive engineering for a cost of \$.4 million was completed, Western Avenue improvements, primarily at State expense occurred with Village funded water main improvements of \$.2 million and a \$.2 million Police Station Administrative Wing renovation. In addition, the Aqua Center bathhouse was renovated for \$1 million and a new LED sign was constructed on Route 30 for \$.1 million. 2011 infrastructure improvements include \$.7 million in improvements in the sewer fund, \$2.1 million in additional water main replacement and another \$.3 million in Orchard Drive engineering. Fiscal year 2012 improvements included \$1.5

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### CAPITAL ASSETS AND DEBT ADMINISTRATION - continued

million in Orchard Dive reconstruction and another \$1.2 million in water main improvements. Fiscal 2013 capital improvements included another \$6.6 expended on the Orchard Drive reconstruction. Fiscal 2014 wrapped up another \$ .3 million in watermain lining and completion of a sewer lining project and replacement of the Thorn Creek Bridge which also started in a prior fiscal year. The fiscal year 2015 capital budget includes \$7.3 million for capital projects, of which \$3 million is expected to be spent toward watermain replacement and lining and the MFT capital budget includes another \$1.1 million of roadway improvements that will be offset with grant funding. Sanitary sewer improvements are budgeted at \$1.3 million and new Village-wide software is budgeted as well.

Additional information on the Village of Park Forest's capital assets can be found in note 6 on pages 59-60 of this report.

### Debt

At year-end, the Village of Park Forest had total outstanding long-term debt including compensated absences of \$26.8 million as compared to \$28.2 million the previous year. This \$ 1.3 million decrease in debt was the result of \$1.9 million in scheduled principal payments, \$ .1 million related to amortization of premiums, offset by a \$ .4 million increase in OPEB liabilities and compensated absences grew by \$ .1 million. The following is a comparative statement of outstanding debt, including compensated absences:

	Long-Term Debt (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$ 8.4	9.3	0.5	0.6	8.9	9.9
Loans	-	-	15.0	16.0	15.0	16.0
IMRF NPO Liability	0.5	0.4	-	-	0.5	0.4
Other Post-Employment Benefits	1.5	1.1	-	-	1.5	1.1
Compensated Absences	0.8	0.7	0.1	0.1	0.9	0.8
Total	11.2	11.5	15.6	16.7	26.8	28.2

A detail of all outstanding debt and the related funds is included in note 9 starting on page 62.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal year 2015 budget, adopting the property tax levy for 2014, and setting fees that will be charged for its governmental and business-type activities. One of those factors is the local and national economy. Fiscal year 2009 saw a major decline in several revenues including income tax, sales tax, building permits, real estate transfer tax and interest earnings. This decline continued in Fiscal 2010 and stabilized some since that time but it is uncertain whether revenues will return to the pre-2009 levels.

These factors were taken into account when adopting the general fund budget for 2015. For 2015 the general fund budget for expenditures is \$22.5 million after transfers. The operating expenditures are budgeted at \$21.9 million, a 0% increase over the final 2014 budget. Revenues for 2015 are budgeted at \$21.8 million, a 5.2% increase over the final 2014 budget. The \$ .7 million difference in expenditures over revenues will come from the fund balance.

The Village has conducted several neighborhood meetings gathering information and soliciting suggestions for improved Village services. Enhanced public safety, quality of housing and infrastructure improvements were areas often discussed.

Initiatives included in the 2015 budget:

1. Identifying and Assessing Non-core Services Utilizing the Triple Bottom Line Approach

The triple bottom line approach is a sustainability concept that incorporates social, environmental and financial impacts. An additional step in the evaluation of non-core services will be to determine if any of these services could be modified to improve the financial impact or expand the social and environmental benefits.

2. Controlling Major Expenditure Categories and Revenue Enhancements

Major expenditures categories include salaries, liability insurance and health insurance along with pension fund and SouthCom dispatch center costs.

3. Submitting Documentation and making changes that would allow for Park Forest to receive the STAR Community Designation (Sustainability Tools for Assessing and Rating Communities)

The STAR Community Rating System is the first national framework to measure sustainability at the city or county scale and provide a tracking system to help local governments measure progress towards achieving community sustainability goals.

# VILLAGE OF PARK FOREST, ILLINOIS

## Management's Discussion and Analysis (Unaudited) June 30, 2014

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### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES - continued

#### 4. Internal Improvements

Internal improvements include upgrading technology through the installation of a comprehensive ERP software package (Enterprise Resource Planning), undertaking a Salary Study and tracking and documenting a Five Year Goal Implementation Plan.

#### 5. Village Infrastructure and Maintenance

Major initiatives include sewer and water infrastructure projects along with MFT projects such as the Lincoln Highway streetscape and bicycle pavement marking projects.

#### 6. Continuation and Resolution of New Initiatives

The Village of Park Forest has several housing related initiatives related to neighborhood redevelopment, abandoned properties and development of a former golf course. In addition, a comprehensive revision of the Zoning and Subdivision Ordinances is underway.

The Village Board's proactive approach to infrastructure replacement as well as fund balance and debt management allows funds to accumulate to take advantage of grant funding opportunities requiring matching funds. The pay-as-you-go approach reduces the need for borrowing saving fund balances to make capital improvements. The Village Board has designated a desired fund balance between 3 to 4 months reserves. Fiscal 2014 ended with an unassigned fund balance after 2014/2015 allocations of 3.8 months. The budget for Fiscal 2015 took into account the current economic outlook. Looking at current receipt information in revenues such as sales tax and income tax, it appears that there has been some stabilization. Even with this consideration, a mid-year review of operations will continue. This review is part of the regular budget and strategic planning process. Adjustments are made to ensure maintenance of adequate reserves.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Park Forest's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Mary G. Dankowski, Finance Director, Village of Park Forest, 350 Victory Drive, Park Forest, Illinois 60466.

## **BASIC FINANCIAL STATEMENTS**

***The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:***

- ***Government-wide Financial Statements***
- ***Fund Financial Statements***
  - ▶ ***Governmental Funds***
  - ▶ ***Proprietary Funds***
  - ▶ ***Fiduciary Funds***

***In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.***

**VILLAGE OF PARK FOREST**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AS OF JUNE 30, 2014**

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>Assets</b>			
Cash and investments	\$ 19,018,907	\$ 8,602,086	\$ 27,620,993
Receivables - (net of allowances for uncollectibles)			
Property taxes	8,556,992	24,999	8,581,991
Other taxes	356,309	-	356,309
Intergovernmental	1,521,583	-	1,521,583
Accounts	291,738	2,571,989	2,863,727
Accrued interest	9,411	-	9,411
Prepaid items	306,514	3,984	310,498
Inventories	14,122	20,371	34,493
Deposits	143,800	-	143,800
Due from other governments	24,789	-	24,789
Internal balances	(18,338)	18,338	-
Property held for resale	773,970	-	773,970
Capital assets			
Capital assets not being depreciated	2,362,490	744,490	3,106,980
Capital assets being depreciated	37,459,175	44,562,595	82,021,770
Less accumulated depreciation	<u>(17,132,097)</u>	<u>(15,069,841)</u>	<u>(32,201,938)</u>
Total assets	<u>53,689,365</u>	<u>41,479,011</u>	<u>95,168,376</u>
<b>Deferred outflows of resources</b>			
Deferred charge on refunding	<u>126,151</u>	<u>16,078</u>	<u>142,229</u>
Total deferred outflows of resources	<u>126,151</u>	<u>16,078</u>	<u>142,229</u>
<b>Liabilities</b>			
Accounts payable	2,508,975	836,477	3,345,452
Accrued payroll	302,138	80,020	382,158
Other payables	382,816	-	382,816
Deposits payable	1,000	312,998	313,998
Due to other governments	47,440	-	47,440
Unearned for intergovernmental	26,547	-	26,547
Unearned for other	111,754	77,122	188,876
Noncurrent liabilities			
Due within one year	1,751,528	1,157,325	2,908,853
Other post employment benefit liability - due after one year	1,524,048	-	1,524,048
Installment loan - due after one year	-	14,112,373	14,112,373
Net pension obligation - due after one year	445,258	-	445,258
General obligation bonds - due after one year	<u>7,494,913</u>	<u>365,000</u>	<u>7,859,913</u>
Total liabilities	<u>14,596,417</u>	<u>16,941,315</u>	<u>31,537,732</u>
<b>Deferred inflows of resources</b>			
Property taxes levied for future periods	<u>7,376,524</u>	<u>-</u>	<u>7,376,524</u>
Total deferred inflows of resources	<u>7,376,524</u>	<u>-</u>	<u>7,376,524</u>
<b>Net position</b>			
Net investment in capital assets	20,179,953	14,696,288	34,876,241
Restricted for			
Debt service	308,907	-	308,907
Streets and highways	1,048,665	-	1,048,665
Public Safety	21,278	-	21,278
Employee retirement	413,106	-	413,106
Economic development	1,873,609	-	1,873,609
Community development	267,247	-	267,247
Unrestricted	<u>7,729,810</u>	<u>9,857,486</u>	<u>17,587,296</u>
Total net position	<u>\$ 31,842,575</u>	<u>\$ 24,553,774</u>	<u>\$ 56,396,349</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF PARK FOREST**  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>Primary government</b>				
Governmental activities				
General government	\$ 3,843,327	\$ 1,584,832	\$ 139,103	\$ -
Law enforcement	7,341,744	508,310	4,672	-
Fire and emergency	4,110,483	414,472	78,662	-
Public health	908,374	286,031	-	-
Recreation and parks	2,513,057	341,588	24,704	-
Public works	1,274,038	28,901	-	-
Streets and transportation	611,990	-	767,892	729,542
Community development	6,089,951	167,827	5,591,866	-
Economic development	760,041	9,324	118,230	-
Interest and fees	<u>411,735</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>27,864,740</u>	<u>3,341,285</u>	<u>6,725,129</u>	<u>729,542</u>
Business-type activities				
Water	4,381,158	6,272,044	-	-
Sewer	503,281	1,279,202	-	218,104
Downtown Park Forest	1,069,420	563,345	-	-
Refuse	1,131,839	1,261,565	-	-
Municipal Parking Lot	194,659	98,599	-	-
Aqua Center	431,959	152,895	-	-
Tennis and Health Club	<u>346,587</u>	<u>249,501</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>8,058,903</u>	<u>9,877,151</u>	<u>-</u>	<u>218,104</u>
Total primary government	<u>\$ 35,923,643</u>	<u>\$ 13,218,436</u>	<u>\$ 6,725,129</u>	<u>\$ 947,646</u>
General revenues				
Property taxes				
Other taxes				
Sales				
Utility				
Other				
Intergovernmental				
State income tax				
Personal property replacement tax				
Investment income				
Miscellaneous				
Transfers - internal activity				
Total general government revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

The notes to the financial statements are an integral part of this statement

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION  
PRIMARY GOVERNMENT

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (2,119,392)	\$ -	\$ (2,119,392)
(6,828,762)	-	(6,828,762)
(3,617,349)	-	(3,617,349)
(622,343)	-	(622,343)
(2,146,765)	-	(2,146,765)
(1,245,137)	-	(1,245,137)
885,444	-	885,444
(330,258)	-	(330,258)
(632,487)	-	(632,487)
<u>(411,735)</u>	<u>-</u>	<u>(411,735)</u>
<u>(17,068,784)</u>	<u>-</u>	<u>(17,068,784)</u>
-	1,890,886	1,890,886
-	994,025	994,025
-	(506,075)	(506,075)
-	129,726	129,726
-	(96,060)	(96,060)
-	(279,064)	(279,064)
-	<u>(97,086)</u>	<u>(97,086)</u>
-	<u>2,036,352</u>	<u>2,036,352</u>
<u>(17,068,784)</u>	<u>2,036,352</u>	<u>(15,032,432)</u>
13,693,911	39,679	13,733,590
682,913	-	682,913
1,318,534	-	1,318,534
106,545	-	106,545
2,104,560	-	2,104,560
208,074	-	208,074
98,498	470	98,968
79,464	18,283	97,747
<u>456,907</u>	<u>(456,907)</u>	<u>-</u>
<u>18,749,406</u>	<u>(398,475)</u>	<u>18,350,931</u>
1,680,622	1,637,877	3,318,499
<u>30,161,953</u>	<u>22,915,897</u>	<u>53,077,850</u>
<u>\$ 31,842,575</u>	<u>\$ 24,553,774</u>	<u>\$ 56,396,349</u>

**VILLAGE OF PARK FOREST**  
**GOVERNMENTAL FUNDS**  
BALANCE SHEET  
AS OF JUNE 30, 2014

	SPECIAL REVENUE			
	GENERAL	DOWNTOWN TAX INCREMENT	HOUSING AUTHORITY	MOTOR FUEL TAX
		FINANCE DISTRICT		
<b>Assets</b>				
Cash and investments	\$ 12,055,235	\$ 2,000,940	\$ 416,281	\$ 1,590,109
Receivables (net allowance for uncollectibles):				
Accounts	287,699	-	-	-
Property taxes	7,808,353	614,238	-	-
Other taxes	356,309	-	-	-
Intergovernmental	742,593	-	486,734	275,838
Accrued interest	9,411	-	-	-
Inventories	3,907	-	-	-
Prepaid items	306,514	-	-	-
Deposits	143,800	-	-	-
Due from other funds	180,584	-	-	3,143
Due from other governments	24,789	-	-	-
Property held for resale	773,970	-	-	-
<b>Total assets</b>	<b>\$ 22,693,164</b>	<b>\$ 2,615,178</b>	<b>\$ 903,015</b>	<b>\$ 1,869,090</b>
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,174,542	\$ -	\$ 467,291	\$ 820,424
Accrued payroll	295,639	-	5,710	-
Deposits payable	1,000	-	-	-
Other payables	237,948	144,868	-	-
Due to other funds	-	4,541	162,768	-
Due to other governments	47,440	-	-	-
Unearned for intergovernmental	26,547	-	-	-
Unearned for other	111,754	-	-	-
<b>Total liabilities</b>	<b>1,894,870</b>	<b>149,409</b>	<b>635,769</b>	<b>820,424</b>
<b>Deferred Inflows of resources</b>				
Property taxes levied for future periods	6,669,560	592,160	-	-
Unavailable for other taxes	106,138	-	-	-
Unavailable for intergovernmental	30,615	-	-	210,198
<b>Total deferred inflows of resources</b>	<b>6,806,313</b>	<b>592,160</b>	<b>-</b>	<b>210,198</b>

The notes to the financial statements are an integral part of this statement

DEBT SERVICE	CAPITAL PROJECTS	NONMAJOR FUNDS	TOTAL
\$ 332,312	\$ 1,356,186	\$ 6,025	\$ 17,757,088
-	1,000	-	288,699
134,401	-	-	8,556,992
-	-	-	356,309
-	-	16,418	1,521,583
-	-	-	9,411
-	-	-	3,907
-	-	-	306,514
-	-	-	143,800
-	-	-	183,727
-	-	-	24,789
-	-	-	773,970
<u>\$ 466,713</u>	<u>\$ 1,357,186</u>	<u>\$ 22,443</u>	<u>\$ 29,926,789</u>
\$ -	\$ 11,928	\$ 297	\$ 2,474,482
-	-	-	301,349
-	-	-	1,000
-	-	-	382,816
-	-	16,418	183,727
-	-	-	47,440
-	-	-	26,547
-	-	-	111,754
-	<u>11,928</u>	<u>16,715</u>	<u>3,529,115</u>
114,804	-	-	7,376,524
-	-	-	106,138
-	-	6,418	247,231
<u>114,804</u>	<u>-</u>	<u>6,418</u>	<u>7,729,893</u>

**VILLAGE OF PARK FOREST**  
**GOVERNMENTAL FUNDS**  
BALANCE SHEET  
AS OF JUNE 30, 2014

	SPECIAL REVENUE			
	GENERAL	DOWNTOWN TAX INCREMENT FINANCE DISTRICT	HOUSING AUTHORITY	MOTOR FUEL TAX
<b>Fund balances (deficit)</b>				
Non-Spendable:				
Other prepaid items	\$ 81,078	\$ -	\$ -	-
Inventories	3,907	-	-	-
IRMA prepaid items	225,436	-	-	-
Southcom deposits	143,800	-	-	-
Restricted for:				
Forfeitures / DUI	15,550	-	-	-
IMRF	226,392	-	-	-
FICA	186,714	-	-	-
Economic development	-	1,873,609	-	-
Debt service	-	-	-	-
Streets and highways	-	-	-	838,468
Housing authority	-	-	267,246	-
Committed to:				
PEG fees	106,667	-	-	-
Assigned:				
General government	918,113	-	-	-
Public safety	70,148	-	-	-
Public works	464,989	-	-	-
Recreation and parks	53,000	-	-	-
Community development	10,000	-	-	-
Computer purchase	37,438	-	-	-
Contribution funds	53,299	-	-	-
Orchard Drive roadway reconstruction	300,000	-	-	-
Eastgate Redevelopment/CN	477,800	-	-	-
IRMA deductible	500,000	-	-	-
Economic development	1,622	-	-	-
Property held for resale	773,970	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Unassigned	<u>9,342,058</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>13,991,981</u>	<u>1,873,609</u>	<u>267,246</u>	<u>838,468</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,693,164</u>	<u>\$ 2,615,178</u>	<u>\$ 903,015</u>	<u>\$ 1,869,090</u>

DEBT SERVICE	CAPITAL PROJECTS	NONMAJOR FUNDS	TOTAL
\$ -	\$ -	\$ -	81,078
-	-	-	3,907
-	-	-	225,436
-	-	-	143,800
-	-	5,728	21,278
-	-	-	226,392
-	-	-	186,714
-	-	-	1,873,609
308,906	-	-	308,906
-	-	-	838,468
-	-	-	267,246
-	-	-	106,667
-	-	-	918,113
-	-	-	70,148
-	-	-	464,989
-	-	-	53,000
-	-	-	10,000
-	-	-	37,438
-	-	-	53,299
-	-	-	300,000
-	-	-	477,800
-	-	-	500,000
-	-	-	1,622
-	-	-	773,970
43,003	-	-	43,003
-	1,345,258	-	1,345,258
-	-	(6,418)	9,335,640
<u>351,909</u>	<u>1,345,258</u>	<u>(690)</u>	<u>18,667,781</u>
\$ <u>466,713</u>	\$ <u>1,357,186</u>	\$ <u>22,443</u>	\$ <u>29,926,789</u>

**VILLAGE OF PARK FOREST**  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
AS OF JUNE 30, 2014

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Total fund balances - governmental funds		\$ 18,667,781
Amounts reported for governmental activities in the Statement of Net Position are different because:		
The cost of capital assets (land, buildings and improvements, furniture and equipment, infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Village as a whole.		
Cost of capital assets	\$ 34,665,790	
Depreciation expense to date	<u>(13,313,523)</u>	21,352,267
Revenue that is deferred in the funds financial statement because it is not available and recognized as revenue in the government-wide financial statements.		353,369
A liability is reported on the Statement of Net Position for the Village's cumulative underfunding of its annual required contribution to the IMRF pension plan.		(429,993)
An liability is reported on the Statement of Net Position for the Village's cumulative underfunding of its annual required contribution to the Police Pension and Firefighters' Pension funds.		(15,265)
A liability is reported on the Statement of Net Position for the Village's net obligation relating to post employment benefits.		(1,524,048)
Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities - both current and long-term are reported in the Statement of Net Position.		
General obligation bonds	\$ (8,295,000)	
Unamortized premium	(189,913)	
Compensated absences	<u>(761,528)</u>	(9,246,441)
Deferred charges included in the Statement of Net Position are not available to pay for current period expenditures and, therefore, are not included in the governmental fund balance sheet.		126,151
Internal service funds are used by the Village to charge the costs of vehicle and equipment management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.		<u>2,558,754</u>
Net position of governmental activities		<u>\$ 31,842,575</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF PARK FOREST  
GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE			
	GENERAL	DOWNTOWN TAX INCREMENT FINANCE DISTRICT	HOUSING AUTHORITY	MOTOR FUEL TAX
<b>Revenues</b>				
Property taxes	\$ 12,374,248	\$ 1,105,859	\$ -	\$ -
Other taxes	2,101,062	-	-	-
Licenses, permits and fees	1,240,040	-	-	-
Intergovernmental	2,529,338	-	5,591,866	1,271,056
Charges for services	1,277,424	-	-	-
Fines and forfeitures	468,231	-	-	-
Investment income	97,909	44	21	234
Miscellaneous	<u>340,792</u>	<u>940</u>	-	-
Total revenues	<u>20,429,044</u>	<u>1,106,843</u>	<u>5,591,887</u>	<u>1,271,290</u>
<b>Expenditures</b>				
Current				
General government	3,149,074	-	-	-
Law enforcement	7,239,153	-	-	-
Fire and emergency	3,933,993	-	-	-
Public health	904,609	-	-	-
Recreation and parks	2,440,540	-	-	-
Public works	1,008,725	-	-	-
Streets and transportation	-	-	-	601,606
Community development	540,948	-	5,430,335	-
Economic development	536,939	121,362	-	-
Debt Service				
Principal	-	1,670,000	-	-
Interest and other	-	222,593	-	-
Capital Outlay	<u>214,228</u>	<u>3,143</u>	-	<u>540,303</u>
Total expenditures	<u>19,968,209</u>	<u>2,017,098</u>	<u>5,430,335</u>	<u>1,141,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>460,835</u>	<u>(910,255)</u>	<u>161,552</u>	<u>129,381</u>
<b>Other financing (sources) uses</b>				
Transfers in	941,943	-	-	-
Transfers (out)	(1,110,563)	-	(30,000)	-
Proceeds on bonds sold	-	875,000	-	-
Total other financing (sources) uses	<u>(168,620)</u>	<u>875,000</u>	<u>(30,000)</u>	<u>-</u>
Net change in fund balances	292,215	(35,255)	131,552	129,381
Fund balances, beginning of year	<u>13,699,766</u>	<u>1,908,864</u>	<u>135,694</u>	<u>709,087</u>
Fund balances (deficits), end of year	<u>\$ 13,991,981</u>	<u>\$ 1,873,609</u>	<u>\$ 267,246</u>	<u>\$ 838,468</u>

The notes to the financial statements are an integral part of this statement

DEBT SERVICE	CAPITAL PROJECTS	NONMAJOR FUNDS	TOTAL
\$ 213,804	\$ -	\$ -	\$ 13,693,911
-	-	12,848	2,113,910
-	-	-	1,240,040
-	-	111,812	9,504,072
-	-	-	1,277,424
-	-	-	468,231
63	-	-	98,271
-	<u>75,372</u>	-	<u>417,104</u>
<u>213,867</u>	<u>75,372</u>	<u>124,660</u>	<u>28,812,963</u>
-	66,189	-	3,215,263
-	-	-	7,239,153
-	-	13,082	3,947,075
-	-	-	904,609
-	-	-	2,440,540
-	-	-	1,008,725
-	-	-	601,606
-	-	-	5,971,283
-	98,597	-	756,898
145,000	-	-	1,815,000
70,428	-	-	293,021
-	<u>13,729</u>	<u>118,230</u>	<u>889,633</u>
<u>215,428</u>	<u>178,515</u>	<u>131,312</u>	<u>29,082,806</u>
<u>(1,561)</u>	<u>(103,143)</u>	<u>(6,652)</u>	<u>(269,843)</u>
-	655,527	-	1,597,470
-	-	-	(1,140,563)
-	-	-	<u>875,000</u>
-	<u>655,527</u>	-	<u>1,331,907</u>
(1,561)	552,384	(6,652)	1,062,064
<u>353,470</u>	<u>792,874</u>	<u>5,962</u>	<u>17,605,717</u>
<u>\$ 351,909</u>	<u>\$ 1,345,258</u>	<u>\$ (690)</u>	<u>\$ 18,667,781</u>

**VILLAGE OF PARK FOREST**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Net change in fund balances - total governmental funds	\$	1,062,064
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.		
Depreciation expense	\$	(591,082)
Capital outlay		<u>764,796</u>
		173,714
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and trade-ins) is to (decrease) net assets.		
		(46,944)
Bond proceeds are reported in the governmental funds as an other financing source. In the government-wide financial statements, the bond issuances are not revenues in the Statement of Activities, but rather a change in long-term liabilities in the Statement of Net Position.		
		(875,000)
The increase in the post employment benefit liability does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.		
		(414,320)
A decrease in the expense of the pensions is recognized in the entity-wide Statement of Activities for the decrease in the net pension obligation and decrease in the net pension asset.		
		(119,992)
The costs of prior bond issuance costs, premiums received and deferred charges from prior period refundings, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. Also, the expense of issuance costs, premiums received and deferred charges from refundings from the current bond issue is not a current period expense but should be amortized over the life of the bonds.		
Amortization of issuance costs	\$	(133,283)
Amortization of deferred refundings		(31,539)
Amortization of premiums received		<u>46,108</u>
		(118,714)
Some revenues not collected as of the year end are not considered available revenues in the governmental funds. This is the change in the amounts that were not considered available in the current year.		
		241,313
In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources.		
Compensated absences	\$	<u>(39,064)</u>
		(39,064)
Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		
		940,000
Payment to escrow for current refunding of of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		
		875,000
Internal service funds are used by the Village to charge the costs of vehicle and equipment management to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities.		
		<u>2,565</u>
Change in net position of governmental activities	\$	<u><u>1,680,622</u></u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF PARK FOREST**  
**PROPRIETARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION  
AS OF JUNE 30, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE		
	WATER	SEWER	DOWNTOWN PARK FOREST
<b>Assets</b>			
<u>Current assets</u>			
Cash and cash equivalents	\$ 2,978,950	\$ 3,531,845	\$ 1,419,249
Receivables - (net of allowances for uncollectibles)			
Property taxes	-	-	-
Accounts	1,876,234	561,110	13,961
Inventories	20,371	-	-
Prepaid items	3,984	-	-
Total current assets	<u>4,879,539</u>	<u>4,092,955</u>	<u>1,433,210</u>
<u>Noncurrent assets</u>			
Capital assets			
Capital assets not being depreciated	420,770	-	90,400
Capital assets being depreciated	32,059,032	4,821,425	2,121,877
Less accumulated depreciation	<u>(8,426,696)</u>	<u>(1,116,298)</u>	<u>(1,448,981)</u>
Total noncurrent assets	<u>24,053,106</u>	<u>3,705,127</u>	<u>763,296</u>
Total assets	<u>28,932,645</u>	<u>7,798,082</u>	<u>2,196,506</u>
<b>Deferred inflows of resources</b>			
Deferred charge on refunding	<u>11,048</u>	-	-
Total deferred inflows of resources	<u>11,048</u>	-	-
<b>Liabilities</b>			
<u>Current liabilities</u>			
Accounts payable	603,341	4,827	109,432
Accrued payroll	47,379	6,681	3,953
Deposits payable	232,065	-	80,933
Unearned for other	-	-	-
Compensated absences payable	77,665	-	-
Installment loan - current	920,318	44,342	-
General obligation bonds - current	<u>78,884</u>	-	-
Total current liabilities	<u>1,959,652</u>	<u>55,850</u>	<u>194,318</u>
<u>Noncurrent liabilities</u>			
Installment loan	13,239,858	872,515	-
General obligation bonds	<u>250,366</u>	-	-
Total noncurrent liabilities	<u>13,490,224</u>	<u>872,515</u>	-
Total liabilities	<u>15,449,876</u>	<u>928,365</u>	<u>194,318</u>
<b>Net position</b>			
Net investment in capital assets	9,574,727	2,788,270	763,296
Unrestricted	<u>3,919,090</u>	<u>4,081,447</u>	<u>1,238,892</u>
Total net position	<u>\$ 13,493,817</u>	<u>\$ 6,869,717</u>	<u>\$ 2,002,188</u>

Reconciliation to the Statement of Net Position:

Some amounts reported for business-type activities in the statement of net position are different because certain internal service funds assets and liabilities are included with business-type activities

Net position business-type activities

The notes to the financial statements are an integral part of this statement

NONMAJOR	TOTAL	GOVERNMENTAL ACTIVITIES
		INTERNAL SERVICE
\$ 672,042	\$ 8,602,086	\$ 1,261,819
24,999	24,999	-
120,684	2,571,989	3,039
-	20,371	10,215
-	3,984	-
<u>817,725</u>	<u>11,223,429</u>	<u>1,275,073</u>
233,320	744,490	-
5,560,261	44,562,595	5,155,875
<u>(4,077,866)</u>	<u>(15,069,841)</u>	<u>(3,818,574)</u>
<u>1,715,715</u>	<u>30,237,244</u>	<u>1,337,301</u>
<u>2,533,440</u>	<u>41,460,673</u>	<u>2,612,374</u>
5,030	16,078	-
<u>5,030</u>	<u>16,078</u>	<u>-</u>
118,877	836,477	34,493
22,007	80,020	789
-	312,998	-
77,122	77,122	-
-	77,665	-
-	964,660	-
<u>36,116</u>	<u>115,000</u>	<u>-</u>
<u>254,122</u>	<u>2,463,942</u>	<u>35,282</u>
-	14,112,373	-
<u>114,634</u>	<u>365,000</u>	<u>-</u>
<u>114,634</u>	<u>14,477,373</u>	<u>-</u>
<u>368,756</u>	<u>16,941,315</u>	<u>35,282</u>
1,569,995	14,696,288	1,337,301
<u>599,719</u>	<u>9,839,148</u>	<u>1,239,791</u>
<u>\$ 2,169,714</u>	<u>24,535,436</u>	<u>\$ 2,577,092</u>
	<u>18,338</u>	
	<u>\$ 24,553,774</u>	

**VILLAGE OF PARK FOREST**  
**PROPRIETARY FUNDS**  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE		
	WATER	SEWER	DOWNTOWN PARK FOREST
<b>Operating revenues</b>			
Charges for services	\$ 6,272,044	\$ 1,279,202	\$ 563,345
Total operating revenues	<u>6,272,044</u>	<u>1,279,202</u>	<u>563,345</u>
<b>Operating expenses</b>			
Administration	896,663	-	-
Operations	2,430,397	379,053	972,857
Depreciation	<u>699,722</u>	<u>112,356</u>	<u>96,563</u>
Total operating expenses	<u>4,026,782</u>	<u>491,409</u>	<u>1,069,420</u>
Operating income (loss)	<u>2,245,262</u>	<u>787,793</u>	<u>(506,075)</u>
<b>Nonoperating revenues (expenses)</b>			
Property tax	-	-	-
Interest income	103	112	172
Contributions	-	-	-
Other income	-	-	18,283
Gain on asset disposal	-	-	-
Interest expense	<u>(347,745)</u>	<u>(11,872)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(347,642)</u>	<u>(11,760)</u>	<u>18,455</u>
Income (loss) before contributions and transfers	<u>1,897,620</u>	<u>776,033</u>	<u>(487,620)</u>
<b>Contributions and transfers</b>			
Capital contributions	-	216,527	-
Transfers in	-	-	155,036
Transfers out	<u>(605,662)</u>	<u>(152,250)</u>	<u>-</u>
Total contributions and transfers	<u>(605,662)</u>	<u>64,277</u>	<u>155,036</u>
Change in net position	1,291,958	840,310	(332,584)
Net position, beginning of year	<u>12,201,859</u>	<u>6,029,407</u>	<u>2,334,772</u>
Net position, end of year	<u>\$ 13,493,817</u>	<u>\$ 6,869,717</u>	<u>\$ 2,002,188</u>

Reconciliation to the Statement of Activities:

Change in net position

Some amounts reported for business-type activities in the statement of activities are different because certain internal service funds assets and liabilities are included with business-type activities

Change in net position business-type activities

The notes to the financial statements are an integral part of this statement

NONMAJOR	TOTAL	GOVERNMENTAL
		ACTIVITIES INTERNAL SERVICE
\$ 1,762,560	\$ 9,877,151	\$ 861,778
<u>1,762,560</u>	<u>9,877,151</u>	<u>861,778</u>
-	896,663	-
1,994,169	5,776,476	572,346
<u>103,563</u>	<u>1,012,204</u>	<u>355,996</u>
<u>2,097,732</u>	<u>7,685,343</u>	<u>928,342</u>
<u>(335,172)</u>	<u>2,191,808</u>	<u>(66,564)</u>
39,679	39,679	-
83	470	227
-	-	20,506
-	18,283	9,681
-	-	32,084
<u>(7,312)</u>	<u>(366,929)</u>	<u>-</u>
<u>32,450</u>	<u>(308,497)</u>	<u>62,498</u>
<u>(302,722)</u>	<u>1,883,311</u>	<u>(4,066)</u>
1,577	218,104	-
300,000	455,036	-
<u>(154,031)</u>	<u>(911,943)</u>	<u>-</u>
<u>147,546</u>	<u>(238,803)</u>	<u>-</u>
(155,176)	1,644,508	(4,066)
<u>2,324,890</u>	<u>22,890,928</u>	<u>2,581,158</u>
\$ <u>2,169,714</u>	\$ <u>24,535,436</u>	\$ <u>2,577,092</u>
	1,644,508	
	<u>(6,631)</u>	
	\$ <u>1,637,877</u>	

**VILLAGE OF PARK FOREST**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	BUSINESS-TYPE ACTIVITIES -		
	WATER	SEWER	DOWNTOWN PARK FOREST
<b>Cash flows from operating activities</b>			
Receipts from customers and users	\$ 6,026,760	\$ 1,147,618	\$ 568,454
Payments to employees	(1,260,664)	(183,662)	(141,990)
Payments to suppliers	(1,986,150)	(379,124)	(836,092)
Miscellaneous revenue	-	-	-
Net cash provided (used) by operating activities	<u>2,779,946</u>	<u>584,832</u>	<u>(409,628)</u>
<b>Cash flows from non-capital financing activities</b>			
Net transfers in (out)	(605,662)	(152,250)	155,036
Contributions	-	-	-
Other income	-	-	18,283
Property taxes	-	-	-
Net cash provided (used) by non-capital financing activities	<u>(605,662)</u>	<u>(152,250)</u>	<u>173,319</u>
<b>Cash flows from capital and related financing activities</b>			
Financing activities			
Purchase of capital assets	(320,762)	(373,495)	(15,000)
Cash received from disposal of capital assets	-	-	-
Receipt of capital grant	-	216,527	-
Principal paid on debt	(975,028)	(43,794)	-
Interest paid on debt	(344,983)	(11,872)	-
Net cash (provided) used by capital and related financing activities	<u>(1,640,773)</u>	<u>(212,634)</u>	<u>(15,000)</u>
<b>Cash flows from investing activities</b>			
Investment income received	103	112	172
Net cash provided by investing activities	<u>103</u>	<u>112</u>	<u>172</u>
Net change in cash and cash equivalents	533,614	220,060	(251,137)
Cash and cash equivalents, beginning of year	<u>2,445,336</u>	<u>3,311,785</u>	<u>1,670,386</u>
Cash and cash equivalents, end of year	<u>\$ 2,978,950</u>	<u>\$ 3,531,845</u>	<u>\$ 1,419,249</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 2,245,262	\$ 787,793	\$ (506,075)
Adjustment to reconcile operating income to Net cash provided by operating activities			
Loss on sale of equipment	-	-	72,526
Other income	-	-	-
Depreciation and amortization expense	699,722	112,356	96,563
(Increase) decrease in current assets	(262,559)	(131,584)	6,201
Increase (decrease) in current liabilities	97,521	(183,733)	(78,843)
Total adjustments	<u>534,684</u>	<u>(202,961)</u>	<u>96,447</u>
Net cash provided (used) by operating activities	<u>\$ 2,779,946</u>	<u>\$ 584,832</u>	<u>\$ (409,628)</u>

The notes to the financial statements are an integral part of this statement.

ENTERPRISE		GOVERNMENTAL ACTIVITIES
NONMAJOR	TOTAL	INTERNAL SERVICE
\$ 1,803,773	\$ 9,546,605	\$ 871,563
(466,160)	(2,052,476)	(80,077)
(1,535,480)	(4,736,846)	(474,903)
-	-	9,681
<u>(197,867)</u>	<u>2,757,283</u>	<u>326,264</u>
145,969	(456,907)	-
-	-	20,506
-	18,283	-
<u>39,679</u>	<u>39,679</u>	<u>-</u>
<u>185,648</u>	<u>(398,945)</u>	<u>20,506</u>
-	(709,257)	(578,289)
-	-	32,084
1,577	218,104	-
(34,540)	(1,053,362)	-
<u>(6,054)</u>	<u>(362,909)</u>	<u>-</u>
<u>(39,017)</u>	<u>(1,907,424)</u>	<u>(546,205)</u>
<u>83</u>	<u>470</u>	<u>227</u>
<u>83</u>	<u>470</u>	<u>227</u>
(51,153)	451,384	(199,208)
<u>723,195</u>	<u>8,150,702</u>	<u>1,461,027</u>
<u>\$ 672,042</u>	<u>\$ 8,602,086</u>	<u>\$ 1,261,819</u>
\$ (335,172)	\$ 2,191,808	\$ (66,564)
-	72,526	-
-	-	9,681
103,563	1,012,204	355,996
35,134	(352,808)	12,912
<u>(1,392)</u>	<u>(166,447)</u>	<u>14,239</u>
<u>137,305</u>	<u>565,475</u>	<u>392,828</u>
<u>\$ (197,867)</u>	<u>\$ 2,757,283</u>	<u>\$ 326,264</u>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF PARK FOREST**  
**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION  
AS OF JUNE 30, 2014

PENSION TRUST

**Assets**

Cash	\$	67,575
Investments		
Certificates of deposit		422,323
Money markets		2,579,961
U.S. government and agency obligations		5,935,945
State and local obligations		2,821,929
Corporate Bonds		5,160,281
Mutual funds		13,488,395
Receivables		
Accrued interest		108,700
Due from other governments		<u>47,440</u>
Total assets		<u>30,632,549</u>

**Liabilities**

Accounts payable		133,663
Due to other governments		<u>24,789</u>
Total liabilities		<u>158,452</u>

**Net position**

Net position restricted for pensions	\$	<u>30,474,097</u>
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The notes to the financial statements are an integral part of this statement

**VILLAGE OF PARK FOREST**  
**FIDUCIARY FUNDS**  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2014

	PENSION FUNDS
<b>Additions</b>	
Contributions	
Employer	\$ 1,837,800
Plan members	505,026
Other	<u>4,511</u>
Total contributions	<u>2,347,337</u>
Investment income	
Interest	845,489
Net appreciation in fair value of investments	<u>1,715,891</u>
Total investment income	2,561,380
Less investment expenses	<u>80,723</u>
Net investment income	<u>2,480,657</u>
Total additions	<u>4,827,994</u>
<b>Deductions</b>	
Benefits	3,051,992
Administration	<u>58,584</u>
Total deductions	<u>3,110,576</u>
Net increase in net position	1,717,418
Net position, beginning of year	<u>28,756,679</u>
Net position, end of year	<u>\$ 30,474,097</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

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**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

The Village of Park Forest (“the Village”), Illinois, was incorporated in 1949 and is a municipal corporation governed by an elected mayor and six member Board of Trustees. The Village’s major operations include police and fire safety, health, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, utility, parking and recreation services and general administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units, hereinafter referred to as GAAP (general accepted accounting principles). The accepted standard-setting body for establishing governmental accounting and financial reporting principles is GASB (the Governmental Accounting Standards Board).

The more significant of the Village’s accounting polices are described below.

**REPORTING ENTITY**

The accompanying financial statements present the primary government and its component units, entities for which the Village is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

***Component Units***

***Police and Firefighters’ Pension Funds***

The Village’s financial statements include pension trust funds:

**Police Pension Employees Retirement System**

The Village’s sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village’s Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The Village and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village’s police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. No separate annual financial report is issued for PPERS.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. The Village's Mayor appoints two people to the board and two fire employees and one retiree are elected to the board by the membership. The Village and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund. No separate annual financial report is issued for FPERS.

**CHANGES IN ACCOUNTING PRINCIPLES**

In March 2012, the GASB issued statement No. 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.

In June 2012, the GASB issued statement No. 67 – *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*. This statement establishes accounting and financial reporting standards for the activities of pension plans that are administered through trusts and meet certain criteria. This statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures* as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain requirements.

The Village implemented these standards effective July 1, 2013.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the primary government. 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 Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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, with the exception of state income taxes which will be recognized when they are measurable. As of year-end the state was greater than 60 days behind on payments of income taxes to local governments which is considered to be a highly unusual circumstance. Due to the unique nature of the state's tardiness in distributing income taxes to municipalities, revenues were recognized in a manner consistent with prior years' collections. As a result, several collections received greater than 60 days after year-end were recognized as revenue in the fiscal year. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property, income and sales taxes, fines, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

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

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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**FUND AND ACCOUNTING ENTITY**

A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum numbers of funds are maintained consistent with legal and managerial requirements.

The Village reports the following major governmental funds:

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

The Downtown Tax Increment Finance District Fund accounts for the incremental property taxes that are legally restricted to fund expenditures associated with the TIF district development.

The Housing Authority Fund accounts for the operation and maintenance of a public housing authority, established to provide low-rent housing for qualified individuals in accordance with the rules and regulations of the Department of Housing and Urban Development.

The Motor Fuel Tax Fund accounts for the allotment of motor fuel taxes legally restricted for road construction and road maintenance. All projects require the advance approval of the Illinois Department of Transportation.

The Debt Service Fund is used to account for the accumulation of legally restricted tax levies for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for the payment of interest and principal on the long-term general obligation debt.

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital expenditures not being financed by Proprietary Funds.

The Village reports the following major proprietary funds:

The Water Fund accounts for charges for water use by the Village residents, expenses for the maintenance and upgrading of the water supply system and payments of water related debt.

The Sewer Fund accounts for charges for sewer use by the Village residents, expenses for the maintenance and upgrading of the sewer system and payments of sewer related debt.

The Downtown Park Forest Fund accounts for the operations of Downtown Park Forest, including the maintenance and upkeep of all rental units and the renovation of the downtown area.

Additionally, the Government reports the following fund types:

The Village reports the following fiduciary fund types which are held in a trustee or agent capacity for others and therefore are not available to support Village programs. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements:

The Pension Trust Funds account for the activities of the Police and Firefighters' Pension funds, which accumulate resources for pension benefit payments to qualified public safety employees.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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The Village reports the following Internal Service Fund which is used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost reimbursement basis. The Village reports the following internal service fund:

The Vehicle Service Fund accounts for the charges to the primary government for the use of vehicles in the Village fleet and fuel used by said vehicles. Expenses are for the maintenance of the Village fleet and purchases of new vehicles.

The Village's internal service fund is presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are primarily consolidated into the governmental column when presented in the government-wide financial statements, with a small portion consolidated into the business-type column. To the extent possible the cost of these services is reported in the appropriate functional activity.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the Village's water and sewer function and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

**ALL FINANCIAL STATEMENTS**

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

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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**ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY**

*Deposits and Investments*

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the Village, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

The police pension fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The police pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>
Fixed Income	53% - 88%
Total Equities	10% - 55%
Cash and Cash Equivalents	2% - 15%

Illinois Compiled Statutes (ILCS) limit the police pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The police pension fund's investment policy does not include formalized long-term expected rate of returns by asset class. The police pension fund uses the actuarial assumption of 6.75% for all asset classes, which is determined by the pension plan's actuary and is derived from historical investment returns (net of investment expense) over the previous 20 years. Additionally, the police pension plan has developed informal expectations that fixed income investments outperform the Barclay's Intermediate Aggregate Index and equity investments outperform the S&P 500 Index or a representative blended benchmark.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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The firefighters' pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code. The firefighters' pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

Asset Class	Target
Fixed Income	45% - 80%
Total Equities	20% - 55%
Cash and Cash Equivalents	2% - 15%

Illinois Compiled Statutes (ILCS) limit the firefighters' pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The firefighters' pension fund's investment policy does not include formalized long-term expected rate of returns by asset class. The firefighters' pension fund uses the actuarial assumption of 6.75% for all asset classes, which is determined by the pension plan's actuary and is derived from historical investment returns (net of investment expense) over the previous 20 years. Additionally, the firefighters' pension plan has developed informal expectations that fixed income investments outperform the Barclay's Intermediate Aggregate Index and equity investments outperform the S&P 500 Index or a representative blended benchmark.

*Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All water and property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 3 percent of outstanding property taxes at June 30, 2014.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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*Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded utilizing the consumption method.

*Inventories*

On government-wide financial statements, inventories are recorded at the lower of cost or market on a first-in-first-out basis or market (net realizable value) method.

In governmental funds, inventory consists of expendable supplies held for consumption. The cost of the inventory items is recorded as an expenditure in the governmental funds when purchased as well as a non-spendable portion of fund balance.

*Capital Assets*

Capital assets, which include land, construction in progress, buildings and improvements, vehicles, furniture and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 and a life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land, construction in progress, buildings and improvements, vehicles, furniture and equipment and infrastructure of the Village is depreciated using the straight line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Buildings and improvements	20 - 50
Vehicles	3 - 5
Furniture and equipment	5 - 15
Infrastructure	40 - 70

*Property Held for Resale*

The Village's assets held for resale include property that is being held for sale for future development of the Village. The assets are valued at the lower of cost or market.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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*Deferred Outflows of Resources*

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund statements.

*Compensated Absences*

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. A liability is not recorded for non-vesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

*Long-Term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

*Deferred Inflows of Resources*

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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*Fund Equity*

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by enabling legislation or an outside party. Committed fund balance is a limitation imposed by the Village board through a formal resolution, which is the highest level of decision making authority. Assigned fund balances is a limitation imposed by a designee of the Village board. Through Resolution R-10-17, the Village board authorized the Finance Director to determine the assignment of fund balances. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes. Proprietary fund equity is classified the same as in the government-wide statements.

When both restricted and unrestricted fund balances are available for use, it is the Village's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

The Village board targets an unassigned fund balance level in the General Fund sufficient to cover three to four months of operations.

*Net Investment in Capital Assets*

For the government-wide financial statements, net position reported as net investment in capital assets, consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less than any unspent bond proceeds. The Village has issued debt for purposes not related to capital assets that are not included.

*Restricted Net Position*

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

*Comparative Data/Reclassifications*

Comparative total data for the prior year have been presented for governmental and enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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**NOTE 2 – PROPERTY TAXES**

Property taxes for 2013 attach as an enforceable lien on January 1, 2013, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance).

Tax bills that are prepared by Cook County are issued on or about February 1<sup>st</sup> and July 1<sup>st</sup>, and are payable in two installments, on or about March 1<sup>st</sup> and August 1<sup>st</sup>. Tax bills that are prepared by Will County are issued on or about June 1<sup>st</sup> and are payable in two installments, on or about July 1<sup>st</sup> and September 1<sup>st</sup>.

The Counties collect such taxes and remit them periodically. The allowance for uncollectible taxes has been stated at 3% of the tax levy to reflect actual collection experience. The 2013 property tax levy is recognized as a receivable in fiscal 2014, net of the allowance for uncollectible. The Village considers that the first installment of the 2013 levy is to be used to finance operations in fiscal 2014. The Village has determined that the second installment of the 2013 levy is to be used to finance operations in fiscal 2015 and has deferred the corresponding revenue.

The Village has established two Tax Increment Financing Districts to encourage development of certain areas within Redevelopment Project Areas (RPA) and to enhance the value of those properties. In connection with the agreements of the RPA, the real estate taxes, which relate to the incremental increase in property values within the RPA, are recorded directly in the TIF Funds.

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2014, actual expenditures exceeded appropriations in the Downtown Tax Increment Finance District Fund by \$359,806, the Housing Authority Fund by \$359,487, Debt Service Fund by \$65, Cook County Community Development Block Grant Fund by \$1,230, Aqua Center Fund by \$49,596, Vehicle Service Fund by \$15,884, and Police Pension Fund by \$261,572.

Actual expenditures exceeded budget in the Downtown Tax Increment Finance District Fund due to the current refunding of TIF bonds for which the Village did not budget.

Actual expenditures exceeded budget in the Housing Authority Fund due to higher than expected Housing Choice Voucher Program expenditures.

Actual expenditures exceeded budget in the Debt Service Fund due to higher than expected interest and fiscal charge expenditures.

Actual expenditures exceeded budget in the Cook County Community Development Block Grant Fund due to higher than expected capital outlay expenditures.

Actual expenditures exceeded budget in the Aqua Center Fund due to higher than expected pool operating expenditures.

Actual expenditures exceeded budget in the Vehicle Services Fund due to higher than expected maintenance and operating supplies expenditures.

Actual expenditures exceeded budget in the Police Pension Fund due to higher than expected pension benefit payouts.

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

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**DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of June 30, 2014, the Cook County Community Development Block Grant has a deficit fund balance of \$6,418. The deficit will be funded through future grant revenue.

**NOTE 4 – DEPOSITS AND INVESTMENTS**

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type’s portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the Village’s funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

*Permitted Deposits and Investments* - Statutes authorize the Village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. The Village’s investment policy allows the Village to invest in any type of security allowable in Illinois statutes regarding the investment of public funds.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran’s loans, obligations of the State of Illinois and its political subdivisions, the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net position in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds that meet certain requirements. The Police and Firefighters’ Pension Funds’ investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements.

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

At year-end, the Village's cash and investments was comprised of the following:

	<b>Government- wide</b>	<b>Fiduciary</b>	<b>Total</b>
Cash and investments	\$ 27,620,993	\$ 30,476,409	\$ 58,097,402

**VILLAGE OF PARK FOREST**  
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For disclosure purposes, for Village of Park Forest, these amounts are segregated into three components: 1) cash on hand 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts and non-negotiable certificates of deposit; and 3) investments, which consist of all investments other than certificates of deposit, as follows:

<b><i>Village of Park Forest Cash and Investments</i></b>	
Cash on hand	\$ 6,236
Deposits with financial institutions	11,792,360
Other investments	46,298,806
<b>Total</b>	<b>\$ 58,097,402</b>

At June 30, 2014 the Village's non-equity investments consisted of the following:

	<b><i>Investment Maturity (In Years)</i></b>				
	<b><i>Fair Value</i></b>	<b><i>Less Than 1</i></b>	<b><i>1-5</i></b>	<b><i>6-10</i></b>	<b><i>More than 10</i></b>
<b>Primary Government:</b>					
U.S. Agencies	\$ 1,981,875	\$ -	\$ 860,155	\$ 1,121,720	\$ -
Negotiable CDs	2,303,981	509,191	1,794,790	-	-
State & Local Obligations	434,080	-	-	434,080	-
<b>Total Primary Government</b>	<b>4,719,936</b>	<b>509,191</b>	<b>2,654,945</b>	<b>1,555,800</b>	<b>-</b>
<b>Firefighters' Pension:</b>					
U.S. Agencies	1,425,265	-	61,221	56,844	1,307,200
U.S. Treasuries	894,569	184,983	569,320	106,666	33,600
State & Local Obligations	451,616	-	173,336	132,424	145,856
Corporate Bonds	2,090,544	114,972	1,148,554	695,017	132,001
<b>Total Firefighters' Pension</b>	<b>4,861,994</b>	<b>299,955</b>	<b>1,952,431</b>	<b>990,951</b>	<b>1,618,657</b>
<b>Police Pension:</b>					
State & Local Obligations	2,370,313	715,597	1,275,337	344,205	35,174
Corporate Bonds	3,069,737	970,803	1,321,222	750,800	26,912
U.S. Agencies	2,789,160	-	1,475,689	1,013,912	299,559
U.S. Treasuries	826,951	-	177,047	649,904	-
<b>Total Police Pension</b>	<b>9,056,161</b>	<b>1,686,400</b>	<b>4,249,295</b>	<b>2,758,821</b>	<b>361,645</b>
<b>Total</b>	<b>\$ 18,638,091</b>	<b>\$ 2,495,546</b>	<b>\$ 8,856,671</b>	<b>\$ 5,305,572</b>	<b>\$ 1,980,302</b>

***Interest Rate Risk***

The Village's and Pensions' investment policies seek to ensure preservation of capital in the Village's and Pensions' overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The Village's and Pensions' policies limit the Village and Police and Firefighters' Pension to investments with a maturity of no more than 20 years from the date of purchase, unless matched to a specific cash flow. In addition, all of the policies require the Village's and Pensions' investment portfolio to be sufficiently liquid to enable the Village and Pensions to meet all operating requirements as they come due.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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*Credit Risk*

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Village's and Pensions' investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds. As of June 30, 2014, the Village's and Pensions' applicable investments had the following ratings with their applicable rating agency: all U.S. agencies had either "AA+" or "Aaa" ratings, corporate bonds had a range of ratings from "BB+" to "AA+" and "Ba2" to "Aaa", and state and local obligations had a range of ratings from "A-" to "AAA" and "A3" to "Aaa". The Village's investments in negotiable CDs were not rated.

*Custodial Credit Risk - Deposits*

With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Village's and Pensions' investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 102% of the value of the deposit. As of June 30, 2014, all of the Village's and Pensions' deposits were collateralized in accordance with their investment policy.

*Custodial Credit Risk – Investments*

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government 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 and Pensions' investment policies require all securities to be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts. As of June 30, 2014, no investments were exposed to custodial credit risk.

*Concentration of Credit Risk*

The Village's and Pensions' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The Village's and Pensions' policy further states that no financial institution shall hold more than 50% of the Village's or Pensions' investment portfolio at the current time of investment placement. The Village operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the Village. In the Police Pension, more than 5 percent of the plan's net position is invested in securities issued by the Federal Home Loan Bank. The Police Pension holds \$983,724 in investments issued by the State of Illinois, representing 5.12% of the plan's net position.

*Money-Weighted Rate of Return*

*Police Pension Fund*

For the year ended June 30, 2014, the annual money-weighted rate of return on the police pension plan investments, net of plan investment expense, was 8.79 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Firefighters' Pension Fund*

For the year ended June 30, 2014, the annual money-weighted rate of return on the firefighters' pension plan investments, net of plan investment expense, was 9.57 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF PARK FOREST**  
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**NOTE 5 – RECEIVABLES**

Receivables as of year end for the Village’s individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

<i>Governmental Activities:</i>	<i>General Fund</i>	<i>TIF Fund</i>	<i>Housing Authority Fund</i>	<i>Debt Service Fund</i>	<i>Motor Fuel Tax Fund</i>	<i>Capital Projects Fund</i>	<i>Non Major Funds</i>	<i>Internal Service Fund</i>	<i>Total</i>
Receivables:									
Real Estate									
Taxes	\$ 8,049,848	\$ 618,921	\$ -	\$ 138,558	\$ -	\$ -	\$ -	\$ -	\$ 8,807,327
Other Taxes:									
Sales Taxes	170,306	-	-	-	-	-	-	-	170,306
Utility Taxes	186,003	-	-	-	-	-	-	-	186,003
Intergovernmental:									
Income Taxes	660,599	-	-	-	-	-	-	-	660,599
Replacement									
Taxes	37,693	-	-	-	-	-	-	-	37,693
Grants	44,301	-	486,734	-	233,063	-	16,418	-	780,516
Motor Fuel Taxes	-	-	-	-	42,775	-	-	-	42,775
Accounts:									
Miscellaneous	289,857	-	-	-	-	1,000	-	3,039	292,896
Customer	35,451	-	-	-	-	-	-	-	35,451
Interest	9,411	-	-	-	-	-	-	-	9,411
Video Gaming									
Tax	1,826	-	-	-	-	-	-	-	1,826
Employee									
Computer									
Purchase	2,562	-	-	-	-	-	-	-	2,562
Franchise Fee	92,105	-	-	-	-	-	-	-	92,105
Health	13,493	-	-	-	-	-	-	-	13,493
Ambulance	168,478	-	-	-	-	-	-	-	168,478
Gross Receivables	9,761,933	618,921	486,734	138,558	275,838	1,000	16,418	3,039	11,301,441
Less: Allowances for Uncollectible	(557,568)	(4,683)	-	(4,157)	-	-	-	-	(566,408)
Net Total									
Receivables	<u>\$ 9,204,365</u>	<u>\$ 614,238</u>	<u>\$ 486,734</u>	<u>\$ 134,401</u>	<u>\$ 275,838</u>	<u>\$ 1,000</u>	<u>\$ 16,418</u>	<u>\$ 3,039</u>	<u>\$ 10,735,033</u>

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue and unavailable revenue reported in the governmental funds were as follows:

	<i>Unavailable</i>	<i>Unearned</i>	<i>Total</i>
<b>General Fund:</b>			
Real estate taxes receivable	\$ -	\$ 6,669,560*	\$ 6,669,560
Other taxes receivable	106,138	-	106,138
Intergovernmental receivable	30,615	26,547	57,162
Unearned fees	-	111,754	111,754
Total	<u>136,753</u>	<u>6,807,861</u>	<u>6,944,614</u>
<b>Downtown TIF Fund:</b>			
Real estate taxes receivable	-	592,160*	592,160
<b>Debt Service Fund:</b>			
Real estate taxes receivable	-	114,804*	114,804
<b>Motor Fuel Tax Fund:</b>			
Intergovernmental receivable	210,198	-	210,198
<b>Non Major Funds:</b>			
Intergovernmental receivable	<u>6,418</u>	<u>-</u>	<u>6,418</u>
Governmental funds balance sheet total	<u>\$ 353,369</u>	<u>\$ 7,514,825</u>	<u>\$ 7,868,194</u>

\* - Under the accrual method revenue is recognized as revenue in the period earned. An exception in Illinois is real estate taxes, whereby the intent of the Village is to finance 2014-15 operations with those monies. Therefore, these amounts will remain a deferred inflows of resources for the government-wide statements.

<i>Business-type Activities, Fiduciary Fund:</i>	<i>Water Fund</i>	<i>Sewer Fund</i>	<i>Downtown Park Forest Fund</i>	<i>Non- Major Fund</i>	<i>Business- Type Activities Total</i>	<i>Fiduciary Funds</i>
Receivables:						
Real Estate Taxes	\$ -	\$ -	\$ -	\$ 25,772	\$ 25,772	\$ -
Interest	-	-	-	-	-	108,700
Accounts:						
Billings	2,038,552	390,828	-	154,848	2,584,228	-
Grants	-	203,360	-	-	203,360	-
Rents	-	-	240,859	-	240,859	-
Gross Receivables	<u>2,038,552</u>	<u>594,188</u>	<u>240,859</u>	<u>180,620</u>	<u>3,054,219</u>	<u>108,700</u>
Less: Allowances for Uncollectibles	<u>(162,318)</u>	<u>(33,078)</u>	<u>(226,898)</u>	<u>(34,937)</u>	<u>(457,231)</u>	<u>-</u>
Net Total Receivables	<u>\$ 1,876,234</u>	<u>\$ 561,110</u>	<u>\$ 13,961</u>	<u>\$ 145,683</u>	<u>\$ 2,596,988</u>	<u>\$ 108,700</u>

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

**NOTE 6 – CAPITAL ASSETS**

Governmental capital asset activity for the year ended June 30, 2014, was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i>
Capital assets not being depreciated:				
Land	\$ 2,362,490	\$ -	\$ -	\$ 2,362,490
Construction in progress	9,302,226	646,340	9,948,566	-
Total capital assets not being depreciated	<u>11,664,716</u>	<u>646,340</u>	<u>9,948,566</u>	<u>2,362,490</u>
Capital assets being depreciated:				
Buildings and improvements	9,762,806	103,052	76,987	9,788,871
Vehicles	4,908,513	578,289	330,927	5,155,875
Furniture and equipment	2,321,621	15,404	-	2,337,025
Infrastructure	10,251,413	9,948,566	22,575	20,177,404
Total capital assets being depreciated	<u>27,244,353</u>	<u>10,645,311</u>	<u>430,489</u>	<u>37,459,175</u>
Less accumulated depreciation for:				
Buildings and improvements	4,023,443	251,603	30,795	4,244,251
Vehicles	3,793,505	355,996	330,927	3,818,574
Furniture and equipment	1,946,305	77,565	-	2,023,870
Infrastructure	6,805,311	261,914	21,823	7,045,402
Total accumulated depreciation	<u>16,568,564</u>	<u>947,078</u>	<u>383,545</u>	<u>17,132,097</u>
Total capital assets being depreciated, net	<u>10,675,789</u>	<u>9,698,233</u>	<u>46,944</u>	<u>20,327,078</u>
Governmental activities capital assets, net	<u>\$ 22,340,505</u>	<u>\$ 10,344,573</u>	<u>\$ 9,995,510</u>	<u>\$ 22,689,568</u>

Depreciation expense was charged to governmental functions/programs of the Village as follows:

General government	\$ 118,380
Law enforcement	121,416
Public works	403,056
Recreation and parks	87,902
Fire and emergency	216,324
Total depreciation expense-governmental activities	<u>\$ 947,078</u>

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

Business-type capital asset activity for the year ended June 30, 2014, was as follows:

	<i><b>Beginning Balance</b></i>	<i><b>Increases</b></i>	<i><b>Decreases</b></i>	<i><b>Balance</b></i>
Capital assets not being depreciated:				
Land	\$ 423,954	\$ -	\$ 9,600	\$ 414,354
Construction in progress	344,855	709,256	723,975	330,136
Total capital assets not being depreciated	<u>768,809</u>	<u>709,256</u>	<u>733,575</u>	<u>744,490</u>
Capital assets being depreciated:				
Buildings and improvements	30,792,775	661,050	-	31,453,825
Distribution system	12,393,061	-	-	12,393,061
Vehicles	91,810	-	-	91,810
Furniture and equipment	623,899	-	-	623,899
Total capital assets being depreciated	<u>43,901,545</u>	<u>661,050</u>	<u>-</u>	<u>44,562,595</u>
Less accumulated depreciation for:				
Buildings and improvements	9,814,632	738,651	-	10,553,283
Distribution system	3,719,530	250,852	-	3,970,382
Vehicles	89,206	2,604	-	91,810
Furniture and equipment	434,269	20,097	-	454,366
Total accumulated depreciation	<u>14,057,637</u>	<u>1,012,204</u>	<u>-</u>	<u>15,069,841</u>
Total capital assets being depreciated, net	<u>29,843,908</u>	<u>(351,154)</u>	<u>-</u>	<u>29,492,754</u>
Business-type activities capital assets, net	<u>\$ 30,612,717</u>	<u>\$ 358,102</u>	<u>\$ 733,575</u>	<u>\$ 30,237,244</u>

Depreciation expense was charged to business-type functions/programs of the Village as follows:

Water	\$ 699,722
Sewer	112,356
Downtown park forest	96,563
Aqua center	59,970
Tennis and health club	2,990
Municipal parking lot	40,603
Total depreciation expense-business type activities	<u>\$ 1,012,204</u>

**VILLAGE OF PARK FOREST**  
 NOTES TO THE FINANCIAL STATEMENTS  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 7 – CONSTRUCTION COMMITMENTS**

As of June 30, 2014, the Village is committed to the following construction projects. These expenditures will be provided for by existing reserves.

<i>Project</i>	<i>Expended to Date</i>	<i>Remaining Commitment</i>
Orchard Drive improvements	\$ 3,932,351	\$ 94
Thorn Creek Bridge	434,901	1,710
Watermain improvements	330,136	29,567
Sewer improvements	562,850	13,442
Total	<u>\$ 5,421,363</u>	<u>44,813</u>

**NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES**

The composition of interfund balances as of June 30, 2014, is as follows:

**Due to/from other funds:**

<i>Receivable Fund</i>	<i>Payable Fund</i>	<i>Amount</i>
General Fund	Housing Authority Fund	\$ 162,768
General Fund	Non-major Funds	16,418
General Fund	Downtown Tax Increment Financing Fund	1,398
Motor Fuel Tax Fund	Downtown Tax Increment Financing Fund	3,143
Total – Fund Financial Statements		<u>183,727</u>
Less: Fund eliminations		(183,727)
Less: Interfund receivables created with internal service fund eliminations		18,338
Total Internal Balances – Government-Wide Statement of Net Position		<u>\$ 18,338</u>

The Interfund balances are advances in anticipation of receipts.

**Transfers:**

<i>Receiving Fund</i>	<i>Paying Fund</i>	<i>Amount</i>
Downtown Park Forest Fund	General Fund	\$ 155,036
Capital Projects Fund	General Fund	655,527
General Fund	Water Fund	605,662
General Fund	Sewer Fund	152,250
General Fund	Non-major Proprietary Funds	154,031
General Fund	Housing Authority Fund	30,000
Non-major Proprietary Funds	General Fund	300,000
Total – Fund Financial Statements		<u>2,052,506</u>
Less: Fund Eliminations		(1,595,599)
Total Transfers – Government-Wide Statement of Activities		<u>\$ 456,907</u>

The transfers from the General Fund were to use unrestricted revenues collected in the General Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations. The transfers to the General Fund were to provide additional funding to the General Fund for costs associated with Village-wide operational support.

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

**NOTE 9 – LONG-TERM LIABILITIES**

**GENERAL OBLIGATION BONDS**

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds have been issued for governmental and business-type activities. The original amount of general obligation bonds issued in prior years was \$11,895,000.

General obligation bonds currently outstanding are as follows:

<i><b>Purpose</b></i>	<i><b>Fund Debt Retired By</b></i>	<i><b>Beginning Balance</b></i>	<i><b>Additions</b></i>	<i><b>Deletions</b></i>	<i><b>Ending Balance</b></i>
General Obligation Bond Series of 1999 – Due in annual installments of \$45,000 to \$145,000 plus variable interest through January 15, 2020	TIF	\$ 875,000	\$ -	\$ 875,000	\$ -
General Obligation Bond Series of 2008A – Due in annual installments of \$390,000 to \$725,000 plus interest at 3.00% to 5.00% through January 1, 2020.	TIF	4,195,000	-	510,000	3,685,000
General Obligation Bond Series of 2008B– Due in annual installments of \$75,000 to \$125,000 plus interest at 3.00% to 3.75% through January 1, 2018.	Aqua	185,290	-	34,540	150,750
	Water	404,710	-	75,460	329,250
General Obligation Bond Series of 2012A & B – Due in annual installments of \$235,000 to \$490,000 plus interest at 2.00% to 3.00% through January 1, 2025.	Debt Service	2,595,000	-	145,000	2,450,000
	TIF	1,570,000	-	185,000	1,385,000
General Obligation Bond Series of 2013 – Due in annual installments of \$100,000 to \$145,000 plus interest at 1.87% through January 15, 2020	TIF	-	875,000	100,000	775,000
Subtotal		<u>9,825,000</u>	<u>875,000</u>	<u>1,925,000</u>	<u>8,775,000</u>
Premium on refunding		<u>236,021</u>	<u>-</u>	<u>46,108</u>	<u>189,913</u>
Total		<u>\$ 10,061,021</u>	<u>\$ 875,000</u>	<u>\$ 1,935,549</u>	<u>\$ 8,964,913</u>

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

Annual debt service requirements to maturity for general obligation bonds are as follows:

<b>Year Ending June 30,</b>	<b>Governmental-type Activities</b>		<b>Business-type Activities</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2015	\$ 990,000	275,309	\$ 115,000	\$ 15,412	\$ 1,395,721
2016	1,040,000	242,950	115,000	11,387	1,409,337
2017	1,110,000	204,600	125,000	7,031	1,446,631
2018	1,175,000	161,753	125,000	2,344	1,464,097
2019	1,280,000	117,045	-	-	1,397,045
2020-2024	2,395,000	169,597	-	-	2,564,597
2025	305,000	4,575	-	-	309,575
<b>Total</b>	<b>\$ 8,295,000</b>	<b>\$ 1,175,829</b>	<b>\$ 480,000</b>	<b>\$ 36,174</b>	<b>\$ 9,987,003</b>

**CURRENT REFUNDING**

On December 12, 2013, the Village issued \$875,000 General Obligation Bond Series 2013 with an interest rate of 1.87% to current refund \$875,000 of the outstanding 1999 General Obligation Bonds with a variable interest rate for the purpose of moving from variable interest rate debt instruments to fixed interest rate debt instruments. The amount and timing of principal payments did not change. As a result, the change in cash flow requirements and the economic gain (the difference between the present values of the debt service payments on the old and new debt) were trivial to the financial statements.

**LOAN**

During fiscal year 2006, the Village entered into a loan agreement with the Illinois Environmental Protection Agency for a loan up to and not exceeding \$15,642,209 at a fixed rate of 2.5% to fund the construction of a Water Treatment Plant. In fiscal year 2011, the loan agreement was amended to increase the maximum loan amount to \$15,945,517 and the Village received \$303,308 in loan proceeds.

During fiscal year 2011, the Village entered into two new loan agreements with the Illinois Environmental Protection Agency. One loan was for an amount not to exceed \$3,299,546 at a fixed rate of 1.25% to fund water main replacement construction. The Village started making payments on this loan during the 2013 fiscal year as the project was completed. The second loan was for an amount not to exceed \$1,311,756 at a fixed rate of 1.25% to fund sewer system rehabilitation construction. The Village started making payments on this loan during the 2014 fiscal year as the project was completed.

<b>Purpose</b>	<b>Fund Debt Retired By</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
IEPA Loan (L17-1860)	Water	\$ 11,890,816	\$ -	\$ 750,615	\$ 11,140,202
IEPA Loan (L17-3142)	Water	3,168,928	-	148,953	3,019,975
IEPA Loan (L17-0425)	Sewer	960,651	-	43,794	916,857
<b>Total</b>		<b>\$ 16,020,395</b>	<b>\$ -</b>	<b>\$ 943,362</b>	<b>\$ 15,077,034</b>

**VILLAGE OF PARK FOREST**  
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Annual debt service requirements to maturity for the loan payable is as follows:

***Business-Type Activities***

<b>Year Ending</b>	<b>Principal</b>		<b>Interest</b>		<b>Total</b>	
2015	\$	964,660	\$	322,328	\$	1,286,988
2016		986,466		300,522		1,286,988
2017		1,008,789		278,201		1,286,990
2018		1,031,641		255,347		1,286,988
2019		1,055,036		231,952		1,286,988
2020 – 2024		5,646,087		788,485		6,434,572
2025 – 2029		3,646,421		180,464		3,826,885
2030 – 2033		737,934		16,759		754,693
Total	\$	<u>15,077,034</u>	\$	<u>2,374,058</u>	\$	<u>17,451,092</u>

**CHANGES IN LONG-TERM LIABILITIES**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due within One Year</b>
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 9,235,000	\$ 875,000	\$ 1,815,000	\$ 8,295,000	\$ 990,000
Add: premium on bonds	236,021	-	46,108	189,913	-
Total Bonds	<u>9,471,021</u>	<u>875,000</u>	<u>1,861,108</u>	<u>8,484,913</u>	<u>990,000</u>
Compensated Absences	722,464	764,831	725,767	761,528	761,528
IMRF NPO Liability	407,348	896,201	873,556	429,993	-
Police/Fire NPO Liability	-	15,265	-	15,265	-
OPEB Liability	<u>1,109,728</u>	<u>528,907</u>	<u>114,587</u>	<u>1,524,048</u>	<u>-</u>
Governmental Activity Long-term Liabilities	<u>\$ 11,710,561</u>	<u>\$ 3,080,204</u>	<u>\$ 3,575,018</u>	<u>\$ 11,215,747</u>	<u>\$ 1,751,258</u>
<b>Business-type Activities:</b>					
General Obligation Bonds	\$ 590,000	\$ -	\$ 110,000	\$ 480,000	\$ 115,000
Total Bonds	<u>590,000</u>	<u>-</u>	<u>110,000</u>	<u>480,000</u>	<u>115,000</u>
IEPA Loan	16,020,397	-	943,362	15,077,035	964,660
Compensated Absences	<u>72,599</u>	<u>68,375</u>	<u>63,309</u>	<u>77,665</u>	<u>77,665</u>
Business-type Activity Long-term Liabilities	<u>\$ 16,682,996</u>	<u>\$ 68,375</u>	<u>\$ 1,116,671</u>	<u>\$ 15,634,700</u>	<u>\$ 1,157,325</u>

**PAYMENT OF BONDS**

The Debt Service, Water, Sewer, Aqua Center and Downtown Tax Increment Finance District Funds make the payments on the general obligation bonds. The Water Fund and Sewer Fund make the payments on the IEPA loans. The compensated absences, IMRF NPO liability, police/fire NPO liability, and OPEB liability are paid out of the fund that has the associated salary including the General Fund and Water Fund.

**COMPENSATED ABSENCES**

Compensated absences are reported as a current liability as Village policy requires outstanding balances to be used by the employee within one year.

**DEBT MARGIN LIMITS**

As the Village is a home-rule municipality it has no debt margin limits.

**VILLAGE OF PARK FOREST**  
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**NOTE 10 – NET INVESTMENT IN CAPITAL ASSETS**

Net position reported on the government-wide statement of net position as net investment in capital assets, for the year ended June 30, 2014 includes the following:

*Governmental Activities:*

Net investment in capital assets	
Capital assets not being depreciated	\$ 2,362,490
Capital assets being depreciated	37,459,175
Less: Accumulated depreciation	(17,132,097)
Less: Related long-term debt outstanding, net of unamortized bond premium	(2,509,615)
Total Governmental Activities Net Investment in Capital Assets	<u>\$ 20,179,953</u>

General obligation bonds issued to support the operations of the Downtown Park Forest TIF and related unamortized debt discount/premium and loss on advance refunding are not included in net position reported as net investment in capital assets.

*Business-Type Activities:*

Net investment in capital assets	
Capital assets not being depreciated	\$ 744,490
Capital assets being depreciated	44,562,595
Less: Accumulated depreciation	(15,069,841)
Less: Related long-term debt outstanding	(15,540,956)
Total Business-Type Activities Net Investment in Capital Assets	<u>\$ 14,696,288</u>

**NOTE 11 – RISK MANAGEMENT**

The Village is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. These risks are provided for through participation in the Intergovernmental Risk Management Agency, and through private insurance coverage. There were no significant changes in insurance coverage from the prior year and settlements did not exceed insurance coverage in any of the past 3 years.

**INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (IRMA)**

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northern Illinois, which 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 coverage's; 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 \$100,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

**VILLAGE OF PARK FOREST**  
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Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the 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. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

Complete financial statements of IRMA may be obtained directly from its administrative offices:

Intergovernmental Risk Management Agency  
One Oakbrook Terrace  
22<sup>nd</sup> Street at Butterfield  
Oakbrook Terrace, Illinois 60181

## **NOTE 12 – DEFERRED COMPENSATION**

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent Village employees, permits them to defer a portion of their current salary to all future years. Participation in the plan is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and therefore not reflected on the financial statements of the Village.

## **NOTE 13 – EMPLOYEE RETIREMENT SYSTEMS AND PLANS**

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. Separate reports are not issued for the Police and Firefighters' Pension Plans. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

### **PLAN DESCRIPTIONS, PROVISIONS AND FUNDING POLICIES**

#### *Illinois Municipal Retirement System*

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at or after age 60 with 8 years of 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 (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 2% for each year thereafter.

**VILLAGE OF PARK FOREST**  
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For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at or after age 67 with 10 years of 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 (average of the highest 96 consecutive months' earnings during the last 10 years, capped at \$106,800) for credited service up to 15 years and 2% for each year thereafter. However, an employee's total pension cannot exceed 75% of their final rate of earnings. If an employee retires after 10 years of service between the ages of 62 and 67, and has less than 30 years of service credit, the pension will be reduced by 1/2% for each month that the employee is under the age of 67. If an employee retires after 10 years of service between the ages of 62 and 67, and has between 30 and 35 years of service credit, the pension will be reduced by the lesser of 1/2% for each month that the employee is under the age of 67 or 1/2% for each month of service credit less than 35 years. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes.

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the coverage of its own employees in IMRF, as specified by statute. The required annual employer contribution rates for calendar year 2014 and 2013 were 12.80% and 13.06%, respectively. Some years, IMRF has provided an optional phase-in rate which was chosen by the Village. The actual employer contribution rate for calendar year 2014 was 12.80% of annual covered payroll. The employer contribution rate for calendar year 2013 was 12.73% of annual covered payroll.

*Police Pension Plan*

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

At June 30, 2014, the Police Pension Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.....	40
Current Employees	
Vested .....	25
Non Vested .....	<u>17</u>
Total.....	<u>82</u>

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

The police pension fund provides retirement benefits as well as death and disability benefits. Participants attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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For Employees hired after January 1, 2011, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final 8-year average salary not to exceed \$106,800 (as indexed); Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are 66 2/3% of the Employee's benefit at the time of death.

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 plans as actuarially determined by an enrolled actuary. Beginning in 2011, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040.

*Firefighters' Pension Plan*

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

At June 30, 2014, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.....	24
Current Employees	
Vested .....	12
Non Vested .....	<u>13</u>
Total.....	<u>49</u>

The following is a summary of the Firefighters' Pension Fund as provided for in Illinois Compiled Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Participants attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by 2.5% of such salary for each additional year of service over 20 years of service through 30 years of service to a maximum of 75% of such salary. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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For Employees hired after January 1, 2011, the annual retirement benefit is 2.5% of final average salary for each year of service up to 30 years, to a maximum of 75% of such salary, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final 8-year average salary not to exceed \$106,800 (as indexed); Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are 66 2/3% of the Employee's benefit at the time of death.

Participants contribute a fixed percentage of their base salary to the plans. At June 30, 2013, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Beginning in 2011, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting.* The financial statements of the pension funds are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The costs of administering the plan are financed by contributions made and income earned from investments.

*Methods Used to Value Investments.* Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Fixed-income and equity securities are valued at the last reported trade date on national markets. Investments that do not have any established market, if any, are reported at estimated fair value.

**ANNUAL PENSION COST AND NET PENSION OBLIGATION**

The following is the Net Pension Obligation/Asset calculation from the June 30, 2014 actuarial reports for the Illinois Municipal Retirement Police and Firefighters' Pension Plans:

	<i>Illinois Municipal Retirement</i>	<i>Police Pension</i>	<i>Firefighters' Pension</i>
Annual required contribution	\$ 896,201	\$ 1,101,207	\$ 717,318
Interest on net pension obligation	-	(5,248)	(292)
Adjustment to annual required contribution	-	3,279	183
Annual pension cost	<u>896,201</u>	<u>1,099,238</u>	<u>717,209</u>
Contributions made	<u>873,556</u>	<u>1,048,395</u>	<u>670,705</u>
Increase (decrease) in net pension obligation	22,645	50,843	46,504
Net pension obligation (asset), beginning of year	<u>407,348</u>	<u>(77,752)</u>	<u>(4,330)</u>
Net pension obligation (asset), end of year	<u>\$ 429,993</u>	<u>\$ (26,909)</u>	<u>\$ 42,174</u>

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The Village's annual required contribution for the current year and related information for each plan is as follows:

	<i><b>Illinois Municipal Retirement</b></i>	<i><b>Police Pension</b></i>	<i><b>Firefighters' Pension</b></i>
Contribution Rates:			
Employer	12.73%	32.38%	33.832%
Employee	4.50%	9.91%	9.455%
Annual Required Contribution (ARC)	\$ 896,201	\$ 1,101,207	\$ 717,318
Contributions Made	\$ 873,556	\$ 1,048,395	\$ 670,705
Actuarial Valuation Date	12/31/13	6/30/14	6/30/14
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll, Closed Basis	Level % of Projected Payroll, Closed Basis	Level % of Projected Payroll, Closed Basis
Remaining Amortization Period	30 years	27 years	27 years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions:			
Investment Rate of Return	7.5% Compounded Annually	6.75% Compounded Annually	6.75% Compounded Annually
Projected Salary Increases	0.4% to 10.0%	5.50%	5.50%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

For the Police Pension Fund and Firefighters' Pension Fund, mortality rates were based on the RP-2000 Mortality Table (BCA, +1M, -4F, 2x>105). The actuarial assumptions used in the June 30, 2014 valuation were based on the results of actuarial experience studies conducted by the Illinois Department of Insurance.

**VILLAGE OF PARK FOREST**  
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**TREND INFORMATION**

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

	<i>Year</i>	<i>Illinois Municipal Retirement</i>	<i>Police Pension</i>	<i>Firefighters' Pension</i>
Annual Pension Cost (APC)	2012	\$ 834,509	\$ 1,002,575	\$ 731,242
	2013	886,952	1,023,456	691,806
	2014	896,201	1,099,238	717,209
Actual Contributions	2012	\$ 695,644	\$ 1,011,695	\$ 742,453
	2013	780,977	1,009,657	656,112
	2014	873,556	1,048,395	670,705
Percentage of APC Contributed	2012	83.36%	100.90%	101.50%
	2013	88.05%	98.65%	94.84%
	2014	97.47%	95.37%	93.52%
Net Pension Obligation (Asset)	2012	\$ 301,373	\$ (91,551)	\$ (40,024)
	2013	407,348	(77,752)	(4,330)
	2014	429,993	(26,909)	42,174

**FUNDED STATUS AND FUNDING PROGRESS**

The Village's actuarial value of plan assets for the current year and related information is as follows:

	<i>Illinois Municipal Retirement</i>	<i>Police Pension</i>	<i>Firefighters' Pension</i>
Actuarial Valuation Date	12/31/13	6/30/14	6/30/14
Actuarial Valuation of Assets (a)	\$ 15,484,417	\$ 19,128,225	\$ 11,231,511
Actuarial Accrued Liability (AAL) – Entry Age (b)	\$ 20,287,929	\$ 37,742,629	\$ 22,268,295
Unfunded AAL (UAAL) (b - a)	\$ 4,803,512	\$ 18,614,404	\$ 11,036,784
Funded Ratio (a/b)	76.32%	50.7%	50.4%
Covered Payroll (c)	\$ 6,862,184	\$ 3,238,090	\$ 1,982,476
UAAL as a percentage of Covered Payroll ((b - a)/c)	70.00%	574.9%	556.7%

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

**VILLAGE OF PARK FOREST**  
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**NET PENSION LIABILITY**

	<i><b>Police Pension</b></i>	<i><b>Firefighters' Pension</b></i>
Total pension liability	\$ 37,742,629	\$ 22,268,295
Plan fiduciary net position	\$ 19,199,485	\$ 11,274,612
Village's net pension liability	\$ 18,543,144	\$ 10,993,683
Plan fiduciary net position as a percentage of the total pension liability	50.87%	50.63%

The schedule of changes in the employer's net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information related to the funded status of the Police Pension Fund and Firefighters' Pension Fund.

**ACTUARIAL ASSUMPTIONS – TOTAL PENSION LIABILITY**

The total pension liability for the current year above was determined by an actuarial valuation performed as June 30, 2014 using the following actuarial methods and assumptions:

	<i><b>Police Pension</b></i>	<i><b>Firefighters' Pension</b></i>
Actuarial valuation date	6/30/2014	6/30/2014
Actuarial cost method	Entry-age normal	Entry-age normal
Asset valuation method	Market	Market
Actuarial assumptions:		
Projected salary increases	5.50%	5.50%
Inflation	3.00%	3.00%
Interest rate	6.75%	6.75%
Cost-of-living adjustments	3.00%	3.00%

Mortality rates were based on the RP-2000 Mortality Table (BCA, +1M, -4F, 2x>105). The actuarial assumptions used in the June 30, 2014 valuation were based on the results of actuarial experience studies conducted by the Illinois Department of Insurance.

**DISCOUNT RATE**

*Police Pension Plan*

The discount rate used to measure the total pension liability for the Police Pension Plan was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

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*Firefighter's Pension Plan*

The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**DISCOUNT RATE SENSITIVITY**

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability calculated using the discount rates of 6.75% and 6.75% for the Police Pension Plan and Firefighters' Pension Plan, respectively, as well as what the net pension liability would be if it were to be calculated using discount rates that is 1 percentage point lower or 1 percentage point higher than the current rates:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
<i>Police Pension Fund:</i>			
Discount rate	5.75%	6.75%	7.75%
Net pension liability	\$23,450,254	\$18,543,144	\$14,600,657
<i>Firefighters' Pension Fund:</i>			
Discount rate	5.75%	6.75%	7.75%
Net pension liability	\$13,678,255	\$10,993,683	\$8,817,523
Total net pension liability	\$37,128,509	\$29,536,827	\$23,418,180

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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**PENSION SEGMENT INFORMATION**

*Fiduciary Net Position*

	<i>Pension Trust</i>		
	<i>Police Pension</i>	<i>Firefighters' Pension</i>	<i>Total</i>
<b>Assets</b>			
Cash	\$ 2	\$ 67,573	\$ 67,575
Investments	19,279,450	11,129,384	30,408,834
Receivables			
Accrued Interest	73,667	35,033	108,700
Due from Other Governments	-	47,440	47,440
Total assets	19,353,119	11,279,430	30,632,549
<b>Liabilities</b>			
Accounts payable	128,845	4,818	133,663
Due to other governments	24,789	-	24,789
Total liabilities	153,634	4,818	158,452
<b>Net position</b>			
Net pension position, end of year	\$ 19,199,485	\$ 11,274,612	\$ 30,474,097

**VILLAGE OF PARK FOREST**  
 NOTES TO THE FINANCIAL STATEMENTS  
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*Changes in Plan Net Position*

	<i>Pension Trust</i>		<i>Total</i>
	<i>Police Pension</i>	<i>Firefighters' Pension</i>	
<b>Additions</b>			
Contributions			
Employer	\$ 1,119,655	\$ 718,145	\$ 1,837,800
Plan members	315,600	189,426	505,026
Other	4,511	-	4,511
Total contributions	1,439,766	907,571	2,347,337
Investment income:			
Interest	509,164	336,325	845,489
Net appreciation (depreciation) in fair value of investments	1,064,521	651,370	1,715,891
Total investment income	1,573,685	987,695	2,561,380
Less investment expense	(45,050)	(35,673)	(80,723)
Net investment income	1,528,635	952,022	2,480,657
Total additions	2,968,401	1,859,593	4,827,994
<b>Deductions</b>			
Administration	34,846	23,738	58,584
Benefits	2,097,951	954,041	3,051,992
Total deductions	2,132,797	977,779	3,110,576
Net change in net position	835,604	881,814	1,717,418
Net position, beginning of year	18,363,881	10,392,798	28,756,679
Net position, end of year	\$ 19,199,485	\$ 11,274,612	\$ 30,474,097

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

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**RETIREE HEALTH PLAN**

The Village administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides access to health insurance for eligible retirees and their spouses through the Village's group health insurance plan, which covers both active and retired members. A retiree is eligible to receive benefits if they fall into any one of four categories. IMRF participants hired before January 1, 2011 are eligible at age 55 with at least 8 years of service, or if they are totally and permanently disabled. IMRF participants hired after January 1, 2011 are eligible at age 62 with at least 10 years of service, or if they are totally and permanently disabled. Police officers and firefighters are eligible at age 50 with 20 years of service, or if they are medically disabled and unable to perform the duties as a police officer or firefighter. Police officers are eligible for a reduced benefit at age 60 with at least 10 years of service, but less than 20 years. Police officers and firefighters that terminate with a vested benefit are eligible for post-retirement healthcare benefits commencing at the time of separation. Spouses and dependents of retirees are eligible to continue healthcare coverage while the retiree is alive if they were enrolled at the time of retirement. Surviving spouses of employees are eligible for COBRA coverage. Surviving spouses and dependent children of police officers and firefighters that were injured in the line of duty, during an emergency, and surviving spouses of all retirees are eligible to continue healthcare coverage. Retirees, spouses, and dependents opting out of the retiree health program cannot re-enter into the program. There is no separate audited plan report available.

Contribution requirements are established through personnel policy guidelines and may be amended by the action of the governing body. The Village makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. Plan members receiving benefits contribute 100 percent of their premium costs. The Village pays 100% of the healthcare premiums for police officers and firefighters, their dependents and their surviving spouses and dependent children if they were injured or killed in the line of duty during an emergency. Healthcare premiums for surviving spouses are payable by the Village until remarriage.

The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the Village's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$	526,131
Interest on net OPEB obligation		16,659
Adjustment to annual required contribution		<u>(13,883)</u>
Annual OPEB cost		528,907
Contributions made		<u>(114,587)</u>
Increase in net OPEB obligation		414,320
Net OPEB Obligation - Beginning of Year		<u>1,109,728</u>
Net OPEB Obligation - End of Year	\$	<u>1,524,048</u>

**VILLAGE OF PARK FOREST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2014**

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 528,907	21.66%	\$ 1,524,048
2013	528,907	21.66%	1,109,728
2012	393,517	29.12%	695,408

The funded status of the plan as of June 30, 2012, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 6,484,785
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 6,484,785
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 10,499,228
UAAL as a percentage of covered payroll	61.76%

Actuarial valuations of an ongoing plan involve estimates for 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 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 that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the June 30, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 4.00 percent investment rate of return and an annual healthcare cost trend rate of 8.00 percent initially, reduced by decrements to an ultimate rate of 6.00 percent. Both rates include a 3.00 percent inflation assumption. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at June 30, 2012, was 30 years.

**VILLAGE OF PARK FOREST**  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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**NOTE 14 – COMMITMENTS AND CONTINGENCIES**

For the year ended June 30, 2014, the Village remained a defendant in certain legal matters relating to zoning and building code violations. Unable to settle the case, a 12 day jury trial was held in April 2014. Of the 20 + counts against numerous parties, the jury dismissed all but 6 counts, awarding damages of \$2.14 million. IRMA agreed to pay these damages. However, the plaintiffs have requested a retrial on damages only and as of this writing we are awaiting a decision from the judge. We anticipate the ruling 1st quarter of 2015.

The Village is a named defendant in a civil lawsuit in regards to a public safety response that occurred in 2013. It is anticipated that the civil case will proceed upon the outcome of a criminal trial against a Village of Park Forest police officer. The criminal trial is set for January 2015. The Village believes the civil case does not have merit and is working with defense counsel assigned by IRMA (Intergovernmental Risk Management Agency).

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

**NOTE 15 – EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*; and Statement No. 68, *Accounting and Financial Reporting for Pension – an amendment to GASB Statement No. 27*. Application of these standards may restate portions of these financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basis financial statements. Such information includes:**

- **Schedule of Employer's Contributions and Schedule of Funding Progress**
  - ▶ **Illinois Municipal Retirement Fund (IMRF)**
  - ▶ **Police Pension Fund**
  - ▶ **Firefighters' Pension Fund**
  - ▶ **Retirees' Health Plan**
  
- **Schedule of Changes in the Village's Net Pension Liability and Related Ratios**
  - ▶ **Police Pension Fund**
  - ▶ **Firefighters' Pension Fund**
  
- **Schedule of Employer Contributions**
  - ▶ **Police Pension Fund**
  - ▶ **Firefighters' Pension Fund**
  
- **Schedule of Investment Returns**
  - ▶ **Police Pension Fund**
  - ▶ **Firefighters' Pension Fund**
  
- **Budgetary Comparison Schedules – General Fund**
  
- **Budgetary Comparison Schedules – Downtown Tax Increment Finance (TIF) District (Special Revenue Fund)**
  
- **Budgetary Comparison Schedules – Housing Authority Fund (Special Revenue Fund)**
  
- **Budgetary Comparison Schedules – Motor Fuel Tax Fund (Special Revenue Fund)**

### **Notes to the Required Supplementary Information**

- **Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles**

**VILLAGE OF PARK FOREST**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

Actuarial Valuation Date	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net Pension Obligation
12/31/13	\$ 896,201	97.47%	\$ 429,993
12/31/12	886,952	88.05%	407,348
12/31/11	834,509	78.94%	301,373

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 as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 15,484,417	\$ 20,287,929	\$ 4,803,512	76.32%	\$ 6,862,184	70.00%
12/31/12	15,263,844	20,657,923	5,394,079	73.89%	6,750,016	79.91%
12/31/11	13,882,994	19,501,112	5,618,118	71.19%	6,612,589	84.96%
12/31/10	12,305,910	17,890,614	5,584,704	68.78%	6,372,839	87.63%
12/31/09	12,618,864	17,719,889	5,101,025	71.21%	6,696,300	76.18%
12/31/08	13,474,011	17,670,100	4,196,089	76.25%	6,427,724	65.28%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$19,183,751. On a market basis, the funded ratio would be 94.56%.

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	12/31/2011
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	30 years
Asset valuation method	5 Year Smoothing Market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	0.40% to 10.00%
Inflation factor	4.00%
Cost of living adjustments	3.00%

**VILLAGE OF PARK FOREST  
POLICE PENSION FUND**

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

Actuarial Valuation Date	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Employer Contributions
6/30/14	\$ 1,101,207	95.37%	\$ 1,048,395
6/30/13	1,025,991	98.65%	1,009,657
6/30/12	1,004,951	100.67%	1,011,695
6/30/11	970,566	103.13%	1,000,943
6/30/10	827,842	105.56%	873,889
6/30/09	732,752	100.95%	739,740

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 as a Percentage of Covered Payroll ((b-a)/c)
6/30/14	\$ 19,128,225	\$ 37,742,629	\$ 18,614,404	50.68%	\$ 3,238,090	574.86%
6/30/13	18,367,044	36,172,102	17,805,058	50.78%	3,112,684	572.02%
6/30/12	18,357,277	33,512,630	15,155,353	54.78%	3,153,788	480.54%
6/30/11	18,237,495	31,771,323	13,533,828	57.40%	3,003,244	450.64%
6/30/10	16,995,516	28,287,355	11,291,839	60.08%	2,960,662	381.40%
6/30/09	16,026,510	27,423,640	11,397,130	58.44%	2,785,820	409.11%

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	6/30/2014
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	27 years
Asset valuation method	5 year average market value
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases	5.50%
Inflation factor	3.00%
Cost of living adjustments	3.00%

**VILLAGE OF PARK FOREST**  
**FIREFIIGHTERS' PENSION FUND**  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

Actuarial Valuation Date	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Employer Contribution
6/30/14	\$ 717,318	93.52%	\$ 670,705
6/30/13	692,914	94.69%	656,112
6/30/12	732,073	101.42%	742,453
6/30/11	698,452	104.94%	732,976
6/30/10	598,886	108.02%	646,941
6/30/09	564,092	103.79%	585,453

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 as a Percentage of Covered Payroll ((b-a)/c)
6/30/14	\$ 11,231,511	\$ 22,268,295	\$ 11,036,784	50.44%	\$ 1,982,476	556.72%
6/30/13	10,396,387	21,438,481	11,042,094	48.49%	1,932,231	571.47%
6/30/12	10,201,242	19,324,815	9,123,573	52.79%	1,942,201	469.75%
6/30/11	9,880,601	18,862,833	8,982,232	52.38%	1,854,945	484.23%
6/30/10	9,071,844	17,054,728	7,982,884	53.19%	1,811,004	440.80%
6/30/09	8,435,776	16,270,354	7,834,578	51.85%	1,713,958	457.10%

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	6/30/2014
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	27 years
Asset valuation method	5 year average market value
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases	5.50%
Inflation factor	3.00%
Cost of living adjustments	3.00%

**VILLAGE OF PARK FOREST  
POLICE PENSION FUND**

SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS  
As of and for the year ended June 30, 2014

	<b>2014</b>
<b>Total pension liability</b>	
Service cost	\$ 863,575
Interest	2,370,811
Differences between expected and actual experience	434,092
Benefit payments, including refunds of member contributions	<u>(2,097,951)</u>
<b>Net change in total pension liability</b>	<u>1,570,527</u>
<b>Total pension liability - beginning</b>	<u>36,172,102</u>
<b>Total pension liability - ending (a)</b>	<u><u>\$ 37,742,629</u></u>
<b>Plan fiduciary net position</b>	
Employer contributions	\$ 1,119,655
Employee contributions	315,600
Net investment income	1,528,635
Benefit payments, including refunds of member contributions	(2,097,951)
Administration	(34,846)
Other	<u>4,511</u>
<b>Net change in plan fiduciary net position</b>	<u>835,604</u>
<b>Plan fiduciary net position - beginning</b>	<u>18,363,881</u>
<b>Plan fiduciary net position - ending (b)</b>	<u><u>\$ 19,199,485</u></u>
<b>Village's net pension liability - ending (a) - (b)</b>	<u><u>\$ 18,543,144</u></u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	50.87%
<b>Covered-employee payroll</b>	\$ 3,238,090
<b>Village's net pension liability as a percentage of covered-employee payroll</b>	572.66%

**Notes to Schedule:**

The Village implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

**VILLAGE OF PARK FOREST**  
**POLICE PENSION FUND**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
As of and for the year ended June 30, 2014

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Actuarially determined contribution	\$ 493,321	\$ 559,889	\$ 560,087	\$ 654,271
Contributions in relation to the actuarially determined contribution	462,024	551,737	593,482	663,828
Contribution deficiency (excess)	<u>\$ 31,297</u>	<u>\$ 8,152</u>	<u>\$ (33,395)</u>	<u>\$ (9,557)</u>
Covered-employee payroll	\$ 2,327,948	\$ 2,528,637	\$ 2,659,340	\$ 2,542,249
Contributions as a percentage of covered-employee payroll	19.85%	21.82%	22.32%	26.11%

**Notes to Schedule:**

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

Valuation date: Actuarially determined contributions are calculated as of June 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27 years
Asset valuation method	Market value
Inflation	3.00%
Salary increases	5.50%, average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	50-62
Mortality	Mortality rates were based on the RP-2000 BCA Mortality Table

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 732,752	\$ 827,842	\$ 970,566	\$ 1,004,951	\$ 1,025,991	\$ 1,101,207
739,740	873,889	1,000,943	1,011,695	1,009,657	1,048,395
<u>\$ (6,988)</u>	<u>\$ (46,047)</u>	<u>\$ (30,377)</u>	<u>\$ (6,744)</u>	<u>\$ 16,334</u>	<u>\$ 52,812</u>
\$ 2,785,820	\$ 2,960,662	\$ 3,003,244	\$ 3,153,788	\$ 3,112,684	\$ 3,238,090
26.55%	29.52%	33.33%	32.08%	32.44%	32.38%

See auditors' report and accompanying notes to required supplementary information

**VILLAGE OF PARK FOREST**  
**POLICE PENSION FUND**  
**SCHEDULE OF INVESTMENT RETURNS**  
As of and for the year ended June 30, 2014

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2014

Annual money-weighted rate of return, net of investment expense	8.79%
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**Notes to Schedule:**

The Village implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

**VILLAGE OF PARK FOREST**  
**FIREFIGHTERS' PENSION FUND**  
SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS  
As of and for the year ended June 30, 2014

	<b>2014</b>
<b>Total pension liability</b>	
Service cost	\$ 555,713
Interest	1,414,899
Differences between expected and actual experience	(186,757)
Benefit payments, including refunds of member contributions	(954,041)
<b>Net change in total pension liability</b>	<b>829,814</b>
<b>Total pension liability - beginning</b>	<b>21,438,481</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 22,268,295</b>
<b>Plan fiduciary net position</b>	
Employer contributions	\$ 718,145
Employee contributions	189,426
Net investment income	952,022
Benefit payments, including refunds of member contributions	(954,041)
Administration	(23,738)
<b>Net change in plan fiduciary net position</b>	<b>881,814</b>
<b>Plan fiduciary net position - beginning</b>	<b>10,392,798</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 11,274,612</b>
<b>Village's net pension liability - ending (a) - (b)</b>	<b>\$ 10,993,683</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>50.63%</b>
<b>Covered-employee payroll</b>	<b>\$ 1,982,476</b>
<b>Village's net pension liability as a percentage of covered-employee payroll</b>	<b>554.54%</b>

**Notes to Schedule:**

The Village implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

**VILLAGE OF PARK FOREST**  
**FIREFIIGHTERS' PENSION FUND**  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
As of and for the year ended June 30, 2014

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Actuarially determined contribution	\$ 438,757	\$ 456,677	\$ 452,988	\$ 542,329
Contributions in relation to the actuarially determined contribution	408,536	465,832	470,489	567,059
Contribution deficiency (excess)	<u>\$ 30,221</u>	<u>\$ (9,155)</u>	<u>\$ (17,501)</u>	<u>\$ (24,730)</u>
Covered-employee payroll	\$ 1,253,864	\$ 1,494,409	\$ 1,589,220	\$ 1,634,749
Contributions as a percentage of covered-employee payroll	32.58%	31.17%	29.61%	34.69%

**Notes to Schedule:**

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year

Valuation date: Actuarially determined contributions are calculated as of June 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27 years
Asset valuation method	Market value
Inflation	3.00%
Salary increases	5.50%, average, including inflation
	6.75%, net of pension plan investment expense,
Investment rate of return	including inflation
Retirement age	50-62
	Mortality rates were based on the RP-2000 BCA
Mortality	Mortality Table

<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
\$ 564,092	\$ 598,886	\$ 698,452	\$ 732,073	\$ 692,914	\$ 717,318
585,453	646,941	732,976	742,453	656,112	670,705
<u>\$ (21,361)</u>	<u>\$ (48,055)</u>	<u>\$ (34,524)</u>	<u>\$ (10,380)</u>	<u>\$ 36,802</u>	<u>\$ 46,613</u>
\$ 1,713,958	\$ 1,811,004	\$ 1,854,945	\$ 1,942,201	\$ 1,932,231	\$ 1,982,476
34.16%	35.72%	39.51%	38.23%	33.96%	33.83%

See auditors' report and accompanying notes to required supplementary information

**VILLAGE OF PARK FOREST**  
**FIREFIGHTERS' PENSION FUND**  
SCHEDULE OF INVESTMENT RETURNS  
As of and for the year ended June 30, 2014

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2014

Annual money-weighted rate of return, net of investment expense	9.57%
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**Notes to Schedule:**

The Village implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

## VILLAGE OF PARK FOREST

### SCHEDULE OF EMPLOYER'S CONTRIBUTION AND FUNDING PROGRESS FOR RETIREES' HEALTH PLAN AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

Fiscal Year Ended	Annual Required Contribution (ARC)	Percentage of OPEB ARC Contributed	Net OPEB Obligation
06/30/14	\$ 526,131	21.78%	\$ 1,524,048
06/30/13	526,131	21.78%	1,109,728
06/30/12	390,741	29.32%	695,408

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 as a Percentage of Covered Payroll ((b-a)/c)
06/30/12	\$ -	\$ 6,484,785	\$ 6,484,785	0.00%	\$ 10,499,228	61.76%
06/30/10	-	5,223,784	5,223,784	0.00%	10,384,743	50.30%
06/30/09	-	3,384,928	3,384,928	0.00%	10,106,387	33.49%

Note: GASB 45 requires an actuarial valuation every two or three years depending on the size of the plan and whether there were any significant changes made to the plan that affect the results of the valuation, including significant changes in benefit provisions, the size or composition of the population covered by the plan, or other factors that impact long-term assumptions.

**VILLAGE OF PARK FOREST**  
**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
Property taxes	\$ 12,592,338	\$ 12,592,338	\$ 12,374,248	\$ 11,756,812
Other taxes	2,070,000	2,070,000	2,101,062	2,118,347
Licenses, permits and fees	1,125,400	1,158,727	1,240,040	1,185,321
Intergovernmental	2,136,590	2,195,590	2,529,338	2,648,110
Charges for services	1,108,243	1,108,243	1,277,424	1,301,435
Fines and forfeitures	309,000	309,000	468,231	434,712
Miscellaneous	286,270	286,270	340,792	374,642
Investment income	<u>25,000</u>	<u>25,000</u>	<u>97,909</u>	<u>17,897</u>
Total revenue	<u>19,652,841</u>	<u>19,745,168</u>	<u>20,429,044</u>	<u>19,837,276</u>
<b>Expenditures</b>				
Current				
General government	3,751,310	4,207,931	3,149,074	2,993,634
Law enforcement	7,278,117	7,369,573	7,239,153	7,044,095
Fire and emergency	3,993,182	3,994,182	3,933,993	3,661,078
Public health	933,782	933,782	904,609	843,172
Recreation and parks	2,455,733	2,577,007	2,440,540	2,376,408
Public works	1,352,674	1,581,833	1,008,725	1,235,717
Community development	565,235	669,035	540,948	512,985
Economic development	592,628	592,628	536,939	521,756
Capital outlay	<u>-</u>	<u>-</u>	<u>214,228</u>	<u>2,489,333</u>
Total expenditures	<u>20,922,661</u>	<u>21,925,971</u>	<u>19,968,209</u>	<u>21,678,178</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,269,820)</u>	<u>(2,180,803)</u>	<u>460,835</u>	<u>(1,840,902)</u>
<b>Other financing sources (uses)</b>				
Transfers in	941,943	941,943	941,943	910,659
Transfers (out)	<u>(565,036)</u>	<u>(1,120,563)</u>	<u>(1,110,563)</u>	<u>(590,440)</u>
Total other financing sources (uses)	<u>376,907</u>	<u>(178,620)</u>	<u>(168,620)</u>	<u>320,219</u>
Net change in fund balance	\$ <u>(892,913)</u>	\$ <u>(2,359,423)</u>	292,215	(1,520,683)
Fund balance, beginning of year			<u>13,699,766</u>	<u>15,220,449</u>
Fund balance, end of year			\$ <u>13,991,981</u>	\$ <u>13,699,766</u>

See auditors' report and accompanying notes to required supplementary information

**VILLAGE OF PARK FOREST**  
**DOWNTOWN TAX INCREMENT FINANCE DISTRICT FUND - MAJOR SPECIAL REVENUE FUND**  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
<b>Taxes</b>				
Property taxes - general	\$ 291,400	\$ 291,400	\$ 261,653	\$ 293,688
Incremental property taxes	838,306	838,306	844,206	992,542
Investment income	500	500	44	272
Other	-	-	940	-
Total revenue	<u>1,130,206</u>	<u>1,130,206</u>	<u>1,106,843</u>	<u>1,286,502</u>
<b>Expenditures</b>				
Current				
Economic development				
Professional services	10,000	10,000	856	29,301
Property tax rebates	170,000	170,000	120,506	134,517
Debt service				
Principal repayment	795,000	795,000	1,670,000	2,279,864
Interest and fiscal charges	282,292	282,292	222,593	282,681
Capital Outlay				
Capital outlay	-	400,000	3,143	-
Total expenditures	<u>1,257,292</u>	<u>1,657,292</u>	<u>2,017,098</u>	<u>2,726,363</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(127,086)</u>	<u>(527,086)</u>	<u>(910,255)</u>	<u>(1,439,861)</u>
<b>Other financing sources (uses)</b>				
Proceeds on bonds sold	-	-	875,000	1,570,000
Premium on bonds sold	-	-	-	51,819
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>875,000</u>	<u>1,621,819</u>
Net change in fund balance	<u>\$ (127,086)</u>	<u>\$ (527,086)</u>	(35,255)	181,958
Fund balance, beginning of year			<u>1,908,864</u>	<u>1,726,906</u>
Fund balance, end of year			<u>\$ 1,873,609</u>	<u>\$ 1,908,864</u>

See auditors' report and accompanying notes to required supplementary information

**VILLAGE OF PARK FOREST**  
**HOUSING AUTHORITY FUND - MAJOR SPECIAL REVENUE FUND**  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
<b>Intergovernmental</b>				
Federal grants	\$ 4,768,728	\$ 4,768,728	\$ 5,252,496	\$ 4,513,746
Administrative fee	269,600	269,600	339,370	312,478
Other	-	-	-	214
Investment income	<u>48</u>	<u>48</u>	<u>21</u>	<u>47</u>
Total revenue	<u>5,038,376</u>	<u>5,038,376</u>	<u>5,591,887</u>	<u>4,826,485</u>
<b>Expenditures</b>				
Current				
Housing choice voucher program	4,772,589	4,772,589	5,144,434	4,706,516
Administration	<u>298,259</u>	<u>298,259</u>	<u>285,901</u>	<u>280,091</u>
Total expenditures	<u>5,070,848</u>	<u>5,070,848</u>	<u>5,430,335</u>	<u>4,986,607</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,472)</u>	<u>(32,472)</u>	<u>161,552</u>	<u>(160,122)</u>
<b>Other financing (uses)</b>				
Transfers (out)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Total other financing (uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Net change in fund balance	<u>\$ (62,472)</u>	<u>\$ (62,472)</u>	131,552	(190,122)
Fund balance, beginning of year			<u>135,694</u>	<u>325,816</u>
Fund balance, end of year			<u>\$ 267,246</u>	<u>\$ 135,694</u>

**VILLAGE OF PARK FOREST**  
**MOTOR FUEL TAX FUND - MAJOR SPECIAL REVENUE FUND**  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
<b>Intergovernmental</b>				
Motor fuel tax allotments	\$ 543,757	\$ 543,757	\$ 751,712	\$ 631,851
State grants	-	-	-	2,977
Federal grants	2,276,158	2,276,158	519,344	6,224,442
Investment income	<u>500</u>	<u>500</u>	<u>234</u>	<u>710</u>
Total revenue	<u>2,820,415</u>	<u>2,820,415</u>	<u>1,271,290</u>	<u>6,859,980</u>
<b>Expenditures</b>				
Current				
Streets and transportation	3,472,865	3,472,865	601,606	2,089,134
Capital outlay	<u>-</u>	<u>-</u>	<u>540,303</u>	<u>4,681,795</u>
Total expenditures	<u>3,472,865</u>	<u>3,472,865</u>	<u>1,141,909</u>	<u>6,770,929</u>
Net change in fund balance	\$ <u>(652,450)</u>	\$ <u>(652,450)</u>	129,381	89,051
Fund balance, beginning of year			<u>709,087</u>	<u>620,036</u>
Fund balance, end of year			<u>\$ 838,468</u>	<u>\$ 709,087</u>

**VILLAGE OF PARK FOREST**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2014

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**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The budget is as amended by the Board of Trustees on March 24, 2014. All annual appropriations lapse at fiscal year end. The Village budgets for all funds.

All departments of the Village submit requests for budgets to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function, department and object, and includes information on the past year, current year budget, current year estimates and requested budget for the next fiscal year. The proposed budget is presented to the Board of Trustees for review. The Board of Trustees holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget.

Prior to July 1st, the budget, which by State law also serves as the appropriation ordinance, is adopted by the Board of Trustees and constitutes the legal budget of the Village. The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund. State statutes establish that expenditures may not legally exceed budgeted appropriation at the fund level.

**Excess of Expenditures Over Appropriations**

For the year ended June 30, 2014, actual expenditures exceeded appropriations in the Downtown Tax Increment Finance District Fund by \$359,806 and the Housing Authority Fund by \$359,487.

Actual expenditures exceeded budget in the Downtown Tax Increment Finance District Fund due to the current refunding of TIF bonds for which the Village did not budget.

Actual expenditures exceeded budget in the Housing Authority Fund due to higher than expected Housing Choice Voucher Program expenditures.

See auditors' report

## **SUPPLEMENTARY INFORMATION**

***Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.***

***Such statements and schedules include:***

- ***Detailed Budgetary Comparison Schedules – General Fund***
- ***Combining Statements – Nonmajor Governmental Funds***
- ***Budgetary Comparison Schedules – Major Governmental Debt Service and Capital Projects Funds***
- ***Budgetary Comparison Schedules – Nonmajor Governmental Funds***
- ***Combining Statements – Nonmajor Enterprise Funds***
- ***Budgetary Comparison Schedules – Enterprise Funds***
- ***Budgetary Comparison Schedules – Internal Service Fund***
- ***Combining Statements – Pension Trust Funds***
- ***Budgetary Comparison Schedules – Pension Trust Funds***
- ***Schedules of Debt Service Requirements***

***Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.***

**VILLAGE OF PARK FOREST**  
**GENERAL FUND**  
SCHEDULE OF REVENUE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
<b>Property taxes</b>				
Property taxes - general	\$ 10,773,813	\$ 10,773,813	\$ 10,558,448	\$ 10,119,795
Property taxes - pension	<u>1,818,525</u>	<u>1,818,525</u>	<u>1,815,800</u>	<u>1,637,017</u>
Total property taxes	<u>12,592,338</u>	<u>12,592,338</u>	<u>12,374,248</u>	<u>11,756,812</u>
<b>Other taxes</b>				
Municipal sales	650,000	650,000	691,863	696,244
Municipal utility	1,350,000	1,350,000	1,315,502	1,347,796
Real estate transfer tax	70,000	70,000	79,969	72,420
Video gaming tax	<u>-</u>	<u>-</u>	<u>13,728</u>	<u>1,887</u>
Total other taxes	<u>2,070,000</u>	<u>2,070,000</u>	<u>2,101,062</u>	<u>2,118,347</u>
<b>Licenses, permits and fees</b>				
Liquor licenses	4,500	4,500	4,690	8,390
Other business licenses	35,000	35,000	54,689	53,696
Cable television franchise fees	300,000	300,000	326,868	315,724
Non-business licenses and permits	<u>785,900</u>	<u>819,227</u>	<u>853,793</u>	<u>807,511</u>
Total licenses, permits and fees	<u>1,125,400</u>	<u>1,158,727</u>	<u>1,240,040</u>	<u>1,185,321</u>
<b>Intergovernmental</b>				
Replacement taxes - general	158,000	158,000	186,074	183,600
Replacement taxes - pension	22,000	22,000	22,000	22,000
State income tax	1,850,000	1,850,000	2,104,560	2,070,101
State grants	80,000	139,000	146,904	180,700
Federal grants	<u>26,590</u>	<u>26,590</u>	<u>69,800</u>	<u>191,709</u>
Total intergovernmental	<u>2,136,590</u>	<u>2,195,590</u>	<u>2,529,338</u>	<u>2,648,110</u>
<b>Charges for services</b>				
Indirect cost from library	48,734	48,734	39,065	38,109
Taxi service fees	5,000	5,000	6,513	6,040
Water/Sewer department service charge	-	-	-	22,681
Freedom hall rental	27,000	27,000	30,042	38,039
Freedom hall events	3,000	3,000	4,263	4,597
Freedom hall series	39,500	39,500	49,041	38,310
Merchandising and jobbing	-	-	114,638	111,057
Police/fire reports	1,900	1,900	2,167	1,793
Professional services	2,000	2,000	2,448	2,304
Jolly trolley	21,500	21,500	22,388	22,150
Home nursing services	48,000	48,000	31,723	42,571
Office nursing services	30,000	30,000	14,198	17,417
Health clinic fees	375	375	122	197
Medicare/ public aid fees	<u>212,800</u>	<u>212,800</u>	<u>223,928</u>	<u>197,494</u>

# VILLAGE OF PARK FOREST

## GENERAL FUND

### SCHEDULE OF REVENUE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Recreation program fees	\$ 175,374	\$ 175,374	\$ 176,422	\$ 237,784
Recreation center usage fees	28,000	28,000	32,225	26,959
Telephone concessions	250	250	-	-
Printing/copying/handling charges	750	750	530	675
Inspection fees	55,000	55,000	55,490	53,690
Miscellaneous charges	10	10	186	103
Paramedic services, net of collection fees	358,050	358,050	406,303	393,315
Multifamily inspection fees	35,000	35,000	29,700	30,150
Carnival proceeds	-	-	19,972	-
Contractual nursing services	<u>16,000</u>	<u>16,000</u>	<u>16,060</u>	<u>16,000</u>
Total Charges for services	<u>1,108,243</u>	<u>1,108,243</u>	<u>1,277,424</u>	<u>1,301,435</u>
<b>Fines and forfeitures</b>				
Court fines	35,000	35,000	37,253	34,626
Administrative hearing fines	175,000	175,000	212,001	203,774
Other fines and forfeitures	<u>99,000</u>	<u>99,000</u>	<u>218,977</u>	<u>196,312</u>
Total fines and forfeitures	<u>309,000</u>	<u>309,000</u>	<u>468,231</u>	<u>434,712</u>
<b>Miscellaneous</b>				
Assets and inventory sales	1,400	1,400	4,094	14,124
Property lease	233,520	233,520	228,976	215,436
Contributions	-	-	12,235	22,813
Other	<u>51,350</u>	<u>51,350</u>	<u>95,487</u>	<u>122,269</u>
Total miscellaneous	<u>286,270</u>	<u>286,270</u>	<u>340,792</u>	<u>374,642</u>
Investment income	<u>25,000</u>	<u>25,000</u>	<u>97,909</u>	<u>17,897</u>
Total revenue	<u>\$ 19,652,841</u>	<u>\$ 19,745,168</u>	<u>\$ 20,429,044</u>	<u>\$ 19,837,276</u>

# VILLAGE OF PARK FOREST

## GENERAL FUND

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Expenditures</b>				
General government				
Manager's office/ personnel	\$ 1,940,981	\$ 2,271,668	\$ 1,817,026	\$ 1,670,871
Board of trustees and elected officials	118,439	118,439	106,568	111,664
Municipal commissions and boards	16,396	21,330	10,607	15,132
Legal	229,265	249,265	172,425	162,837
Financial administration	1,446,229	1,547,229	1,042,448	1,033,130
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,056</u>
Total general government	<u>3,751,310</u>	<u>4,207,931</u>	<u>3,149,074</u>	<u>3,010,690</u>
Law enforcement				
General support	6,129,874	6,221,330	6,119,498	6,037,601
Pension contributions	1,148,243	1,148,243	1,119,655	1,006,494
Capital outlay	<u>-</u>	<u>-</u>	<u>15,404</u>	<u>50,855</u>
Total law enforcement	<u>7,278,117</u>	<u>7,369,573</u>	<u>7,254,557</u>	<u>7,094,950</u>
Fire and emergency				
General support	3,246,344	3,247,344	3,215,848	3,008,555
Pension contributions	746,838	746,838	718,145	652,523
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,433</u>
Total fire and emergency	<u>3,993,182</u>	<u>3,994,182</u>	<u>3,933,993</u>	<u>3,735,511</u>
Public Health				
General support	<u>933,782</u>	<u>933,782</u>	<u>904,609</u>	<u>843,172</u>
Total public health	<u>933,782</u>	<u>933,782</u>	<u>904,609</u>	<u>843,172</u>
Recreation and parks				
General support	840,570	867,370	804,070	833,897
Freedom hall	374,969	390,969	318,983	343,348
Buildings and grounds	297,029	312,029	333,939	304,898
Parks and facilities maintenance	669,582	716,056	608,893	580,037
Fee supported recreational programs	273,583	290,583	374,655	314,228
Capital outlay	<u>-</u>	<u>-</u>	<u>92,787</u>	<u>9,990</u>
Total recreation and parks	<u>2,455,733</u>	<u>2,577,007</u>	<u>2,533,327</u>	<u>2,386,398</u>
Public works				
Streets and transportation	1,352,674	1,581,833	1,008,725	1,235,717
Capital outlay	<u>-</u>	<u>-</u>	<u>106,037</u>	<u>2,336,999</u>
Total public works	<u>1,352,674</u>	<u>1,581,833</u>	<u>1,114,762</u>	<u>3,572,716</u>
Community development				
General support	<u>565,235</u>	<u>669,035</u>	<u>540,948</u>	<u>512,985</u>
Total community development	<u>565,235</u>	<u>669,035</u>	<u>540,948</u>	<u>512,985</u>
Economic development				
General support	<u>592,628</u>	<u>592,628</u>	<u>536,939</u>	<u>521,756</u>
Total economic development	<u>592,628</u>	<u>592,628</u>	<u>536,939</u>	<u>521,756</u>
<b>Total expenditures</b>	<u>\$ 20,922,661</u>	<u>\$ 21,925,971</u>	<u>\$ 19,968,209</u>	<u>\$ 21,678,178</u>

**VILLAGE OF PARK FOREST**  
**NONMAJOR GOVERNMENTAL FUNDS**  
 COMBINING BALANCE SHEET  
 AS OF JUNE 30, 2014

	SPECIAL REVENUE		
	COOK COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT	FOREIGN FIRE INSURANCE	TOTAL
<b>Assets</b>			
Cash and investments	\$ -	\$ 6,025	\$ 6,025
Receivables (net allowance for uncollectibles)			
Intergovernmental	<u>16,418</u>	<u>-</u>	<u>16,418</u>
Total assets	<u>\$ 16,418</u>	<u>\$ 6,025</u>	<u>\$ 22,443</u>
<b>Liabilities, deferred inflows of resources, and fund balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 297	\$ 297
Due to other funds	<u>16,418</u>	<u>-</u>	<u>16,418</u>
Total liabilities	<u>16,418</u>	<u>297</u>	<u>16,715</u>
<b>Deferred inflows of resources</b>			
Unavailable for intergovernmental	<u>6,418</u>	<u>-</u>	<u>6,418</u>
Total deferred inflows of resources	<u>6,418</u>	<u>-</u>	<u>6,418</u>
<b>Fund balance (Deficit)</b>			
Restricted for:			
Public safety	-	5,728	5,728
Unassigned	<u>(6,418)</u>	<u>-</u>	<u>(6,418)</u>
Total fund balance (deficit)	<u>(6,418)</u>	<u>5,728</u>	<u>(690)</u>
Total liabilities, deferred inflows of resources, and fund balance (deficit)	<u>\$ 16,418</u>	<u>\$ 6,025</u>	<u>\$ 22,443</u>

**VILLAGE OF PARK FOREST**  
**NONMAJOR GOVERNMENTAL FUNDS**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE		
	COOK COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT	FOREIGN FIRE INSURANCE	TOTAL
<b>Revenues</b>			
Other taxes	\$ -	\$ 12,848	\$ 12,848
Intergovernmental	<u>111,812</u>	<u>-</u>	<u>111,812</u>
Total revenues	<u>111,812</u>	<u>12,848</u>	<u>124,660</u>
<b>Expenditures</b>			
Current			
Fire and emergency	-	13,082	13,082
Capital outlay	<u>118,230</u>	<u>-</u>	<u>118,230</u>
Total expenditures	<u>118,230</u>	<u>13,082</u>	<u>131,312</u>
Net change in fund balance	(6,418)	(234)	(6,652)
Fund balance, beginning of year	<u>-</u>	<u>5,962</u>	<u>5,962</u>
Fund balance (deficit), end of year	<u>\$ (6,418)</u>	<u>\$ 5,728</u>	<u>\$ (690)</u>

**VILLAGE OF PARK FOREST**  
**COOK COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT FUND - NONMAJOR SPECIAL REVENUE FUND**  
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2014  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
<b>Intergovernmental</b>				
Intergovernmental	\$ -	\$ 117,000	\$ 111,812	\$ 2,055,265
Total revenue	<u>-</u>	<u>117,000</u>	<u>111,812</u>	<u>2,055,265</u>
<b>Expenditures</b>				
Capital outlay	<u>-</u>	<u>117,000</u>	<u>118,230</u>	<u>2,055,266</u>
Total expenditures	<u>-</u>	<u>117,000</u>	<u>118,230</u>	<u>2,055,266</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(6,418)	(1)
Fund balance, beginning of year			<u>-</u>	<u>1</u>
Fund balance (deficit), end of year			<u>\$ (6,418)</u>	<u>\$ -</u>

**VILLAGE OF PARK FOREST**  
**FOREIGN FIRE INSURANCE FUND - NONMAJOR SPECIAL REVENUE FUND**  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
<b>Other taxes</b>				
Foreign fire insurance tax	\$ <u>17,000</u>	\$ <u>17,000</u>	\$ <u>12,848</u>	\$ <u>15,822</u>
Total revenue	<u>17,000</u>	<u>17,000</u>	<u>12,848</u>	<u>15,822</u>
<b>Expenditures</b>				
Current				
Fire and emergency	<u>17,000</u>	<u>17,000</u>	<u>13,082</u>	<u>16,456</u>
Total expenditures	<u>17,000</u>	<u>17,000</u>	<u>13,082</u>	<u>16,456</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	(234)	(634)
Fund balance, beginning of year			<u>5,962</u>	<u>6,596</u>
Fund balance, end of year			<u>\$ 5,728</u>	<u>\$ 5,962</u>

**VILLAGE OF PARK FOREST**

**DEBT SERVICE FUND - MAJOR DEBT SERVICE**

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

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
Property taxes	\$ 216,450	\$ 216,450	\$ 213,804	\$ 242,702
Investment income	<u>400</u>	<u>400</u>	<u>63</u>	<u>307</u>
Total revenue	<u>216,850</u>	<u>216,850</u>	<u>213,867</u>	<u>243,009</u>
<b>Expenditures</b>				
Debt Service				
Principal repayment	145,000	145,000	145,000	2,783,451
Interest and fiscal charges	<u>70,363</u>	<u>70,363</u>	<u>70,428</u>	<u>163,864</u>
Total debt service	<u>215,363</u>	<u>215,363</u>	<u>215,428</u>	<u>2,947,315</u>
Total expenditures	<u>215,363</u>	<u>215,363</u>	<u>215,428</u>	<u>2,947,315</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,487</u>	<u>1,487</u>	<u>(1,561)</u>	<u>(2,704,306)</u>
<b>Other financing sources</b>				
Proceeds on bonds sold	-	-	-	2,595,000
Premium on bonds sold	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,120</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,657,120</u>
Net change in fund balance	\$ <u>1,487</u>	\$ <u>1,487</u>	(1,561)	(47,186)
Fund balance, beginning of year			<u>353,470</u>	<u>400,656</u>
Fund balance, end of year			\$ <u>351,909</u>	\$ <u>353,470</u>

## VILLAGE OF PARK FOREST

### CAPITAL PROJECTS FUND - MAJOR CAPITAL PROJECT FUND

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

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Revenue</b>				
Contributions	\$ -	\$ -	\$ -	\$ 25
Other	<u>-</u>	<u>5,000</u>	<u>75,372</u>	<u>224</u>
Total revenue	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 75,372</u>	<u>\$ 249</u>
<b>Expenditures</b>				
Economic development				
Professional services	45,000	45,000	74,431	31,278
Repairs and maintenance	50,000	50,000	23,895	17,227
Utilities	1,000	1,000	271	1,000
Capital outlay	30,000	30,000	-	-
General government				
Employee support	5,450	5,450	2,297	895
Professional services	40,500	40,500	22,541	1,936
Repairs and maintenance	300,612	822,812	38,499	18,281
Miscellaneous	20,700	20,700	2,852	1,430
Capital outlay	91,200	91,200	3,225	14,940
Recreation and parks				
Professional services	-	-	-	85,549
Capital outlay	<u>141,714</u>	<u>141,714</u>	<u>10,504</u>	<u>12,184</u>
Total expenditures	<u>726,176</u>	<u>1,248,376</u>	<u>178,515</u>	<u>184,720</u>
(Deficiency) of revenues (under) expenditures	<u>(726,176)</u>	<u>(1,243,376)</u>	<u>(103,143)</u>	<u>(184,471)</u>
<b>Other financing sources</b>				
Transfers in	<u>100,000</u>	<u>655,527</u>	<u>655,527</u>	<u>140,000</u>
Total other financing sources	<u>100,000</u>	<u>655,527</u>	<u>655,527</u>	<u>140,000</u>
Net change in fund balance	<u>\$ (626,176)</u>	<u>\$ (587,849)</u>	552,384	(44,471)
Fund balance, beginning of year			<u>792,874</u>	<u>837,345</u>
Fund balance, end of year			<u>\$ 1,345,258</u>	<u>\$ 792,874</u>

**VILLAGE OF PARK FOREST**  
**NONMAJOR PROPRIETARY FUNDS**  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2014

	REFUSE	MUNICIPAL PARKING LOT	AQUA CENTER
<b>Assets</b>			
<u>Current assets</u>			
Cash and investments	\$ 227,416	\$ 113,217	\$ 299,437
Receivables - (net of allowances for uncollectibles)			
Property taxes	-	-	24,999
Accounts	<u>117,212</u>	<u>-</u>	<u>3,072</u>
Total current assets	<u>344,628</u>	<u>113,217</u>	<u>327,508</u>
<u>Noncurrent assets</u>			
<u>Capital assets</u>			
Capital assets not being depreciated	-	156,825	25,925
Capital assets being depreciated	-	2,226,992	2,111,625
Less accumulated depreciation	<u>-</u>	<u>(1,739,118)</u>	<u>(1,165,726)</u>
Total noncurrent assets	<u>-</u>	<u>644,699</u>	<u>971,824</u>
Total assets	<u>344,628</u>	<u>757,916</u>	<u>1,299,332</u>
<b>Deferred outflows of resources</b>			
Deferred charge on refunding	<u>-</u>	<u>-</u>	<u>5,030</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>5,030</u>
<b>Liabilities</b>			
<u>Current liabilities</u>			
Accounts payable	87,177	2,367	25,953
Accrued payroll	580	1,125	17,206
Unearned for other	-	-	67,880
General obligation bonds	<u>-</u>	<u>-</u>	<u>36,116</u>
Total current liabilities	<u>87,757</u>	<u>3,492</u>	<u>147,155</u>
<u>Noncurrent liabilities</u>			
General obligation bonds	<u>-</u>	<u>-</u>	<u>114,634</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>114,634</u>
Total liabilities	<u>87,757</u>	<u>3,492</u>	<u>261,789</u>
<b>Net position</b>			
Net investment in capital assets	-	644,699	826,104
Unrestricted	<u>256,871</u>	<u>109,725</u>	<u>216,469</u>
Total net position	<u>\$ 256,871</u>	<u>\$ 754,424</u>	<u>\$ 1,042,573</u>

TENNIS AND HEALTH CLUB	TOTAL
\$ 31,972	\$ 672,042
-	24,999
<u>400</u>	<u>120,684</u>
<u>32,372</u>	<u>817,725</u>
50,570	233,320
1,221,644	5,560,261
<u>(1,173,022)</u>	<u>(4,077,866)</u>
<u>99,192</u>	<u>1,715,715</u>
<u>131,564</u>	<u>2,533,440</u>
-	<u>5,030</u>
-	<u>5,030</u>
3,380	118,877
3,096	22,007
9,242	77,122
<u>-</u>	<u>36,116</u>
<u>15,718</u>	<u>254,122</u>
-	<u>114,634</u>
-	<u>114,634</u>
<u>15,718</u>	<u>368,756</u>
99,192	1,569,995
<u>16,654</u>	<u>599,719</u>
<u>\$ 115,846</u>	<u>\$ 2,169,714</u>

**VILLAGE OF PARK FOREST**  
**NONMAJOR PROPRIETARY FUNDS**  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2014

	REFUSE	MUNICIPAL PARKING LOT	AQUA CENTER	TENNIS AND HEALTH CLUB
<b>Operating revenues</b>				
Charges for services	\$ <u>1,261,565</u>	\$ <u>98,599</u>	\$ <u>152,895</u>	\$ <u>249,501</u>
Total operating revenues	<u>1,261,565</u>	<u>98,599</u>	<u>152,895</u>	<u>249,501</u>
<b>Operating expenses</b>				
Operations	1,131,839	154,056	364,677	343,597
Depreciation	<u>-</u>	<u>40,603</u>	<u>59,970</u>	<u>2,990</u>
Total operating expenses	<u>1,131,839</u>	<u>194,659</u>	<u>424,647</u>	<u>346,587</u>
Operating income (loss)	<u>129,726</u>	<u>(96,060)</u>	<u>(271,752)</u>	<u>(97,086)</u>
<b>Nonoperating revenues (expenses)</b>				
Property tax	-	-	39,679	-
Interest income	30	5	43	5
Interest expense	<u>-</u>	<u>-</u>	<u>(7,312)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>30</u>	<u>5</u>	<u>32,410</u>	<u>5</u>
Income (loss) before contributions and transfers	<u>129,756</u>	<u>(96,055)</u>	<u>(239,342)</u>	<u>(97,081)</u>
<b>Contributions and transfers</b>				
Capital contributions	-	-	1,577	-
Transfers in	-	-	200,000	100,000
Transfers out	<u>(103,616)</u>	<u>(12,775)</u>	<u>(17,640)</u>	<u>(20,000)</u>
Total contributions and transfers	<u>(103,616)</u>	<u>(12,775)</u>	<u>183,937</u>	<u>80,000</u>
Change in net position	26,140	(108,830)	(55,405)	(17,081)
Net position, beginning of year	<u>230,731</u>	<u>863,254</u>	<u>1,097,978</u>	<u>132,927</u>
Net position, end of year	<u>\$ 256,871</u>	<u>\$ 754,424</u>	<u>\$ 1,042,573</u>	<u>\$ 115,846</u>



**VILLAGE OF PARK FOREST**  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2014

	REFUSE	MUNICIPAL PARKING LOT	AQUA CENTER
<b>Cash flows from operating activities</b>			
Receipts from customers and users	\$ 1,301,901	\$ 98,599	\$ 154,222
Payments to employees	(23,100)	(84,451)	(179,779)
Payments to suppliers	<u>(1,111,458)</u>	<u>(68,864)</u>	<u>(192,763)</u>
Net cash provided (used) by operating activities	<u>167,343</u>	<u>(54,716)</u>	<u>(218,320)</u>
<b>Cash flows from non-capital financing activities</b>			
Net transfers in (out)	(103,616)	(12,775)	182,360
Property taxes	<u>-</u>	<u>-</u>	<u>39,679</u>
Net cash provided (used) by non-capital financing activities	<u>(103,616)</u>	<u>(12,775)</u>	<u>222,039</u>
<b>Cash flows from capital and related financing activities</b>			
Financing activities			
Receipt of capital grant	-	-	1,577
Principal paid on debt	-	-	(34,540)
Interest paid on debt	<u>-</u>	<u>-</u>	<u>(6,054)</u>
Net cash (used) for capital and related financing activities	<u>-</u>	<u>-</u>	<u>(39,017)</u>
<b>Cash flows from investing activities</b>			
Investment income received	<u>30</u>	<u>5</u>	<u>43</u>
Net cash provided by investing activities	<u>30</u>	<u>5</u>	<u>43</u>
Net change in cash and cash equivalents	63,757	(67,486)	(35,255)
Cash and cash equivalents, beginning of year	<u>163,659</u>	<u>180,703</u>	<u>334,692</u>
Cash and cash equivalents, end of year	<u>\$ 227,416</u>	<u>\$ 113,217</u>	<u>\$ 299,437</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income (loss)	<u>\$ 129,726</u>	<u>\$ (96,060)</u>	<u>\$ (271,752)</u>
Adjustment to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization expense	-	40,603	59,970
(Increase) decrease in current assets	40,336	-	(4,802)
Increase (decrease) in current liabilities	<u>(2,719)</u>	<u>741</u>	<u>(1,736)</u>
Total adjustments	<u>37,617</u>	<u>41,344</u>	<u>53,432</u>
Net cash provided (used) by operating activities	<u>\$ 167,343</u>	<u>\$ (54,716)</u>	<u>\$ (218,320)</u>

TENNIS AND HEALTH CLUB		TOTAL
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\$ 249,051	\$ 1,803,773
(178,830)	(466,160)
<u>(162,395)</u>	<u>(1,535,480)</u>
<u>(92,174)</u>	<u>(197,867)</u>

80,000	145,969
-	<u>39,679</u>
<u>80,000</u>	<u>185,648</u>

-	1,577
-	(34,540)
-	<u>(6,054)</u>
-	<u>(39,017)</u>

<u>5</u>	<u>83</u>
<u>5</u>	<u>83</u>

(12,169)	(51,153)
<u>44,141</u>	<u>723,195</u>
<u>\$ 31,972</u>	<u>\$ 672,042</u>

<u>\$ (97,086)</u>	<u>\$ (335,172)</u>
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2,990	103,563
(400)	35,134
<u>2,322</u>	<u>(1,392)</u>
<u>4,912</u>	<u>137,305</u>

<u>\$ (92,174)</u>	<u>\$ (197,867)</u>
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**VILLAGE OF PARK FOREST**  
**WATER FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
Water sales	\$ 6,140,430	\$ 6,140,430	\$ 5,798,675	\$ 5,070,177
Other charges	<u>393,500</u>	<u>393,500</u>	<u>473,369</u>	<u>400,557</u>
Total operating revenues	<u>6,533,930</u>	<u>6,533,930</u>	<u>6,272,044</u>	<u>5,470,734</u>
<b>Operating expenses</b>				
Administration				
General support				
Salaries and wages	519,944	519,944	435,588	510,297
Employee support	109,322	109,322	92,564	119,783
Insurance	386,207	386,207	249,460	282,174
Professional services	97,998	97,998	77,664	54,805
Maintenance	2,100	2,100	(9,584)	1,525
Operating supplies	6,400	6,400	4,614	5,116
Utilities	1,792	1,792	1,774	1,463
Miscellaneous	26,700	26,700	40,541	22,298
Leases and rentals	1,580	1,580	1,601	1,580
Capital maintenance	<u>6,800</u>	<u>6,800</u>	<u>2,441</u>	<u>1,189</u>
Total administration	<u>1,158,843</u>	<u>1,158,843</u>	<u>896,663</u>	<u>1,000,230</u>
Operations				
Water purification				
Salaries and wages	464,455	464,455	472,206	442,788
Employee support	94,656	94,656	117,521	86,256
Professional services	10,500	10,500	12,367	16,107
Maintenance	326,500	326,500	316,781	194,016
Operating supplies	606,500	606,500	618,983	609,137
Utilities	208,000	208,000	145,608	173,620
Leases and rentals	8,500	8,500	5,523	766
Capital maintenance	<u>156,000</u>	<u>156,000</u>	<u>27,430</u>	<u>62,679</u>
Total water purification	<u>1,875,111</u>	<u>1,875,111</u>	<u>1,716,419</u>	<u>1,585,369</u>
Distribution to customers				
Salaries and wages	284,282	284,282	374,141	312,177
Employee support	57,937	57,937	74,914	59,860
Maintenance	365,000	365,000	148,294	235,064
Operating supplies	36,000	36,000	23,757	36,487
Leases and rentals	92,483	92,483	92,582	88,508
Capital maintenance	<u>85,000</u>	<u>85,000</u>	<u>290</u>	<u>1,936</u>
Total distribution to customers	<u>920,702</u>	<u>920,702</u>	<u>713,978</u>	<u>734,032</u>
Total operations	<u>2,795,813</u>	<u>2,795,813</u>	<u>2,430,397</u>	<u>2,319,401</u>

**VILLAGE OF PARK FOREST  
WATER FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Depreciation				
Depreciation	\$ <u>769,298</u>	\$ <u>769,298</u>	\$ <u>699,722</u>	\$ <u>701,831</u>
Total depreciation	<u>769,298</u>	<u>769,298</u>	<u>699,722</u>	<u>701,831</u>
Total operating expenses	<u>4,723,954</u>	<u>4,723,954</u>	<u>4,026,782</u>	<u>4,021,462</u>
Operating income	<u>1,809,976</u>	<u>1,809,976</u>	<u>2,245,262</u>	<u>1,449,272</u>
<b>Non operating revenues (expenses)</b>				
Interest income	-	-	103	345
Interest expense	<u>(404,982)</u>	<u>(404,982)</u>	<u>(347,745)</u>	<u>(346,247)</u>
Total non operating revenues (expenses)	<u>(404,982)</u>	<u>(404,982)</u>	<u>(347,642)</u>	<u>(345,902)</u>
Income before transfers	<u>1,404,994</u>	<u>1,404,994</u>	<u>1,897,620</u>	<u>1,103,370</u>
<b>Transfers</b>				
Transfers out	<u>(605,662)</u>	<u>(605,662)</u>	<u>(605,662)</u>	<u>(582,301)</u>
Total transfers	<u>(605,662)</u>	<u>(605,662)</u>	<u>(605,662)</u>	<u>(582,301)</u>
Change in net position	\$ <u><u>799,332</u></u>	\$ <u><u>799,332</u></u>	1,291,958	521,069
Net position, beginning of year			<u>12,201,859</u>	<u>11,680,790</u>
Net position, end of year			\$ <u><u>13,493,817</u></u>	\$ <u><u>12,201,859</u></u>

**VILLAGE OF PARK FOREST**  
**SEWER FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
Sewer usage fees	\$ 1,356,100	\$ 1,356,100	\$ 1,275,492	\$ 1,326,513
Other charges	<u>4,000</u>	<u>4,000</u>	<u>3,710</u>	<u>4,600</u>
Total operating revenues	<u>1,360,100</u>	<u>1,360,100</u>	<u>1,279,202</u>	<u>1,331,113</u>
<b>Operating expenses</b>				
Sewerage				
Salaries and wages	288,252	288,252	185,523	208,978
Employee support	58,746	58,746	36,307	40,708
Insurance	102,821	102,821	57,765	64,900
Professional services	158,885	158,885	14,466	33,524
Maintenance	67,000	67,000	31,867	40,137
Operating supplies	3,500	3,500	1,219	1,672
Utilities	22,140	22,140	15,410	19,111
Miscellaneous	3,100	3,100	7,451	3,772
Leases and rentals	23,281	23,281	23,133	21,016
Capital maintenance	<u>25,000</u>	<u>25,000</u>	<u>5,912</u>	<u>3,500</u>
Total operating expenses	<u>752,725</u>	<u>752,725</u>	<u>379,053</u>	<u>437,318</u>
Depreciation	<u>128,884</u>	<u>128,884</u>	<u>112,356</u>	<u>100,407</u>
Total operating expenses	<u>881,609</u>	<u>881,609</u>	<u>491,409</u>	<u>537,725</u>
Operating income	<u>478,491</u>	<u>478,491</u>	<u>787,793</u>	<u>793,388</u>
<b>Non operating revenues (expenses)</b>				
Interest income	600	600	112	473
Other income	-	-	-	12
Interest expense	<u>(16,216)</u>	<u>(16,216)</u>	<u>(11,872)</u>	<u>(147)</u>
Total non operating revenues (expenses)	<u>(15,616)</u>	<u>(15,616)</u>	<u>(11,760)</u>	<u>338</u>
Income before transfers	<u>462,875</u>	<u>462,875</u>	<u>776,033</u>	<u>793,726</u>
<b>Contributions and transfers</b>				
Capital contributions	485,000	485,000	216,527	92,973
Transfers out	<u>(152,250)</u>	<u>(152,250)</u>	<u>(152,250)</u>	<u>(152,179)</u>
Total contributions and transfers	<u>332,750</u>	<u>332,750</u>	<u>64,277</u>	<u>(59,206)</u>
Change in net position	<u>\$ 795,625</u>	<u>\$ 795,625</u>	840,310	734,520
Net position, beginning of year			<u>6,029,407</u>	<u>5,294,887</u>
Net position, end of year			<u>\$ 6,869,717</u>	<u>\$ 6,029,407</u>

**VILLAGE OF PARK FOREST  
DOWNTOWN PARK FOREST FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
<b>Operating Revenues</b>				
<b>Charges for services</b>				
Rental income	\$ <u>572,200</u>	\$ <u>572,200</u>	\$ <u>563,345</u>	\$ <u>611,143</u>
Total operating revenues	<u>572,200</u>	<u>572,200</u>	<u>563,345</u>	<u>611,143</u>
<b>Operating expenses</b>				
Downtown				
Salaries and wages	165,794	165,794	142,849	133,380
Employee support	33,790	33,790	28,146	25,525
Insurance	53,595	53,595	51,936	51,126
Professional services	111,500	111,500	82,221	244,794
Maintenance	202,500	202,500	235,233	179,361
Operating supplies	23,100	23,100	25,138	24,932
Utilities	135,300	135,300	104,946	110,864
Miscellaneous	7,500	7,500	79,895	6,697
Leases and rentals	9,000	9,000	9,000	9,000
Capital outlay	<u>171,300</u>	<u>295,488</u>	<u>213,493</u>	<u>83,197</u>
Total operations	<u>913,379</u>	<u>1,037,567</u>	<u>972,857</u>	<u>868,876</u>
Depreciation	<u>125,838</u>	<u>125,838</u>	<u>96,563</u>	<u>102,929</u>
Total operating expenses	<u>1,039,217</u>	<u>1,163,405</u>	<u>1,069,420</u>	<u>971,805</u>
Operating loss	<u>(467,017)</u>	<u>(591,205)</u>	<u>(506,075)</u>	<u>(360,662)</u>
<b>Non operating revenues (expenses)</b>				
Interest income	600	600	172	514
Other income	13,000	13,000	18,283	14,705
Gain on asset disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,426</u>
Total non operating revenues (expenses)	<u>13,600</u>	<u>13,600</u>	<u>18,455</u>	<u>207,645</u>
Loss before contribution and transfers	<u>(453,417)</u>	<u>(577,605)</u>	<u>(487,620)</u>	<u>(153,017)</u>

**VILLAGE OF PARK FOREST  
DOWNTOWN PARK FOREST FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 Actual
	Original Budget	Final Budget	Actual	
<b>Contribution and transfers</b>				
Transfers in	<u>155,036</u>	<u>155,036</u>	<u>155,036</u>	<u>155,036</u>
Total contribution and transfers	<u>155,036</u>	<u>155,036</u>	<u>155,036</u>	<u>155,036</u>
Change in net position	\$ <u>(298,381)</u>	\$ <u>(422,569)</u>	(332,584)	2,019
Net position, beginning of year			<u>2,334,772</u>	<u>2,332,753</u>
Net position, end of year			<u>\$ 2,002,188</u>	<u>\$ 2,334,772</u>

**VILLAGE OF PARK FOREST  
REFUSE FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
Customer fees	\$ <u>1,272,797</u>	\$ <u>1,272,797</u>	\$ <u>1,261,565</u>	\$ <u>1,259,095</u>
Total operating revenues	<u>1,272,797</u>	<u>1,272,797</u>	<u>1,261,565</u>	<u>1,259,095</u>
<b>Operating expenses</b>				
Operations				
Refuse				
Salaries and wages	23,450	23,450	23,139	22,999
Employee support	4,779	4,779	4,688	4,459
Insurance	34,692	34,692	20,112	27,643
Professional services	1,130,632	1,130,632	1,070,875	1,081,399
Miscellaneous	<u>5,276</u>	<u>5,276</u>	<u>13,025</u>	<u>6,490</u>
Total operating expenses	<u>1,198,829</u>	<u>1,198,829</u>	<u>1,131,839</u>	<u>1,142,990</u>
Operating income	<u>73,968</u>	<u>73,968</u>	<u>129,726</u>	<u>116,105</u>
<b>Non operating revenues</b>				
Interest income	<u>100</u>	<u>100</u>	<u>30</u>	<u>152</u>
Total non operating revenues	<u>100</u>	<u>100</u>	<u>30</u>	<u>152</u>
Income before transfers	<u>74,068</u>	<u>74,068</u>	<u>129,756</u>	<u>116,257</u>
<b>Transfers</b>				
Transfers out	<u>(103,616)</u>	<u>(103,616)</u>	<u>(103,616)</u>	<u>(92,638)</u>
Total transfers	<u>(103,616)</u>	<u>(103,616)</u>	<u>(103,616)</u>	<u>(92,638)</u>
Change in net position	\$ <u>(29,548)</u>	\$ <u>(29,548)</u>	26,140	23,619
Net position, beginning of year			<u>230,731</u>	<u>207,112</u>
Net position, end of year			\$ <u>256,871</u>	\$ <u>230,731</u>

**VILLAGE OF PARK FOREST  
MUNICIPAL PARKING LOT FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
Parking fees	\$ <u>83,337</u>	\$ <u>83,337</u>	\$ <u>98,599</u>	\$ <u>96,288</u>
Total operating revenues	<u>83,337</u>	<u>83,337</u>	<u>98,599</u>	<u>96,288</u>
<b>Operating expenses</b>				
Operations				
Municipal parking lot				
Salaries and wages	83,084	83,084	83,925	82,287
Employee support	17,033	17,033	15,548	14,721
Insurance	12,342	12,342	9,813	11,135
Professional services	2,758	2,758	5,194	3,534
Maintenance	36,160	36,160	17,243	11,709
Operating supplies	2,200	2,200	2,354	2,373
Utilities	7,000	7,000	10,079	7,671
Leases and rentals	<u>9,900</u>	<u>9,900</u>	<u>9,900</u>	<u>8,992</u>
Total municipal parking lot	<u>170,477</u>	<u>170,477</u>	<u>154,056</u>	<u>142,422</u>
Depreciation	<u>40,900</u>	<u>40,900</u>	<u>40,603</u>	<u>39,251</u>
Total operating expenses	<u>211,377</u>	<u>211,377</u>	<u>194,659</u>	<u>181,673</u>
Operating loss	<u>(128,040)</u>	<u>(128,040)</u>	<u>(96,060)</u>	<u>(85,385)</u>
<b>Non operating revenues</b>				
Interest income	<u>30</u>	<u>30</u>	<u>5</u>	<u>25</u>
Total non operating revenues	<u>30</u>	<u>30</u>	<u>5</u>	<u>25</u>
Loss before contribution and transfers	<u>(128,010)</u>	<u>(128,010)</u>	<u>(96,055)</u>	<u>(85,360)</u>
<b>Contribution and transfers</b>				
Transfers out	<u>(12,775)</u>	<u>(12,775)</u>	<u>(12,775)</u>	<u>(15,901)</u>
Total contribution and transfers	<u>(12,775)</u>	<u>(12,775)</u>	<u>(12,775)</u>	<u>(15,901)</u>
Change in net position	\$ <u>(140,785)</u>	\$ <u>(140,785)</u>	(108,830)	(101,261)
Net position, beginning of year			<u>863,254</u>	<u>964,515</u>
Net position, end of year			\$ <u>754,424</u>	\$ <u>863,254</u>

**VILLAGE OF PARK FOREST**  
**AQUA CENTER FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
Aqua center fees	\$ 191,500	\$ 191,500	\$ 151,099	\$ 178,414
Merchandise sales	3,500	3,500	1,720	224
Food/Beverage	<u>-</u>	<u>-</u>	<u>76</u>	<u>(42)</u>
Total operating revenues	<u>195,000</u>	<u>195,000</u>	<u>152,895</u>	<u>178,596</u>
<b>Operating expenses</b>				
Operations				
Pool				
Salaries and wages	178,591	178,591	185,367	155,316
Employee support	17,482	17,482	22,706	19,183
Insurance	5,394	5,394	2,610	4,287
Professional services	6,309	6,309	6,084	6,654
Maintenance	6,400	6,400	3,640	5,554
Operating supplies	27,000	27,000	52,945	29,275
Utilities	51,000	51,000	59,249	61,046
Miscellaneous	2,000	2,000	2,509	1,992
Leases and rentals	905	905	905	888
Capital maintenance	<u>20,000</u>	<u>20,000</u>	<u>28,662</u>	<u>31,418</u>
Total pool	<u>315,081</u>	<u>315,081</u>	<u>364,677</u>	<u>315,613</u>
Depreciation	<u>59,970</u>	<u>59,970</u>	<u>59,970</u>	<u>59,970</u>
Total operating expenses	<u>375,051</u>	<u>375,051</u>	<u>424,647</u>	<u>375,583</u>
Operating loss	<u>(180,051)</u>	<u>(180,051)</u>	<u>(271,752)</u>	<u>(196,987)</u>
<b>Non operating revenues (expenses)</b>				
Property tax	41,178	41,178	39,679	46,488
Interest income	-	-	43	187
Interest expense	<u>(6,055)</u>	<u>(6,055)</u>	<u>(7,312)</u>	<u>(8,432)</u>
Total non operating revenues (expenses)	<u>35,123</u>	<u>35,123</u>	<u>32,410</u>	<u>38,243</u>
Loss before contributions and transfers	<u>(144,928)</u>	<u>(144,928)</u>	<u>(239,342)</u>	<u>(158,744)</u>
<b>Contribution and transfers</b>				
Capital contributions	-	-	1,577	-
Transfers in	200,000	200,000	200,000	180,000
Transfers out	<u>(17,640)</u>	<u>(17,640)</u>	<u>(17,640)</u>	<u>(17,640)</u>
Total contribution and transfers	<u>182,360</u>	<u>182,360</u>	<u>183,937</u>	<u>162,360</u>
Change in net position	<u>\$ 37,432</u>	<u>\$ 37,432</u>	(55,405)	3,616
Net position, beginning of year			<u>1,097,978</u>	<u>1,094,362</u>
Net position, end of year			<u>\$ 1,042,573</u>	<u>\$ 1,097,978</u>

**VILLAGE OF PARK FOREST  
TENNIS AND HEALTH CLUB FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
Tennis club fees	\$ 225,100	\$ 225,100	\$ 214,869	\$ 214,216
Merchandise sales	<u>38,000</u>	<u>38,000</u>	<u>34,632</u>	<u>37,934</u>
Total operating revenues	<u>263,100</u>	<u>263,100</u>	<u>249,501</u>	<u>252,150</u>
<b>Operating expenses</b>				
Operations				
Tennis club				
Salaries and wages	194,082	194,082	179,501	185,855
Employee support	37,214	37,214	35,302	34,039
Insurance	5,883	5,883	3,685	4,675
Professional services	5,137	5,137	9,585	6,283
Maintenance	3,750	3,750	3,932	2,596
Operating supplies	45,000	45,000	44,717	48,339
Utilities	43,000	43,000	36,126	30,654
Miscellaneous	900	900	900	974
Leases and rentals	1,304	1,304	1,304	1,278
Capital maintenance	<u>30,000</u>	<u>30,000</u>	<u>28,545</u>	<u>-</u>
Total tennis club	<u>366,270</u>	<u>366,270</u>	<u>343,597</u>	<u>314,693</u>
Depreciation	<u>2,990</u>	<u>2,990</u>	<u>2,990</u>	<u>2,990</u>
Total operating expenses	<u>369,260</u>	<u>369,260</u>	<u>346,587</u>	<u>317,683</u>
Operating loss	<u>(106,160)</u>	<u>(106,160)</u>	<u>(97,086)</u>	<u>(65,533)</u>
<b>Non operating revenues</b>				
Interest income	<u>-</u>	<u>-</u>	<u>5</u>	<u>9</u>
Total non operating revenues	<u>-</u>	<u>-</u>	<u>5</u>	<u>9</u>
Loss before transfers	<u>(106,160)</u>	<u>(106,160)</u>	<u>(97,081)</u>	<u>(65,524)</u>
<b>Transfers</b>				
Transfers in	100,000	100,000	100,000	115,000
Transfers out	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>
Total transfers	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>95,000</u>
Change in net position	\$ <u>(26,160)</u>	\$ <u>(26,160)</u>	(17,081)	29,476
Net position, beginning of year			<u>132,927</u>	<u>103,451</u>
Net position, end of year			\$ <u>115,846</u>	\$ <u>132,927</u>

**VILLAGE OF PARK FOREST**  
**VEHICLE SERVICES INTERNAL SERVICE FUND**  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Operating revenues</b>				
<b>Charges for services</b>				
General government	\$ 7,283	\$ 7,283	\$ 7,283	\$ 7,140
Law enforcement	261,307	261,307	261,307	256,183
Fire/ emergency	194,666	194,666	194,666	185,533
Recreation and parks	79,818	79,818	79,818	78,547
Streets and transportation	116,066	116,066	189,610	144,364
Water and sewer	121,094	121,094	121,094	109,986
Community Development	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>7,000</u>
Total operating revenues	<u>788,234</u>	<u>788,234</u>	<u>861,778</u>	<u>788,753</u>
<b>Operating expenses</b>				
Operations				
General government				
Maintenance	800	800	1,560	51
Operating supplies	2,100	2,100	2,784	2,047
Capital outlay	<u>100</u>	<u>100</u>	<u>101</u>	<u>101</u>
Total general government	<u>3,000</u>	<u>3,000</u>	<u>4,445</u>	<u>2,199</u>
Law enforcement				
Maintenance	65,307	65,307	55,729	48,818
Operating supplies	100,000	100,000	101,018	103,864
Capital outlay	<u>1,700</u>	<u>1,700</u>	<u>1,105</u>	<u>1,457</u>
Total law enforcement	<u>167,007</u>	<u>167,007</u>	<u>157,852</u>	<u>154,139</u>
Fire/ emergency				
Salaries and wages	22,297	22,297	14,451	13,499
Maintenance	27,500	27,500	37,965	29,767
Operating supplies	31,000	31,000	34,621	30,549
Capital outlay	<u>-</u>	<u>-</u>	<u>18,724</u>	<u>-</u>
Total fire/ emergency	<u>80,797</u>	<u>80,797</u>	<u>105,761</u>	<u>73,815</u>
Recreation and parks				
Salaries and wages	21,771	21,771	21,920	22,946
Maintenance	10,000	10,000	15,446	9,516
Operating supplies	24,000	24,000	30,333	24,184
Capital outlay	<u>-</u>	<u>-</u>	<u>155</u>	<u>5,557</u>
Total recreation and parks	<u>55,771</u>	<u>55,771</u>	<u>67,854</u>	<u>62,203</u>
Public works				
Salaries and wages	31,125	31,125	43,686	35,655
Maintenance	65,000	65,000	66,628	40,557
Operating supplies	110,500	110,500	117,152	110,224
Capital outlay	<u>-</u>	<u>-</u>	<u>310</u>	<u>140</u>
Total public works	<u>206,625</u>	<u>206,625</u>	<u>227,776</u>	<u>186,576</u>

**VILLAGE OF PARK FOREST**  
**VEHICLE SERVICES INTERNAL SERVICE FUND**  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Community development				
Maintenance	\$ 4,600	\$ 4,600	\$ 4,313	\$ 7,930
Operating Supplies	<u>3,400</u>	<u>3,400</u>	<u>4,345</u>	<u>3,815</u>
Total community development	<u>8,000</u>	<u>8,000</u>	<u>8,658</u>	<u>11,745</u>
Depreciation	<u>391,258</u>	<u>391,258</u>	<u>355,996</u>	<u>336,237</u>
Total operations	<u>912,458</u>	<u>912,458</u>	<u>928,342</u>	<u>826,914</u>
Total operating expenses	<u>912,458</u>	<u>912,458</u>	<u>928,342</u>	<u>826,914</u>
Operating loss	<u>(124,224)</u>	<u>(124,224)</u>	<u>(66,564)</u>	<u>(38,161)</u>
<b>Non operating revenues</b>				
Contributions	-	-	20,506	28,032
Interest income	800	800	227	1,188
Other income	2,500	2,500	9,681	8,347
Gain on asset disposal	<u>-</u>	<u>-</u>	<u>32,084</u>	<u>3,330</u>
Total non operating revenues	<u>3,300</u>	<u>3,300</u>	<u>62,498</u>	<u>40,897</u>
Change in net position	<u>\$ (120,924)</u>	<u>\$ (120,924)</u>	(4,066)	2,736
Net position, beginning of year			<u>2,581,158</u>	<u>2,578,422</u>
Net position, end of year			<u>\$ 2,577,092</u>	<u>\$ 2,581,158</u>

**VILLAGE OF PARK FOREST**  
**PENSION TRUST FUNDS**  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2014

	POLICE PENSION	FIREFIGHTERS' PENSION	TOTAL
<b>Assets</b>			
Cash	\$ 2	\$ 67,573	\$ 67,575
Investments			
Certificates of deposit	422,323	-	422,323
Money markets	1,749,992	829,969	2,579,961
U.S. government and agency obligations	3,616,111	2,319,834	5,935,945
State and local obligations	2,370,313	451,616	2,821,929
Bonds	3,069,737	2,090,544	5,160,281
Mutual funds	8,050,974	5,437,421	13,488,395
Receivables			
Accrued interest	73,667	35,033	108,700
Due from other governments	<u>-</u>	<u>47,440</u>	<u>47,440</u>
Total assets	<u>19,353,119</u>	<u>11,279,430</u>	<u>30,632,549</u>
<b>Liabilities</b>			
Accounts payable	128,845	4,818	133,663
Due to other governments	<u>24,789</u>	<u>-</u>	<u>24,789</u>
Total liabilities	<u>153,634</u>	<u>4,818</u>	<u>158,452</u>
<b>Net position</b>			
Held in trust for pension benefits	<u>\$ 19,199,485</u>	<u>\$ 11,274,612</u>	<u>\$ 30,474,097</u>

**VILLAGE OF PARK FOREST**  
**PENSION TRUST FUNDS**  
COMBINING STATEMENT OF CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2014

	POLICE PENSION	FIREFIGHTERS' PENSION	TOTAL
<b>Additions</b>			
Contributions			
Employer	\$ 1,119,655	\$ 718,145	\$ 1,837,800
Plan members	315,600	189,426	505,026
Other	<u>4,511</u>	<u>-</u>	<u>4,511</u>
Total contributions	<u>1,439,766</u>	<u>907,571</u>	<u>2,347,337</u>
Investment income			
Interest	509,164	336,325	845,489
Net appreciation in fair value of investments	<u>1,064,521</u>	<u>651,370</u>	<u>1,715,891</u>
Total investment income	1,573,685	987,695	2,561,380
Less investment expenses	<u>45,050</u>	<u>35,673</u>	<u>80,723</u>
Net investment income	<u>1,528,635</u>	<u>952,022</u>	<u>2,480,657</u>
Total additions	<u>2,968,401</u>	<u>1,859,593</u>	<u>4,827,994</u>
<b>Deductions</b>			
Administration	34,846	23,738	58,584
Benefits	<u>2,097,951</u>	<u>954,041</u>	<u>3,051,992</u>
Total deductions	<u>2,132,797</u>	<u>977,779</u>	<u>3,110,576</u>
Net change in net position	835,604	881,814	1,717,418
Net position, beginning of year	<u>18,363,881</u>	<u>10,392,798</u>	<u>28,756,679</u>
Net position, end of year	<u>\$ 19,199,485</u>	<u>\$ 11,274,612</u>	<u>\$ 30,474,097</u>

**VILLAGE OF PARK FOREST  
POLICE PENSION FUND**

SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Additions</b>				
Contributions				
Employer	\$ 1,115,207	\$ 1,115,207	\$ 1,119,655	\$ 1,006,494
Plan members	338,350	338,350	315,600	301,970
Other	<u>-</u>	<u>-</u>	<u>4,511</u>	<u>30,267</u>
Total contributions	<u>1,453,557</u>	<u>1,453,557</u>	<u>1,439,766</u>	<u>1,338,731</u>
Investment Income				
Interest	230,000	230,000	509,164	420,649
Net appreciation in fair value of investments	<u>920,000</u>	<u>920,000</u>	<u>1,064,521</u>	<u>67,129</u>
Total investment income	1,150,000	1,150,000	1,573,685	487,778
Less investment expenses	<u>-</u>	<u>-</u>	<u>45,050</u>	<u>35,081</u>
Net investment income	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,528,635</u>	<u>452,697</u>
Total additions	<u>2,603,557</u>	<u>2,603,557</u>	<u>2,968,401</u>	<u>1,791,428</u>
<b>Deductions</b>				
Administration	66,275	66,275	34,846	38,929
Benefits	<u>1,850,000</u>	<u>1,850,000</u>	<u>2,097,951</u>	<u>1,752,182</u>
Total deductions	<u>1,916,275</u>	<u>1,916,275</u>	<u>2,132,797</u>	<u>1,791,111</u>
Change in net position	\$ <u>687,282</u>	\$ <u>687,282</u>	835,604	317
Net position, beginning of year			<u>18,363,881</u>	<u>18,363,564</u>
Net position, end of year			\$ <u>19,199,485</u>	\$ <u>18,363,881</u>

**VILLAGE OF PARK FOREST**  
**FIREFIIGHTERS' PENSION FUND**  
SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>Additions</b>				
Contributions				
Employer	\$ 725,318	\$ 725,318	\$ 718,145	\$ 652,523
Plan members	<u>192,972</u>	<u>192,972</u>	<u>189,426</u>	<u>186,270</u>
Total contributions	<u>918,290</u>	<u>918,290</u>	<u>907,571</u>	<u>838,793</u>
Investment Income				
Interest	90,000	90,000	336,325	319,716
Net appreciation in fair value of investments	<u>281,000</u>	<u>281,000</u>	<u>651,370</u>	<u>42,459</u>
Total investment income	371,000	371,000	987,695	362,175
Less investment expenses	<u>-</u>	<u>-</u>	<u>35,673</u>	<u>26,228</u>
Net investment income	<u>371,000</u>	<u>371,000</u>	<u>952,022</u>	<u>335,947</u>
Total additions	<u>1,289,290</u>	<u>1,289,290</u>	<u>1,859,593</u>	<u>1,174,740</u>
<b>Deductions</b>				
Administration	76,275	76,275	23,738	27,824
Benefits	<u>960,000</u>	<u>960,000</u>	<u>954,041</u>	<u>940,080</u>
Total deductions	<u>1,036,275</u>	<u>1,036,275</u>	<u>977,779</u>	<u>967,904</u>
Change in net position	<u>\$ 253,015</u>	<u>\$ 253,015</u>	881,814	206,836
Net position, beginning of year			<u>10,392,798</u>	<u>10,185,962</u>
Net position, end of year			<u>\$ 11,274,612</u>	<u>\$ 10,392,798</u>



**VILLAGE OF PARK FOREST**  
**DEBT SERVICE REQUIREMENTS**  
GENERAL OBLIGATION REFUNDING BOND SERIES 2008B  
AS OF JUNE 30, 2014

YEAR	REQUIREMENTS			JULY 1,	INTEREST DUE ON		AMOUNT
	PRINCIPAL	INTEREST	TOTALS		AMOUNT	JANUARY 1,	
2015	\$ 115,000	\$ 15,412	\$ 130,412	2014	\$ -	2015	\$ 8,712
2016	115,000	11,387	126,387	2015	6,700	2016	6,700
2017	125,000	7,031	132,031	2016	4,687	2017	4,687
2018	<u>125,000</u>	<u>2,344</u>	<u>127,344</u>	2017	<u>2,344</u>	2018	<u>2,344</u>
**	<u>\$ 480,000</u>	<u>\$ 36,174</u>	<u>\$ 516,174</u>		<u>\$ 13,731</u>		<u>\$ 22,443</u>

\*\* - Of this amount, \$329,255 is the Water Fund portion and \$150,745 is the Aqua Center Fund portion.

Date of Issue	September 16, 2008
Date of Maturity	January 1, 2018
Authorized Issue	\$ 930,000
Interest Rates	3.00% to 3.75%
Interest Dates	July 1 and January 1
Payable at	Bank of New York

**VILLAGE OF PARK FOREST**

**DEBT SERVICE REQUIREMENTS**

GENERAL OBLIGATION REFUNDING BOND SERIES 2008B - BY PORTION

AS OF JUNE 30, 2014

**WATER FUND PORTION**

YEAR	<u>REQUIREMENTS</u>			JULY 1,	<u>INTEREST DUE ON</u>		AMOUNT
	PRINCIPAL	INTEREST	TOTALS		AMOUNT	JANUARY 1,	
2015	\$ 78,884	\$ 10,572	\$ 89,456	2014	\$ -	2015	\$ 5,976
2016	78,884	7,811	86,695	2015	4,596	2016	4,596
2017	85,744	4,823	90,567	2016	3,215	2017	3,215
2018	<u>85,743</u>	<u>1,608</u>	<u>87,351</u>	2017	<u>1,608</u>	2018	<u>1,608</u>
	<u>\$ 329,255</u>	<u>\$ 24,814</u>	<u>\$ 354,069</u>		<u>\$ 9,419</u>		<u>\$ 15,395</u>

**AQUA FUND PORTION**

YEAR	<u>REQUIREMENTS</u>			JULY 1,	<u>INTEREST DUE ON</u>		AMOUNT
	PRINCIPAL	INTEREST	TOTALS		AMOUNT	JANUARY 1,	
2015	\$ 36,116	\$ 4,840	\$ 40,956	2014	\$ -	2015	\$ 2,736
2016	36,116	3,576	39,692	2015	2,104	2016	2,104
2017	39,256	2,208	41,464	2016	1,472	2017	1,472
2018	<u>39,257</u>	<u>736</u>	<u>39,993</u>	2017	<u>736</u>	2018	<u>736</u>
	<u>\$ 150,745</u>	<u>\$ 11,360</u>	<u>\$ 162,105</u>		<u>\$ 4,312</u>		<u>\$ 7,048</u>





**VILLAGE OF PARK FOREST**  
**DEBT SERVICE REQUIREMENTS**  
GENERAL OBLIGATION REFUNDING BOND SERIES 2013  
AS OF JUNE 30, 2014

YEAR	BONDS OUTSTANDING	INTEREST PAYABLE
2015	\$ 110,000	\$ 14,684
2016	115,000	12,600
2017	125,000	10,450
2018	135,000	8,053
2019	145,000	5,495
2020	<u>145,000</u>	<u>2,747</u>
	<u>\$ 775,000</u>	<u>\$ 54,029</u>

Date of Issue	December 12, 2013
Date of Maturity	January 15, 2020
Authorized Issue	\$ 875,000
Interest Rates	1.87%
Interest Dates	Monthly
Payable at	Bank of New York Trust Co

**VILLAGE OF PARK FOREST**  
**DEBT SERVICE REQUIREMENTS**  
 IEPA INSTALLMENT LOAN (L17-1860)  
 AS OF JUNE 30, 2014

YEAR	PRINCIPAL OUTSTANDING	INTEREST PAYABLE
2015	\$ 769,498	\$ 273,726
2016	788,856	254,368
2017	808,701	234,523
2018	829,044	214,179
2019	849,899	193,323
2020	871,280	171,944
2021	893,198	150,026
2022	915,668	127,186
2023	938,702	104,520
2024	962,317	80,906
2025	986,525	56,698
2026	1,011,342	31,881
2027	<u>515,172</u>	<u>6,440</u>
	<u>\$ 11,140,202</u>	<u>\$ 1,899,720</u>

Date of Issue	August 1, 2007
Date of Maturity	January 1, 2027
Authorized Issue	\$15,945,517
Interest Rates	2.50%
Payable at	Illinois Environmental Protection Agency

**VILLAGE OF PARK FOREST**  
**DEBT SERVICE REQUIREMENTS**  
 IEPA INSTALLMENT LOAN (L17-3142)  
 AS OF JUNE 30, 2014

YEAR	PRINCIPAL OUTSTANDING	INTEREST PAYABLE
2015	\$ 150,820	\$ 37,280
2016	152,712	35,388
2017	154,627	33,474
2018	156,566	31,535
2019	158,528	29,572
2020	160,516	27,584
2021	162,530	25,571
2022	164,567	23,533
2023	166,631	21,469
2024	168,720	19,380
2025	170,836	17,264
2026	172,978	15,123
2027	175,147	12,954
2028	177,343	10,758
2029	179,567	8,534
2030	181,818	6,282
2031	184,098	4,002
2032	<u>181,971</u>	<u>1,694</u>
	<u>\$ 3,019,975</u>	<u>\$ 361,397</u>

Date of Issue	November 27, 2012
Date of Maturity	April 27, 2032
Authorized Issue	\$3,246,191
Interest Rates	1.25%
Payable at	Illinois Environmental Protection Agency

**VILLAGE OF PARK FOREST**  
**DEBT SERVICE REQUIREMENTS**  
 IEPA INSTALLMENT LOAN (L17-0425)  
 AS OF JUNE 30, 2014

YEAR	PRINCIPAL OUTSTANDING	INTEREST PAYABLE
2015	\$ 44,342	\$ 11,322
2016	44,898	10,766
2017	45,461	10,204
2018	46,031	9,633
2019	46,609	9,057
2020	47,193	8,471
2021	47,785	7,880
2022	48,384	7,281
2023	48,991	6,674
2024	49,605	6,060
2025	50,227	5,438
2026	50,856	4,808
2027	51,494	4,170
2028	52,140	3,525
2029	52,794	2,871
2030	53,456	2,209
2031	54,124	1,539
2032	54,806	860
2033	<u>27,661</u>	<u>173</u>
	<u>\$ 916,857</u>	<u>\$ 112,941</u>

Date of Issue	January 26, 2012
Date of Maturity	October 15, 2032
Authorized Issue	\$960,651
Interest Rates	1.25%
Payable at	Illinois Environmental Protection Agency

**VILLAGE OF PARK FOREST**  
**SCHEDULE OF INSURANCE IN FORCE**  
**AS OF JUNE 30, 2014**

Insured	Description of Coverage	Coverage Amount	Per Occurrence	Expiration Date of Policy
Village of Park Forest	Automobile Liability	\$ 10,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Uninsured/Underinsured Motorist	500,000	Per Occurrence	November 1, 2014
Village of Park Forest	General Liability	10,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Public Official Liability	10,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Employer's Liability	2,500,000	Per Occurrence	November 1, 2014
Village of Park Forest	Worker's Compensation	Full Statutory Limits	Per Occurrence	November 1, 2014
Village of Park Forest	First Party Property	250,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Employee Theft	5,000,000	Per Occurrence	November 1, 2014
	Forgery, Alteration & Counterfeit			
	Currency	5,000,000	Per Occurrence	November 1, 2014
	Credit Card Forgery	5,000,000	Per Occurrence	November 1, 2014
	Computer Fraud	5,000,000	Per Occurrence	November 1, 2014
	Non-Faithful Performance	2,500,000	Per Occurrence	November 1, 2014
Village of Park Forest	Boiler and Machinery	50,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Flood Zone A/V	3,500,000	Per Occurrence	November 1, 2014
Village of Park Forest	Flood (Non-Zone A/V)	40,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Contingent Business Interruption	10,000,000	Per Occurrence	November 1, 2014
Village of Park Forest	Public Officials Bond	Blanket Statutory Limits		November 1, 2014

**VILLAGE OF PARK FOREST**  
 FOUR YEAR SUMMARY OF ASSESSED VALUATIONS,  
 TAX RATES, EXTENSIONS AND COLLECTIONS  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

	Cook County							
	2013		2012		2011		2010	
Assessed Valuation	\$ 108,962,531		\$ 116,524,917		\$ 131,026,591		\$ 184,145,363	
Tax extension	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
General	8.1392	\$ 8,868,709	7.2659	\$ 8,466,641	6.0618	\$ 7,942,577	3.9525	\$ 7,278,330
Public library**	-	-	-	-	1.2440	1,629,684	0.8495	1,564,126
IMRF	0.3376	367,852	0.3012	350,951	0.2767	362,491	0.1926	354,750
FICA	0.3284	357,835	0.2930	341,437	0.2691	352,649	0.1875	345,213
Debt service	0.4211	458,800	0.4116	479,631	0.4303	563,770	0.3490	642,712
Police pension	1.0520	1,146,338	0.8099	943,690	0.6702	878,177	0.4702	865,861
Firefighters' pension	0.6948	757,105	0.5275	614,713	0.4526	593,086	0.3425	630,750
Total	<u>10.9731</u>	<u>11,956,639</u>	<u>9.6091</u>	<u>11,197,063</u>	<u>9.4047</u>	<u>12,322,434</u>	<u>6.3438</u>	<u>11,681,742</u>
Township road and bridge								
Rich		38,067		38,497		45,847		43,549
Bloom		2,865		2,898		3,451		3,278
Total road and bridge		40,932		41,395		49,298		46,827
Total extended		<u>\$ 11,997,571</u>		<u>\$ 11,238,458</u>		<u>\$ 12,371,732</u>		<u>\$ 11,728,569</u>
Amounts collected as of June 30, 2014		<u>\$ 4,786,128</u>		<u>\$ 10,238,557</u>		<u>\$ 11,554,957</u>		<u>\$ 10,931,260</u>
Percentage collected		<u>39.89%</u>		<u>91.10%</u>		<u>93.40%</u>		<u>93.20%</u>

\* Property taxes are per \$100 of Assessed Valuation

\*\* The Public Library was considered a component unit of the Village through Fiscal Year 2012 before implementation of GASB 61. Library rates and amounts are included through tax year 2011.

Source: Office of the County Clerk

## VILLAGE OF PARK FOREST

### FOUR YEAR SUMMARY OF ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

	Will County							
	2013		2012		2011		2010	
Assessed Valuation	\$	<u>23,617,072</u>	\$	<u>27,686,866</u>	\$	<u>34,142,855</u>	\$	<u>37,736,572</u>
Tax extension	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
General	6.6357	\$ 1,567,158	6.2151	\$ 1,720,766	4.4049	\$ 1,503,959	3.7262	\$ 1,406,140
Public library**	-	-	-	-	0.9390	320,601	0.8017	302,534
IMRF	0.2753	65,018	0.2586	71,598	0.2009	68,593	0.1822	68,756
FICA	0.2679	63,270	0.2514	69,605	0.1955	66,749	0.1770	66,793
Debt service	0.3373	79,660	0.3482	96,406	0.3061	104,511	0.3235	122,078
Police pension	0.8587	202,800	0.6926	191,759	0.4869	166,242	0.4435	167,362
Firefighters' pension	0.5671	133,932	0.4518	125,089	0.3286	112,193	0.3231	121,927
Total	<u>8.9420</u>	<u>2,111,838</u>	<u>8.2177</u>	<u>2,275,223</u>	<u>6.8619</u>	<u>2,342,848</u>	<u>5.9772</u>	<u>2,255,590</u>
Township road and bridge								
Crete		8,507		7,690		9,359		8,950
Monee		<u>28,418</u>		<u>30,869</u>		<u>29,164</u>		<u>32,655</u>
Total road and bridge		36,925		38,559		38,523		41,605
Total extended		<u>\$ 2,148,763</u>		<u>\$ 2,313,782</u>		<u>\$ 2,381,371</u>		<u>\$ 2,297,195</u>
Amounts collected as of June 30, 2014		<u>\$ 969,811</u>		<u>\$ 2,263,636</u>		<u>\$ 2,369,096</u>		<u>\$ 2,288,389</u>
Percentage collected		<u>45.13%</u>		<u>97.83%</u>		<u>99.48%</u>		<u>99.62%</u>

\* Property taxes are per \$100 of Assessed Valuation

\*\* The Public Library was considered a component unit of the Village through Fiscal Year 2012 before implementation of GASB 61. Library rates and amounts are included through tax year 2011.

Source: Office of the County Clerk

## Statistical Section

This part of the Government's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Government's overall financial health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.	138 - 147
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax.	148 - 157
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Government's current levels of outstanding debt and the Government's ability to issue additional debt in the future.	158 - 161
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within the Government's financial activities take place.	162 - 165
<b>Operating Information</b> These schedules contain information about the Government's service and resources to help the reader understand how the Government's financial information relates to the services the Government provides and the activities it performs.	166 - 173

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**VILLAGE OF PARK FOREST**  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS EXPRESSED IN THOUSANDS)  
JUNE 30, 2014

	2005	2006	2007	2008
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 10,238	\$ 10,349	\$ 9,769	\$ 10,788
Restricted	2,388	1,515	2,405	2,122
Unrestricted	(3,074)	85	2,226	2,958
<b>Total Governmental Activities net position</b>	<u>\$ 9,552</u>	<u>\$ 11,949</u>	<u>\$ 14,400</u>	<u>\$ 15,868</u>
<b>Business-type Activities</b>				
Net investment in capital assets	\$ 7,475	\$ 10,429	\$ 10,038	\$ 11,995
Unrestricted	7,152	5,860	8,196	7,299
<b>Total Business-type Activities net position</b>	<u>\$ 14,627</u>	<u>\$ 16,289</u>	<u>\$ 18,234</u>	<u>\$ 19,293</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 17,713	\$ 20,778	\$ 19,807	\$ 22,783
Restricted	2,388	1,515	2,405	2,122
Unrestricted	4,078	5,945	10,422	10,256
<b>Total Primary Government net position</b>	<u>\$ 24,179</u>	<u>\$ 28,238</u>	<u>\$ 32,633</u>	<u>\$ 35,161</u>
<b>Component Unit - Housing Authority</b>				
Restricted				
Unrestricted				
<b>Total Component Unit net position</b>				

Source: Audited financial statements from June 30, 2005 to June 30, 2014

Note: The Village implemented GASB 54 in Fiscal 2010. In addition, in Fiscal 2010, the Housing Authority was classified as a Component Unit but with GASB 61, is again reflected as a Special Revenue Fund within the Governmental Activities. The Public Library is reported separately..

2009	2010	2011	2012	2013	2014
\$ 11,371	\$ 11,614	\$ 11,379	\$ 13,272	\$ 19,745	\$ 20,180
1,771	4,505	4,365	3,698	3,643	3,933
3,139	5,126	6,389	7,791	6,774	7,730
<u>\$ 16,281</u>	<u>\$ 21,245</u>	<u>\$ 22,133</u>	<u>\$ 24,761</u>	<u>\$ 30,162</u>	<u>\$ 31,843</u>
\$ 12,784	\$ 14,119	\$ 15,612	\$ 14,176	\$ 14,022	\$ 14,696
6,908	6,828	5,674	7,529	8,894	9,857
<u>\$ 19,692</u>	<u>\$ 20,947</u>	<u>\$ 21,286</u>	<u>\$ 21,705</u>	<u>\$ 22,916</u>	<u>\$ 24,554</u>
\$ 24,155	\$ 25,733	\$ 26,991	\$ 27,448	\$ 33,767	\$ 34,876
1,771	4,505	4,365	3,698	3,643	3,933
10,048	11,955	12,063	15,320	15,667	17,587
<u>\$ 35,974</u>	<u>\$ 42,192</u>	<u>\$ 43,419</u>	<u>\$ 46,466</u>	<u>\$ 53,078</u>	<u>\$ 56,396</u>
	\$ 546	\$ 599	\$ 314		
	-	-	-		
	<u>\$ 546</u>	<u>\$ 599</u>	<u>\$ 314</u>		

**VILLAGE OF PARK FOREST**  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS EXPRESSED IN THOUSANDS)  
 JUNE 30, 2014

	2005	2006	2007	2008	2009	2010
<b>Expenses</b>						
<b>Governmental Activities</b>						
General government	\$ 2,515	\$ 2,564	\$ 2,800	\$ 3,131	\$ 3,424	\$ 3,439
Law enforcement	4,774	5,289	5,662	5,971	6,202	6,650
Fire and emergency	2,698	2,798	3,148	3,027	3,291	3,421
Public health	772	756	834	838	765	806
Recreation and parks	1,955	2,143	2,232	2,399	2,297	2,150
Public works	673	812	874	827	1,117	1,009
Motor fuel tax fund	551	424	499	622	896	671
Community development* **	4,416	3,648	3,872	3,933	3,823	497
Economic development*	-	959	1,172	982	839	1,231
Interest on long-term debt	701	706	696	679	513	530
<b>Total governmental activities expenses</b>	<b>19,055</b>	<b>20,099</b>	<b>21,789</b>	<b>22,409</b>	<b>23,168</b>	<b>20,403</b>
<b>Business-type Activities</b>						
Water	2,650	2,855	3,386	4,260	4,726	4,659
Sewer	423	412	415	594	600	577
DownTown Park Forest	871	837	932	1,018	824	806
Refuse	1,004	1,046	1,070	1,097	1,129	1,152
Municipal parking lot	180	177	165	177	182	144
Municipal golf course	466	408	377	-	-	-
Aqua center	336	329	318	493	340	376
Tennis and health club	323	329	349	367	359	345
<b>Total Business-type Activities</b>	<b>6,253</b>	<b>6,393</b>	<b>7,012</b>	<b>8,006</b>	<b>8,160</b>	<b>8,059</b>
<b>Total primary government expenses</b>	<b>\$ 25,308</b>	<b>\$ 26,492</b>	<b>\$ 28,801</b>	<b>\$ 30,415</b>	<b>\$ 31,328</b>	<b>\$ 28,462</b>
Component Unit expenses- Housing Authority						<b>\$ 3,741</b>
<b>Program Revenues</b>						
<b>Governmental Activities</b>						
<b>Charges for Services</b>						
General government	\$ 1,385	\$ 1,486	\$ 1,559	\$ 1,597	\$ 1,616	\$ 1,911
Law enforcement	556	461	384	395	477	829
Fire and emergency	284	357	302	321	411	386
Public health	391	291	537	451	380	425
Recreation and parks	359	356	355	367	345	357
Public works	-	28	31	28	30	26
Motor fuel tax fund	-	22	4	5	13	-
Community development	163	186	245	180	149	193
Economic development	-	7	5	-	-	9
Operating grants and contributions**	4,287	4,123	4,655	3,963	4,072	696
Capital grants and contributions	108	24	385	363	50	449
<b>Total governmental activities program revenues</b>	<b>7,533</b>	<b>7,341</b>	<b>8,462</b>	<b>7,669</b>	<b>7,542</b>	<b>5,283</b>
<b>Business-type activities</b>						
<b>Charges for Services</b>						
Water	\$ 3,727	\$ 4,535	\$ 5,007	\$ 4,843	\$ 4,955	\$ 4,944
Sewer	452	463	1,025	1,112	1,162	1,232
DownTown Park Forest	584	589	626	712	809	682
Refuse	1,121	1,142	1,169	1,188	1,180	1,211
Municipal parking lot	215	231	212	196	168	140
Municipal golf course	277	236	117	-	-	-
Aqua center	244	197	227	201	187	144
Tennis and health club	292	317	313	320	295	263
Operating grants and contributions	-	-	-	16	9	400
Capital grants and contributions	854	-	50	-	-	-
<b>Total Business-type activities program revenues</b>	<b>7,766</b>	<b>7,710</b>	<b>8,746</b>	<b>8,589</b>	<b>8,766</b>	<b>9,017</b>
<b>Total primary government program revenues</b>	<b>\$ 15,299</b>	<b>\$ 15,051</b>	<b>\$ 17,208</b>	<b>\$ 16,258</b>	<b>\$ 16,308</b>	<b>\$ 14,299</b>

	2011	2012	2013	2014
\$	3,660	\$ 3,517	\$ 3,650	\$ 3,843
	7,050	6,980	7,118	7,342
	3,700	3,850	3,820	4,110
	777	815	843	908
	2,196	2,372	2,463	2,513
	943	987	1,839	1,274
	870	650	2,092	612
	1,330	672	7,553	6,090
	1,185	1,161	664	760
	499	471	461	412
	<u>22,210</u>	<u>21,475</u>	<u>30,503</u>	<u>27,865</u>
	4,696	4,872	4,370	4,381
	499	510	538	503
	1,003	767	972	1,069
	1,128	1,126	1,142	1,132
	432	751	182	195
	-	-	-	-
	385	372	384	432
	339	308	318	347
	<u>8,482</u>	<u>8,706</u>	<u>7,906</u>	<u>8,059</u>
\$	<u>30,692</u>	\$ <u>30,181</u>	\$ <u>38,409</u>	\$ <u>35,924</u>
\$	<u>4,441</u>	\$ <u>4,827</u>		
\$	1,849	\$ 1,840	\$ 1,578	\$ 1,585
	491	488	470	508
	402	392	398	414
	399	340	274	286
	361	304	369	342
	29	28	28	29
	-	-	-	-
	156	198	171	168
	8	6	8	9
	904	1,003	7,906	6,725
	1,188	1,445	6,227	730
	<u>5,787</u>	<u>6,044</u>	<u>17,429</u>	<u>10,796</u>
\$	4,957	\$ 5,118	\$ 5,471	\$ 6,272
	1,296	1,286	1,331	1,279
	650	661	611	563
	1,214	1,233	1,259	1,262
	135	108	96	99
	-	-	-	-
	187	211	179	153
	267	230	252	250
	-	-	-	-
	450	951	93	218
	<u>9,156</u>	<u>9,798</u>	<u>9,292</u>	<u>10,095</u>
\$	<u>14,943</u>	\$ <u>15,842</u>	\$ <u>26,721</u>	\$ <u>20,891</u>

**VILLAGE OF PARK FOREST**  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS EXPRESSED IN THOUSANDS)  
 JUNE 30, 2014

	2005	2006	2007	2008	2009	2010
Component Unit - Housing Authority						
Charges for Services					\$	1
Operating grants and contributions						<u>3,855</u>
Total Component Unit - Housing Authority program revenues					\$	<u>3,856</u>
Net (expense)/revenue						
Governmental activities	\$ (11,522)	\$ (12,758)	\$ (13,327)	\$ (14,740)	\$ (15,626)	\$ (15,120)
Business-type activities	<u>1,513</u>	<u>1,317</u>	<u>1,734</u>	<u>583</u>	<u>605</u>	<u>958</u>
Total Primary Government net expense	<u>\$ (10,009)</u>	<u>\$ (11,441)</u>	<u>\$ (11,593)</u>	<u>\$ (14,157)</u>	<u>\$ (15,021)</u>	<u>\$ (14,162)</u>
<b>General Revenues and Other Changes in Net Position</b>						
<b>Governmental Activities</b>						
Taxes						
Property-General	\$ 6,302	\$ 7,496	\$ 7,575	\$ 7,793	\$ 8,703	\$ 9,395
Property-Pension (police, fire, IMRF, FIC)	1,269	1,571	1,815	2,084	2,225	2,357
Utility	1,803	1,834	1,692	1,782	1,640	1,515
Sales	586	643	680	670	611	574
Other	469	383	440	257	240	150
Intergovernmental						
State income tax	1,703	1,864	2,050	2,223	1,982	1,788
Personal property replacement tax	138	202	225	241	209	166
Investment income	143	358	598	629	143	37
Miscellaneous	134	711	202	198	26	4,364
Disposal of capital assets	(8)	-	-	300	-	-
Transfers - internal activity	113	92	319	(4)	260	168
Changes in accounting estimates	<u>2,209</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>14,861</u>	<u>15,154</u>	<u>15,596</u>	<u>16,173</u>	<u>16,040</u>	<u>20,514</u>
Business-type activities						
Taxes, property	\$ 113	\$ 116	\$ 116	\$ 35	\$ 33	\$ 33
Interest income	109	257	371	231	14	2
Miscellaneous	46	64	43	40	7	34
Disposal of capital assets	10	-	-	-	-	395
Transfers - internal activity	<u>(113)</u>	<u>(92)</u>	<u>(319)</u>	<u>4</u>	<u>(260)</u>	<u>(168)</u>
Total business-type activities	<u>165</u>	<u>345</u>	<u>211</u>	<u>311</u>	<u>(206)</u>	<u>297</u>
Cumulative effect of a change in estimate	<u>-</u>	<u>-</u>	<u>-</u>	<u>166</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 15,026</u>	<u>\$ 15,499</u>	<u>\$ 15,807</u>	<u>\$ 16,649</u>	<u>\$ 15,834</u>	<u>\$ 20,811</u>
Component Unit - Housing Authority						
Interest income						1
Total component unit - Housing Authority					\$	<u>1</u>
<b>Changes in Net Position</b>						
Governmental activities	\$ 3,339	\$ 2,396	\$ 2,269	\$ 1,433	\$ 414	\$ 5,394
Business-type activities	<u>1,678</u>	<u>1,662</u>	<u>1,945</u>	<u>1,059</u>	<u>400</u>	<u>1,255</u>
Total primary government	<u>\$ 5,017</u>	<u>\$ 4,058</u>	<u>\$ 4,214</u>	<u>\$ 2,493</u>	<u>\$ 812</u>	<u>\$ 6,648</u>
Total component unit - Housing Authority					\$	<u>116</u>

Source: Audited financial statements from June 30, 2005 to June 30, 2014

\* prior to Fiscal 2006, Economic development expenses were included in Community development (formerly referred to as Building, zoning and economic development) and Manager's office.

\*\* in 2010, the Housing Authority was classified as a component unit. It was previously reported in the Community Development function. In 2013, it was returned to Governmental Activities. The Library section is reflected in a separate report.

2011	2012	2013	2014
\$ -	\$ 85		
<u>4,492</u>	<u>4,457</u>		
\$ <u>4,492</u>	\$ <u>4,542</u>		
\$ (16,423)	\$ (15,431)	\$ (13,074)	\$ (17,069)
<u>674</u>	<u>1,092</u>	<u>1,386</u>	<u>2,036</u>
\$ <u>(15,748)</u>	\$ <u>(14,339)</u>	\$ <u>(11,688)</u>	\$ <u>(15,032)</u>
\$ 9,908	\$ 10,200	\$ 10,857	\$ 11,085
2,567	2,489	2,429	2,609
1,512	1,689	1,349	1,319
661	654	692	683
79	134	90	107
1,819	1,892	2,070	2,105
220	201	206	208
136	65	20	98
2	-	14	79
21	16	3	-
385	719	431	457
-	-	-	-
<u>17,312</u>	<u>18,059</u>	<u>18,161</u>	<u>18,749</u>
\$ 33	\$ 33	\$ 47	\$ 40
3	1	2	-
14	12	15	18
-	-	192	-
<u>(385)</u>	<u>(719)</u>	<u>(431)</u>	<u>(457)</u>
<u>(335)</u>	<u>(673)</u>	<u>(175)</u>	<u>(398)</u>
-	-	-	-
\$ <u>16,976</u>	\$ <u>17,386</u>	\$ <u>17,986</u>	\$ <u>18,351</u>
1	-		
\$ <u>1</u>	\$ <u>-</u>		
\$ 888	\$ 2,627	\$ 5,087	\$ 1,681
<u>339</u>	<u>419</u>	<u>1,211</u>	<u>1,638</u>
\$ <u>1,227</u>	\$ <u>3,047</u>	\$ <u>6,298</u>	\$ <u>3,318</u>
\$ <u>54</u>	\$ <u>(285)</u>		

**VILLAGE OF PARK FOREST**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**  
**JUNE 30, 2014**

	<u>FISCAL YEAR</u>			
	2005	2006	2007	2008
<b>General Fund</b>				
Reserved	\$ 811	\$ 1,124	\$ 2,234	\$ 2,813
Unreserved, designated for	-	-	-	-
Unreserved, undesignated	<u>5,334</u>	<u>7,170</u>	<u>7,297</u>	<u>7,273</u>
Non-Spendable				
Restricted				
Committed				
Assigned				
Unassigned				
<b>Total general fund</b>	<u>\$ 6,145</u>	<u>\$ 8,294</u>	<u>\$ 9,531</u>	<u>\$ 10,086</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ 1,057	\$ 660	\$ 852	\$ 449
Unreserved, reported in				
Special Revenue Funds	1,619	1,844	2,492	2,678
Capital Projects Fund	490	(22)	285	135
Debt Service Fund	<u>-</u>	<u>290</u>	<u>343</u>	<u>310</u>
Restricted, for				
Special Revenue Funds				
Debt Service Fund				
Assigned, for				
Capital Projects Fund				
Debt Service Fund				
Unassigned				
<b>Total all other governmental funds</b>	<u>\$ 3,166</u>	<u>\$ 2,772</u>	<u>\$ 3,972</u>	<u>\$ 3,572</u>

Source: Audited financial statements from June 30, 2005 to June 30, 2014

\* The Village implemented GASB 54 in Fiscal 2010. In addition, in Fiscal 2010, the Housing Authority was classified as a Component Unit. In Fiscal 2013, with GASB 61 implementation it returned to a Special Revenue Fund.

	2009	2010*	2011	2012	2013	2014
\$	2,621					
	400					
	<u>5,952</u>					
		\$ 1,588	\$ 1,352	\$ 559	\$ 590	\$ 454
		1,107	1,074	981	573	429
		44	56	71	89	107
		4,323	3,931	5,550	3,532	3,660
		<u>6,401</u>	<u>7,329</u>	<u>8,059</u>	<u>8,916</u>	<u>9,342</u>
\$	<u>8,973</u>	<u>13,463</u>	<u>13,742</u>	<u>15,220</u>	<u>13,700</u>	<u>13,992</u>
\$	437					
	2,734					
	990					
	<u>347</u>					
		\$ 3,067	\$ 2,926	\$ 2,359	\$ 2,760	\$ 2,984
		331	365	358	310	309
		659	1,134	837	793	1,345
		42	42	43	43	43
		(1)	-	-	-	(6)
\$	<u>4,508</u>	<u>4,098</u>	<u>4,467</u>	<u>3,597</u>	<u>3,906</u>	<u>4,675</u>

**VILLAGE OF PARK FOREST**  
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS EXPRESSED IN THOUSANDS)  
 JUNE 30, 2014

	<b>FISCAL YEAR</b>				
	2005	2006	2007	2008	2009
<b>Revenues</b>					
Taxes	\$ 10,304	\$ 11,923	\$ 12,204	\$ 12,585	\$ 13,426
Licenses, fees and permits	891	960	994	981	938
Intergovernmental**	6,050	6,231	7,007	6,793	6,246
Charges for services	1,702	1,514	1,671	1,586	1,598
Fines and forfeitures	287	370	360	376	425
Interest	121	309	524	579	133
Miscellaneous	520	1,114	842	603	506
<b>Total Revenues</b>	<u>19,875</u>	<u>22,421</u>	<u>23,602</u>	<u>23,503</u>	<u>23,271</u>
<b>Expenditures</b>					
General government	2,399	2,444	2,704	2,997	3,064
Law enforcement	4,710	5,350	5,640	6,058	6,188
Fire and emergency	2,541	2,795	2,855	3,047	3,226
Public health	772	756	891	844	754
Recreation and parks	1,936	2,091	2,175	2,343	2,244
Public works	537	684	742	696	984
Streets and transportation	546	358	434	974	1,041
Community development**	4,416	3,648	3,872	3,934	3,823
Economic development*	-	959	1,087	875	1,007
Capital outlay	2,285	595	592	705	303
Debt Service					
Interest	701	706	696	678	548
Principal <sup>1</sup>	308	370	394	500	579
<b>Total governmental activities program expenditures</b>	<u>21,151</u>	<u>20,756</u>	<u>22,082</u>	<u>23,651</u>	<u>23,764</u>
<b>Net (expense)/revenue Governmental activities</b>	<u>(1,276)</u>	<u>1,665</u>	<u>1,520</u>	<u>(148)</u>	<u>(493)</u>
<b>Other financing sources (uses)</b>					
Sale of Fixed Assets	-	(1)	(5)	308	-
Bond Activity	-	-	-	-	114
Transfers in	707	865	2,306	925	1,791
Transfers (out)	(595)	(773)	(1,602)	(930)	(1,590)
<b>Total Other financing sources (uses)</b>	<u>112</u>	<u>91</u>	<u>699</u>	<u>304</u>	<u>315</u>
<b>Net Changes in Fund Balance</b>	<u>\$ (1,164)</u>	<u>\$ 1,756</u>	<u>\$ 2,219</u>	<u>\$ 156</u>	<u>\$ (177)</u>
Debt Service as a percentage of noncapital expenditures	5.3%	5.3%	5.0%	5.2%	4.8%

Source: Audited financial statements from June 30, 2005 to June 30, 2014

\* Prior to Fiscal 2006, Economic development expenses were included in Community development (formerly referred to as Building, zoning and economic development) and Manager's office.

\*\* The Village implemented GASB 54 in Fiscal 2010. In addition, in Fiscal 2010, the Housing Authority was classified as a Component Unit. In Fiscal 2013, with GASB 61 implementation it returned to a Special Revenue Fund.

	2010	2011	2012	2013	2014
\$	13,999	\$ 14,720	\$ 15,172	\$ 15,420	\$ 15,808
	1,095	1,051	1,194	1,185	1,240
	3,072	4,041	4,553	16,389	9,504
	1,652	1,708	1,585	1,302	1,277
	768	449	435	435	468
	35	135	63	19	98
	<u>4,982</u>	<u>481</u>	<u>373</u>	<u>375</u>	<u>417</u>
	<u>25,602</u>	<u>22,584</u>	<u>23,375</u>	<u>35,125</u>	<u>28,813</u>
	3,229	3,197	2,923	3,031	3,215
	6,692	6,999	6,967	7,044	7,239
	3,396	3,616	3,813	3,678	3,947
	794	777	815	843	905
	2,073	2,116	2,225	2,462	2,441
	901	801	846	1,236	1,009
	963	981	2,480	2,089	602
	498	477	501	5,500	5,971
	1,020	1,146	988	741	757
	427	979	664	9,239	890
	693	487	458	447	293
	<u>518</u>	<u>746</u>	<u>805</u>	<u>5,063</u>	<u>1,815</u>
	<u>21,204</u>	<u>22,321</u>	<u>23,485</u>	<u>41,372</u>	<u>29,083</u>
	<u>4,398</u>	<u>263</u>	<u>(110)</u>	<u>(6,247)</u>	<u>(270)</u>
	-	-	-	-	-
	-	-	-	4,279	875
	2,172	1,505	1,211	1,051	1,597
	<u>(2,054)</u>	<u>(1,120)</u>	<u>(492)</u>	<u>(620)</u>	<u>(1,141)</u>
	<u>118</u>	<u>385</u>	<u>719</u>	<u>4,710</u>	<u>1,332</u>
\$	<u>4,517</u>	<u>\$ 648</u>	<u>\$ 609</u>	<u>\$ (1,537)</u>	<u>\$ 1,062</u>
	5.9%	5.6%	5.9%	15.9%	7.4%

**VILLAGE OF PARK FOREST**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN LEVY YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**  
**JUNE 30, 2014**

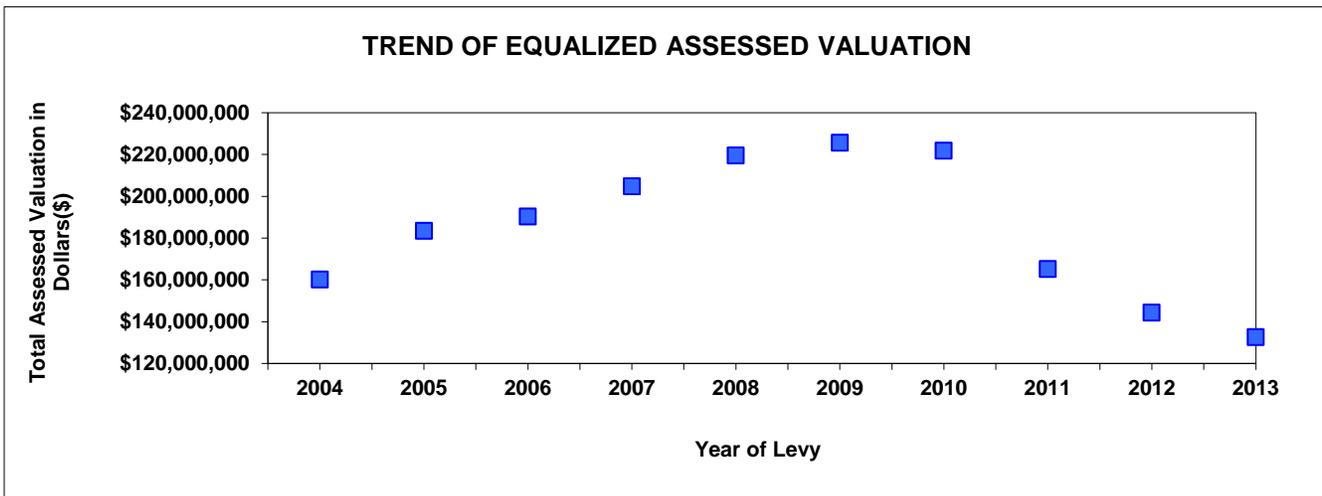
Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Total Equalized Assessed Value	Total Direct Tax Rate	Total Actual Value
2004	132,722	17,500	9,878	1	67	160,167	5.1960	480,983
2005	153,674	19,747	9,984	1	60	183,465	4.8980	550,946
2006	161,574	18,888	9,739	-	62	190,262	4.9470	571,358
2007	174,718	17,884	12,009	-	77	204,687	4.8920	614,676
2008	190,274	16,279	12,835	-	102	219,491	4.9250	659,133
2009	196,620	16,552	12,297	-	119	225,588	5.2110	677,440
2010	197,165	12,922	11,322	-	472	221,882	5.4950	666,312
2011	142,909	14,469	7,350	-	441	165,169	8.1610	496,004
2012	122,465	14,389	6,993	-	365	144,212	9.6100	433,070
2013	108,382	17,347	6,400	-	451	132,580	10.9740	398,137

Source: Cook and Will Counties Clerks' and Assessors' Offices

*Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value. Detail for most recent fiscal year is not available at the time of audit preparation. Total Direct Tax Rate presented is for Cook County residents in School District 163.*

**VILLAGE OF PARK FOREST**  
**TREND OF EQUALIZED ASSESSED VALUATIONS**  
**LAST TEN LEVY YEARS**  
**JUNE 30, 2014**

Levy Year	Equalized Assessed Value	Percentage Increase(Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2004	160,167,360	-7.13%	480,502,080	33.33%
2005	183,464,965	14.55%	550,394,895	33.33%
2006	190,262,287	3.70%	570,786,861	33.33%
2007	204,687,009	7.58%	614,061,027	33.33%
2008	219,491,270	7.23%	658,473,810	33.33%
2009	225,587,683	2.78%	676,763,049	33.33%
2010	221,881,935	-1.64%	665,645,805	33.33%
2011	165,169,446	-25.56%	495,508,338	33.33%
2012	144,211,783	-12.69%	432,635,349	33.33%
2013	132,579,603	-8.07%	397,738,809	33.33%



Source: Cook and Will Counties Clerks' and Assessors' Offices

**VILLAGE OF PARK FOREST**  
PROPERTY TAX RATES PER \$100 ASSESSED VALUATION  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN LEVY YEARS  
JUNE 30, 2014

	2004	2005	2006	2007	2008
Village of Park Forest*	5.1960	4.8980	4.9470	4.8920	4.9250
Cook County	0.4710	0.4210	0.3970	0.3530	0.3290
School District #163	8.4520	7.2980	7.4030	6.9750	6.6160
Village of Park Forest Library	0.8950	0.7870	0.7900	0.7780	0.7830
Prairie State College District 515	0.3410	0.2920	0.2920	0.2940	0.2800
Rich Township High School District 227	3.9750	3.6260	3.6600	3.5750	3.4590
South Cook Mosquito Abatement	0.0120	0.0100	0.0070	0.0060	0.0090
General Assistance Rich Township	0.0240	0.0220	0.0220	0.0220	0.0220
Road & Bridge Rich Township	0.0630	0.0580	0.0570	0.0560	0.0540
Town Rich Township	0.2110	0.1930	0.1990	0.1960	0.1910
Consolidated Elections	-	0.0140	-	0.0120	-
Suburban TB Sanitarium	0.0010	0.0050	0.0050	-	-
Cook County Forest Preserve	0.0600	0.0600	0.0570	0.0530	0.0510
Cook County Health Facilities	<u>0.1220</u>	<u>0.1120</u>	<u>0.1030</u>	<u>0.0930</u>	<u>0.0860</u>
Total Tax Rate per \$100 EAV	<u>19.8230</u>	<u>17.7960</u>	<u>17.9390</u>	<u>17.3050</u>	<u>16.8050</u>
Share of Total Tax Rate Levied by Village	<u>0.2621</u>	<u>0.2752</u>	<u>0.2758</u>	<u>0.2827</u>	<u>0.2931</u>

\*for Components of the Total Direct Rate for the Village please see the next schedule -- Property Tax Rates per \$100 of Assessed Valuation. In addition, the Library is reported separately below.

Source: Cook County Collector. Total Direct tax rate is for Cook County residents in School District 163.

2009	2010	2011	2012	2013
5.2110	5.4950	8.1610	9.6100	10.9740
0.3100	0.3410	0.3840	0.4680	0.4940
6.4440	6.7470	9.5430	10.9920	11.7330
0.8140	0.8500	1.2440	1.4490	1.6400
0.2770	0.2930	0.3570	0.4100	0.4390
3.5130	3.7050	4.6870	5.3020	5.8300
0.0090	0.0100	0.0120	0.0140	0.0160
0.0230	0.0260	0.0340	0.0390	0.0460
0.0550	0.0580	0.0740	0.0850	0.0940
0.1920	0.2020	0.2580	0.2920	0.3040
0.0210	-	0.0250	-	0.0310
-	-	-	-	-
0.0490	0.0510	0.0580	0.0630	0.0690
<u>0.0840</u>	<u>0.0820</u>	<u>0.0780</u>	<u>0.0630</u>	<u>0.0660</u>
<u>17.0020</u>	<u>17.8600</u>	<u>24.9150</u>	<u>28.7870</u>	<u>31.7360</u>
<u>0.3065</u>	<u>0.3077</u>	<u>0.3276</u>	<u>0.3338</u>	<u>0.3458</u>

**VILLAGE OF PARK FOREST**  
PROPERTY TAX RATES PER \$100 OF ASSESSED VALUATION (1)  
LAST TEN LEVY YEARS  
JUNE 30, 2014

Levy Year	General	Public Library	IMRF	FICA	Debt Service	Police Pension	Fire Pension	Totals
2004	3.6770	0.8950	0.1200	0.2114	0.5641	0.3307	0.2923	6.0905
2005	3.4462	0.7870	0.1782	0.1954	0.5054	0.3161	0.2563	5.6846
2006	3.3864	0.7900	0.2427	0.2118	0.4497	0.3588	0.2974	5.7368
2007	3.3475	0.7780	0.2316	0.2023	0.4497	0.3741	0.2880	5.6712
2008	3.3807	0.7830	0.2262	0.1975	0.4345	0.3978	0.2878	5.7075
2009	3.6110	0.8140	0.2253	0.1968	0.4051	0.4491	0.3232	6.0245
2010	3.9525	0.8500	0.1926	0.1875	0.3490	0.4702	0.3425	6.3443
2011	6.0618	1.2440	0.2767	0.2691	0.4303	0.6702	0.4526	9.4047
2012	7.2659	1.4490	0.3012	0.2930	0.4116	0.8099	0.5275	11.0581
2013	8.1392	1.6390	0.3376	0.3284	0.4211	1.0520	0.6948	12.6121

(1) Rates, as presented, are for Cook County residents.

Source: Cook County Clerk's Office

**VILLAGE OF PARK FOREST**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**LAST YEAR AND NINE YEARS AGO**  
**JUNE 30, 2014**

Taxpayer	<u>2013 EAV</u>			<u>2004 EAV</u>		
	Total Equalized Assessed Value*	Rank	Percentage of Total Taxable Equalized Assessed Value	Total Equalized Assessed Value*	Rank	Percentage of Total Taxable Equalized Assessed Value
Kinzie Assets LLC (Thorncreek)	\$ 2,093,273	4	1.58%	-		
Oceania Holdings (Thorncreek)	3,531,545	2	2.66%	-		
Atlantic Ltd Partnership (Thorncreek)	-			\$ 6,381,495	1	3.98%
	<u>5,624,818</u>					
Village of Park Forest (Norwood)	7,285,042	1	5.49%	-		
Village of Park Forest (DownTown)	258,434	1	0.19%	-		
Autumn Ridge Limited Partnership	2,889,734	3	2.18%	2,833,333	2	1.77%
Park Forest Coop IV (Area E)	1,542,902	5	1.16%	-		
Ash Street Cooperative	1,431,175	6	1.08%	-		
Highland Park CVS LLC	1,355,477	7	1.02%	1,686,767	5	1.05%
Coop Area B	1,254,134	8	0.95%	-		
Metroplex Park Forest (Garden House)	1,182,269	9	0.89%	1,623,276	7	1.01%
Park Forest Coop 3 (Area J)	1,166,954	10	0.88%	-		
Orchard Park Plaza	1,146,046	11	0.86%	1,706,007	4	1.07%
Cedarwood Cooperative	1,131,827	12	0.85%	-		
SBC Ameritech	1,063,051	13	0.80%	1,612,767	8	1.01%
Park Forest ILF & SLF (Victory Center)	1,062,505	14	0.80%	2,399,687	3	1.50%
Blackhawk Shopping Ctr (Exceptional Dev)	1,014,055	15	0.76%	-		
Castle Ridge Builders (residential)	875,218	16	0.66%	-		
U-Haul International	791,936	17	0.60%	1,367,670	9	0.85%
Star Disposal	791,481	18	0.60%	1,009,893	10	0.63%
Miller Consolidated (Bradlynn Prop.)	**			1,667,348	6	1.04%
Blue Ridge Farms				860,912	11	0.54%
Leisure Investments (Walgreens)				867,632	12	0.54%
<b>Total</b>	<b>\$ <u>31,867,058</u></b>		<b><u>24.04%</u></b>	<b>\$ <u>24,016,787</u></b>		<b><u>14.99%</u></b>

\* Note: These amounts and corresponding percentages are the results of a consolidation of information available through the Cook and Will County Clerk's offices and may omit some tax parcels as a result of multiple parcel listings for various taxpayers.

	<u>2012 EAV</u>	<u>2013 EAV</u>
Cook County	\$ 116,524,917	\$ 108,962,531
Will County	<u>27,686,866</u>	<u>23,617,072</u>
	<u>\$ 144,211,783</u>	<u>\$ 132,579,603</u>

\*\* In 2013, Bradlynn Properties EAV dropped to \$665,520 and is not included in the totals above but is presented in the footnotes for comparative purposes.

Source: Cook and Will Counties Clerks' and Assessors' Offices. The 2013 column represents the 2013 EAV. Taxes are paid in the following year. The 2004 column is from the 2005 CAFR. Note that the use of a dash indicates that the taxpayer was not the owner, the property was not on the tax rolls or it was not in the ranked taxpayer list.

**VILLAGE OF PARK FOREST**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**  
**JUNE 30, 2014**

Tax Levy Year	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collected to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	8,451,811	3,414,397	40.40%	4,678,278	8,092,675	95.75%
2004	9,267,508	3,339,232	36.03%	5,490,584	8,829,816	95.28%
2005	10,194,911	4,274,410	41.93%	5,344,518	9,618,929	94.35%
2006	10,736,969	4,584,244	42.70%	5,790,549	10,374,792	96.63%
2007	11,511,844	4,885,132	42.44%	6,011,124	10,896,256	94.65%
2008	12,288,123	5,038,413	41.00%	6,472,730	11,511,144	93.68%
2009	13,153,576	5,702,248	43.35%	6,651,551	12,353,799	93.92%
2010	13,937,332	6,391,471	45.86%	6,739,929	13,131,399	94.22%
2011	14,665,283	6,542,547	44.61%	7,290,714	13,833,261	94.33%
2012	15,503,910	6,903,387	44.53%	7,390,683	14,294,070	92.20%
2013	16,170,565	6,554,091	40.53%	-	6,554,091	40.53%

Source: Cook and Will Counties Clerks' and Assessors' Offices

\*Note: This schedule includes the Total Tax Levy Extension -- Village and Library. Taxes levied represent the prior calendar year's tax levy. (i.e. data presented for the Fiscal Year ended June 30, 2014 is based on the 2013 tax levy.)

**VILLAGE OF PARK FOREST**  
**PROPERTY VALUE AND CONSTRUCTION**  
**LAST TEN CALENDAR YEARS**  
**JUNE 30, 2014**

Calendar Year	Commercial Construction Number of Permits	Value	Residential Construction Number of Permits	Value	Property Value		
					Commercial	Residential	Totals
2004	52	4,914,897	567	3,540,091	6,536,813	4,708,321	11,245,134
2005	65	17,532,936	546	3,304,547	23,318,805	4,395,048	27,713,853
2006	125	4,371,597	582	5,412,174	5,814,224	7,198,191	13,012,416
2007	105	4,784,915	506	3,980,966	6,363,937	5,294,685	11,658,623
2008	79	3,282,064	570	2,358,330	4,365,145	3,136,579	7,501,724
2009	92	5,314,120	583	2,267,900	7,067,780	3,016,307	10,084,087
2010	98	5,015,207	681	3,270,345	6,670,225	4,349,559	11,019,784
2011	115	3,158,528	503	1,887,503	4,200,842	2,510,379	6,711,221
2012	160	4,230,475	503	2,668,947	5,626,532	3,549,700	9,176,231
2013	93	3,300,637	544	2,832,386	4,389,847	3,767,073	8,156,921

Source: *Building Department Annual Report of Building Permits*

# VILLAGE OF PARK FOREST

## TAXABLE SALES BY CATEGORY

LAST TEN CALENDAR YEARS

(IN THOUSANDS OF DOLLARS)

JUNE 30, 2014

	2004	2005	2006	2007	2008
General merchandise	\$ 2,008,195	\$ -	\$ -	\$ -	\$ -
Food stores	9,507,524	9,157,872	8,855,438	4,902,719	2,467,183
Drinking & eating places	4,217,481	4,198,384	3,451,527	3,183,020	3,207,490
Apparel	213,340	340,052	396,285	74,240	74,389
Furniture, household & radio	16,276	-	-	43,953	-
Lumber, building & hardware	900,344	524,834	885,168	-	-
Automotive & filling stations	8,869,718	8,899,751	7,656,298	8,426,739	8,233,403
Drugs and miscellaneous retail	11,357,093	11,750,261	13,467,881	14,092,407	13,411,085
Agriculture & all others	1,156,547	1,047,812	1,040,858	1,103,193	1,272,248
Manufacturers	<u>287,714</u>	<u>412,602</u>	<u>249,391</u>	<u>162,957</u>	<u>224,417</u>
Total	<u>\$ 38,534,232</u>	<u>\$ 36,331,568</u>	<u>\$ 36,002,846</u>	<u>\$ 31,989,228</u>	<u>\$ 28,890,215</u>
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%

Source: Illinois Department of Revenue

2009	2010	2011	2012	2013
\$ -	\$ -	\$ -	\$ -	\$ -
3,803,549	4,445,387	4,154,597	4,094,585	5,591,286
2,436,704	2,017,130	2,086,852	2,214,262	2,242,828
-	52,788	77,795	38,890	74,414
-	-	14,558	-	-
-	230,413	518,157	557,063	535,716
6,829,247	7,426,156	7,930,527	8,757,018	5,125,442
13,350,562	7,599,813	11,361,612	14,034,292	16,005,417
898,055	6,548,257	4,254,478	1,321,417	1,428,495
182,086	134,630	204,243	115,757	130,939
<u>\$ 27,500,203</u>	<u>\$ 28,454,574</u>	<u>\$ 30,602,819</u>	<u>\$ 31,133,284</u>	<u>\$ 31,134,537</u>
1.00%	1.00%	1.00%	1.00%	1.00%

**VILLAGE OF PARK FOREST**  
 RATIO OF OUTSTANDING DEBT BY TYPE  
 LAST TEN FISCAL YEARS  
 (DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)  
 JUNE 30, 2014

Fiscal Year	Governmental Activities					IEPA Loan
	General Obligation Bonds	Installment Contracts	Incentive Agreement	Capital Lease		
2005	13,605	93	150	29	-	
2006	13,315	63	100	21	4,198	
2007	13,336	33	-	13	15,358	
2008	12,866	-	-	4	14,707	
2009	12,376	-	-	-	14,071	
2010	11,684	-	-	-	13,418	
2011	10,938	-	-	-	13,900	
2012	10,133	-	-	-	16,243	
2013	9,235	-	-	-	16,020	
2014	8,295	-	-	-	15,077	

*Note: Details regarding the village's outstanding debt can be found in the notes to the financial statements*

*Source: Audited financial statements from June 30, 2005 to June 30, 2014*

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Business-Type Activities

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General Obligation Bonds	Installment Contracts	Total Primary Government	Percentage of Personal Income	Per Capita
1,860	321	16,059	3.18%	684
1,749	329	19,776	3.92%	843
1,238	229	30,207	5.99%	1,287
1,159	129	28,865	5.72%	1,230
1,089	29	27,565	5.47%	1,175
977	-	26,079	4.40%	1,152
858	-	25,696	5.29%	1,169
738	-	27,114	5.55%	1,228
590	-	25,845	5.34%	1,173
480	-	23,852	4.98%	1,081

**VILLAGE OF PARK FOREST**  
RATIO OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)  
JUNE 30, 2014

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Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
2005	15,465	9.66%	659.16
2006	15,065	8.21%	642.08
2007	14,574	7.66%	621.19
2008	14,025	6.85%	597.77
2009	13,465	6.13%	573.92
2010	12,661	5.61%	559.40
2011	11,796	5.32%	536.81
2012	10,871	6.58%	492.46
2013	9,825	6.81%	445.88
2014	8,775	6.62%	397.85

*Note: Details regarding the village's outstanding debt can be found in the notes to the financial statements.*

*Source: Audited financial statements from June 30, 2005 to June 30, 2014 and the Bureau of Census*

**VILLAGE OF PARK FOREST**  
**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT**  
**JUNE 30, 2014**

Governmental Unit	6/30/2014 Gross Debt	*Percentage of Debt Applicable to Village	Village's Share of Debt
<b>Direct Debt</b>			
Village of Park Forest	\$ 8,295,000	100.000%	\$ <u>8,295,000</u>
<b>Overlapping and Underlying Debt</b>			
Cook County	3,572,060,000	0.086%	3,071,972
Will County	-	0.131%	-
Cook County Forest Preserve	124,455,000	0.086%	107,031
Will County Forest Preserve	143,953,104	0.131%	188,579
Rich Township High School District 227	40,555,000	11.345%	4,600,965
Prairie State Community College District 515	9,942,040	4.315%	428,999
School District 162	26,391,386	6.501%	1,715,704
School District 163	17,125,000	94.168%	16,126,270
School District 194	2,745,000	1.404%	38,540
School District 201-U	52,467,420	4.109%	<u>2,155,886</u>
Total Overlapping & Underlying Debt			<u>28,433,946</u>
Total Direct, Overlapping & Underlying Debt			\$ <u>36,728,946</u>

*Data Source: Cook County Clerk; Will County Clerk, Cook County Comptroller's Office. Data presented as of June 30, 2014 using 2013 EAV. Direct Debt of the Village of Park Forest reflects only the General Obligation Bonds of the governmental activities.*

*\*Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses. This process recognizes that, when considering the village's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.*

**VILLAGE OF PARK FOREST**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**  
**JUNE 30, 2014**

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Year	Population (1)	Personal Income (thousand of dollars)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2005	23,462	504,269	21,493	35.6	4,697	7.7%
2006	23,462	504,269	21,493	35.6	4,818	6.2%
2007	23,462	504,269	21,493	35.6	4,760	6.5%
2008	23,462	504,269	21,493	35.6	4,595	8.6%
2009	23,462	504,269	21,493	35.6	4,442	12.5%
2010	22,633	592,555	26,181	37.9	4,329	11.7%
2011	21,975	485,340	22,086	36.4	4,560	12.1%
2012	22,075	488,365	22,123	36.9	4,206	11.3%
2013	22,035	484,131	21,971	37.4	4,608	12.9%
2014	22,056	478,725	21,705	37.5	4,570	8.5%

*Sources:*

*(1) Bureau of Census for 2005 - 2009 (using 2000 census data). In 2010, used data provided by STDB Online. In 2011 and forward, used data provided by Census Bureau.*

*(2) Total enrollment for Indiana, Illinois, Talala, and St. Mary's elementary schools and Rich East High School in District 227. Enrollment for District 162 and District 163 adjusted by using only Park Forest residents in Beacon Hills, Arcadia, Huth and Southland College Prep schools.*

*(3) Illinois Dept of Employment Security - 2014 rates are for June 2014, Village of Park Forest, Cook County Part*

**VILLAGE OF PARK FOREST**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND EIGHT YEARS AGO**  
**JUNE 30, 2014**

Employer	<u>2014</u>			<u>2006</u>		
	Employees	Rank	Percentage Total Village Employment	Employees	Rank	Percentage Total Village Employment
Ludeman Center	730	1	25.8%	580	1	11.3%
Village of Park Forest**	257	2	9.1%	288	2	5.6%
School District 163	249	3	8.8%	258	3	5.0%
High School District 227 (Rich East)	169	4	6.0%	165	4	3.2%
School District 162 (Indiana & Illinois)	124	5	4.4%	122	5	2.4%
Aunt Martha's	107	6	3.8%	-		
Star Disposal Service	84	7	3.0%	59	7	1.1%
Victory Centre of Park Forest	45	8	1.6%	45	8	0.9%
U-Haul	39	9	1.4%	43	9	0.8%
Imageworks Manufacturing, Inc.	28	10	1.0%	-		
CVS	22	11	0.8%	37	10	0.7%
Taco Bell	21	12	0.7%	-		
Walgreens	21	12	0.7%	28	11	0.5%
Hadady Corporation	15	13	0.5%	-		
Chase Bank	10	14	0.4%	-		
US Bank - Park Forest	9	15	0.3%	15	12	0.3%
First Midwest	7	16	0.2%	-		
Sterk's Super Foods	-			100	6	1.9%
	1,937		68.6%	1,740		33.9%
Continental/Midland*	215			250		
<b>Total</b>	<u>2,152</u>			<u>1,990</u>		

Source: Village Economic Development Department, 2006 Village Audit, U.S. Census Bureau. 2002 through 2005 data is not available.

Note: Total Village Employment data is from the U.S. Census Bureau ZIP Code Business Patterns (NAICS). 2006 data uses the 2004 report, which shows 5,132 employees in Park Forest businesses. 2014 data uses the 2012 report, which shows 2,825 employees.

\*Continental/Midland, is located just south of the village in unincorporated Will County

\*\*Village of Park Forest data includes the Library

**VILLAGE OF PARK FOREST**  
**FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**JUNE 30, 2014**

	2005	2006	2007	2008	2009	2010	2011
<b><u>Function/Program</u></b>							
General Government							
Manager's office	7.5	5	5	6	6	6	6
Finance / IT	10	10	10	10	10	10	9.5
Police							
Officers	39	39	41	41	42	42	42
Civilians**	18.1	14.1	13.1	13.1	13.1	13.1	13.1
Fire							
Firefighters and officers	23	23	24	24	24	24	24
Civilians	1	1	1	1	1	1.4	1.4
Public works	20	20	20	20	20	20	20
Water	9.5	9.8	9.8	9.8	10.3	11	11
Community Development	9.4	9.4	9.4	9.4	9.6	8.9	8.9
Downtown	3	3	3	3	3	3	3
Economic Development *	N/A	4.5	4.5	4	4	4	4
Recreation and Parks	22	22	20.6	19.8	20.6	19.6	18.6
Health	<u>9.5</u>	<u>9</u>	<u>8.5</u>	<u>8.5</u>	<u>8.5</u>	<u>8.5</u>	<u>8.5</u>
Subtotal	172	169.8	169.9	169.6	172.1	171.5	170
Library	<u>24.09</u>	<u>21.65</u>	<u>24.17</u>	<u>26.15</u>	<u>26.15</u>	<u>30.6</u>	<u>30.6</u>
Total	<u>196.09</u>	<u>191.45</u>	<u>194.07</u>	<u>195.75</u>	<u>198.25</u>	<u>202.10</u>	<u>200.60</u>

\* prior to Fiscal 2006, Economic development staff were included in Community development (formerly referred to as Building, zoning and economic development) and Manager's office.

\*\* In Fiscal 2006, the Village began to participate in Southcom Combined Dispatch Center.

Source: Finance Department Budget documents

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2012	2013	2014
6	6	6
9.5	9.7	9.7
41	41	41
13.1	12.6	12.6
25	25	25
1.4	1.4	1.4
20	20	20
10.5	10.5	10.7
8.9	8.9	8.9
3	3	3
4	4	4
18.6	18.6	19.1
<u>8.5</u>	<u>8.5</u>	<u>8.5</u>
169.5	169.2	169.9
<u>20.32</u>	<u>23.48</u>	<u>24.37</u>
<u>189.82</u>	<u>192.68</u>	<u>194.27</u>

**VILLAGE OF PARK FOREST**  
**OPERATING INDICATORS BY FUNCTION/PROGRAMS**  
**LAST TEN CALENDAR YEARS**  
**JUNE 30, 2014**

	2004	2005	2006	2007	2008
<b><u>Function/Program</u></b>					
<b>Police</b>					
Southcom - calls for service	n/a	23,552	19,674	20,191	19,413
Index crimes	756	850	708	807	727
Physical arrests	2,046	2,710	2,665	2,717	2,694
Parking violations	4,963	5,358	5,181	4,979	5,131
Traffic violations	2,988	3,080	3,768	3,138	3,287
<b>Fire</b>					
Southcom - emergency responses	2,698	2,770	2,965	3,268	3,265
Fires extinguished	68	47	41	68	61
Inspections	307	195	187	491	576
<b>Refuse Collection</b>					
Refuse collected (tons per day)	18.8	17.7	21.1	21.9	20.4
Recyclables collected (tons per day)	5.2	4.7	4.7	4.1	4.1
<b>Other Public Works</b>					
Street resurfacing (square yards) <sup>1</sup>	-	5,075	-	-	-
Streets patched (square yards)	5,352	953	230	33,370	814
Sidewalks removed & replaced (sq ft)	28,198	13,174	10,015	15,773	14,351
Snow and ice control (tons of salt)	1,545	980	882	1,826	2,252
<b>Finance</b>					
Payroll checks processed	8,743	8,731	8,679	8,743	8,644
Accounts Payable checks processed	8,199	7,909	7,920	8,009	7,889
Accounts Payable ACH payments processed - <i>new 2013</i>	n/a	n/a	n/a	n/a	n/a
Accounts Receivable invoices processed	1,044	1,035	701	824	668
Water bills issued	55,162	55,047	55,118	54,796	54,354
Late notices issued	18,749	19,242	20,090	20,683	21,117
Shut off notices issued	11,695	11,329	11,098	13,183	13,674
Utility Billing E-payments	n/a	n/a	n/a	538	3,614
Utility Billing Direct Debits	-	-	-	-	-
Vehicle sticker sales					
Passenger	12,776	12,922	12,359	12,401	11,277
Truck	595	810	874	753	722
RV	83	33	25	32	32
Motorcycle	236	223	250	248	257
E-payments - <i>new 2013</i>	n/a	n/a	n/a	n/a	n/a
<b>Recreation and Parks</b>					
Trees Pruned	361	795	894	925	900
Park and athletic field permits issued	-	224	188	235	194
<b>Facilities</b>					
<b>Freedom Hall</b>					
Number of performances	19	19	22	20	19
Number of patrons	4,297	4,724	4,673	4,619	4,119
Tennis and Health Club members	376	550	520	483	457
Aqua Center passes sold	2,726	2,411	2,336	1,975	1,837
Municipal Golf Center rounds sold	19,100	17,087			
<b>Recreation class participants</b>					
Number of programs offered	-	250	283	372	367
Number participants registered	-	2,198	1,966	2,102	1,803
<b>Community Development</b>					
Building permits issued	619	611	707	611	649
Overall inspection totals	12,621	13,055	14,222	13,330	13,909

2009	2010	2011	2012	2013
16,440	16,236	16,504	18,052	15,644
573	585	642	832	559
2,329	1,891	1,811	1,631	1,271
4,414	3,210	3,415	3,161	3,093
3,089	2,298	3,258	2,691	2,169
3,023	3,037	2,871	3,069	3,119
87	93	88	81	52
643	514	432	519	539
19.2	18.8	17.9	17.1	16.9
3.9	3.8	3.3	3.1	3.0
-	13,500	14,309	-	168,277
-	4,569	3,537	996	2,868
9,350	2,653	18,077	27,309	78,474
2,500	2,277	2,274	1,689	2,048
8,163	7,826	7,796	8,152	7,903
7,718	7,599	7,970	7,707	7,395
n/a	n/a	n/a	n/a	68
630	830	796	735	735
54,113	52,857	53,015	52,843	53,305
21,201	20,317	19,666	19,058	20,259
13,870	12,677	12,744	12,347	13,724
4,782	5,616	6,845	7,838	8,821
-	-	1,961	1,946	1,933
11,938	11,760	10,986	10,372	10,544
526	811	733	651	644
197	34	34	19	20
281	260	254	230	221
n/a	n/a	n/a	n/a	184
440	74	12	15	10
183	170	160	173	156
15	17	15	16	15
3,089	3,088	2,731	2,997	3,363
393	395	397	329	312
1,491	1,891	2,018	2,614	2,200
317	325	291	319	306
2,051	2,405	2,104	2,722	2,613
675	779	618	663	637
12,498	11,954	8,957	9,255	5,328

**VILLAGE OF PARK FOREST**  
 OPERATING INDICATORS BY FUNCTION/PROGRAMS  
 LAST TEN CALENDAR YEARS  
 JUNE 30, 2014

<u>Function/Program</u>	2004	2005	2006	2007	2008
Economic Development					
Business License renewal applications*				285	345
Health					
Home health visits	2,597	1,660	2,362	2,615	1,887
Immunizations	684	1,756	1,445	1,430	1,166
Library					
Volumes in collection	174,594	170,035	162,282	158,456	134,427
Total number of materials loaned	140,657	146,608	146,188	189,980	201,851
Total annual attendance	125,894	136,220	138,784	143,724	151,426
Total resident library cards still active	10,080	10,029	10,642	11,910	13,332
Water					
New connections	12	11	47	24	1
Number of service connections	9,012	9,019	9,066	9,080	9,016
Water main breaks	72	123	69	70	154
Average daily consumption (thousands of gallons)	1,514	1,369	1,863	1,851	1,604
Peak daily consumption (thousands of gallons)	4,232	2,793	2,557	2,321	2,345
Sewer					
Sanitary sewer replaced (linear feet)	1,157	111	0	285	245
Sanitary sewer televised (linear feet)	17,595	13,772	0	18,497	12,756
Sanitary sewer cleaned (linear feet)	211,200	269,280	132,000	142,560	31,680
Sanitary sewer lined (linear feet)	0	9,296	0	4,455	280
Municipal Parking Lots					
Commuter customers	215,081	215,488	231,118	212,211	196,010
Transit					
Passengers - Jolly Trolley	21,872	18,202	22,609	21,053	20,003
Taxi Tickets Sold	1,940	1,586	1,929	2,316	2,300

Source: Various village departments

\* Information is unavailable for years designated with a dash ( ----- )

<sup>1</sup> Orchard Drive was resurfaced in 2013

2009	2010	2011	2012	2013
341	334	336	314	305
1,847	2,764	2,260	1,543	1,527
1,126	778	1,389	953	1,010
136,122	126,358	126,358	122,550	84,316
222,151	183,689	191,968	202,693	182,457
154,185	114,794	135,987	137,795	124,819
13,853	13,180	13,033	11,814	10,921
0	2	0	2	2
9,177	9,227	9,008	9,203	9,141
82	111	167	201	133
1,391	1,478	1,387	1,232	1,229
2,086	1,801	2,499	2,173	1,632
0	678	130	0	0
16,504	1,306	10,614	2,251	10,246
63,360	134,141	41,337	35,416	38,230
0	70	10,614	2,251	10,839
168,041	140,029	135,374	107,949	86,051
19,116	19,872	18,731	19,031	17,634
2,336	1,888	1,888	2,141	2,401

**VILLAGE OF PARK FOREST**  
**CAPITAL ASSETS STATISTICS BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**JUNE 30, 2014**

<u>Function/Program</u>	2005	2006	2007	2008	2009
Police					
Station	1	1	1	1	1
Patrol Units	17	17	17	17	18
Fire Stations	1	1	1	1	1
Other Public Works					
Streets (miles)	64.9	64.9	64.9	64.9	64.9
Streetlights	1,255	1,255	1,262	1,262	1,270
Traffic Signals (Intersections)	5	5	5	5	5
Recreation and Parks					
Acreage	478.78	478.78	478.78	478.78	478.78
Playgrounds	13	13	13	13	13
Baseball/softball diamonds	14	14	14	14	14
Soccer/football fields	4	4	4	4	4
Basketball	4	4	4	4	4
Tennis	15	15	15	15	15
Skating Parks	1	2	3	3	3
Picnic Pavilions	4	4	4	4	4
Facilities *	5	5	4	4	4
Water					
Water mains (miles)	72.25	72.25	72.25	72.25	72.25
Fire hydrants	750	750	780	780	780
Storage capacity (millions of gallons)	4.5	4.5	4.5	5.0	5.0
Wastewater					
Sanitary sewer (miles)	68.20	68.20	68.20	68.20	68.20
Storm sewers (miles)	42.20	42.20	42.20	42.20	42.20

\* Recreation and Parks Facilities include Village Hall, Freedom Hall, Aqua Center, and the Tennis & Health Club.

Source: Various village departments

2010	2011	2012	2013	2014
1	1	1	1	1
18	18	18	18	18
1	1	1	1	1
64.9	64.9	64.9	64.9	64.9
1,273	1,273	1,273	1,279	1,279
5	5	5	5	5
478.78	478.78	478.78	478.78	478.78
11	11	11	11	11
14	14	14	14	13
4	4	4	4	4
5	5	5	5	5
15	15	15	15	15
3	3	3	3	3
4	4	4	4	4
5	5	5	5	5
72.25	72.25	72.25	72.25	72.25
780	789	789	789	789
5.0	5.0	5.0	5.0	5.0
68.20	68.20	68.20	68.20	68.20
42.20	42.20	42.20	42.20	42.20

**VILLAGE OF PARK FOREST**  
**WATER SOLD BY TYPE OF CUSTOMER**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS OF GALLONS)**  
**JUNE 30, 2014**

	2005	2006	2007	2008	2009
<b>Type of Customer</b>					
Residential	443,574.1	448,615.2	423,880.6	416,824.3	403,500.7
Commercial	<u>98,962.8</u>	<u>78,583.1</u>	<u>105,308.7</u>	<u>89,645.1</u>	<u>83,231.1</u>
Total	<u>542,537.0</u>	<u>527,198.2</u>	<u>529,189.3</u>	<u>506,469.4</u>	<u>486,731.9</u>
Water rate per 1,000 gallons	\$5.65	\$7.00	\$8.00	\$8.00	\$8.32
Sewer rate per 1,000 gallons	\$0.77	\$0.77	\$1.85	\$2.10	\$2.35

Source: Village of Park Forest Water Department Pumpage Report

2010	2011	2012	2013	2014
378,392.6	361,794.0	339,396.4	341,206.3	352,027.6
<u>76,953.5</u>	<u>83,658.2</u>	<u>97,071.4</u>	<u>111,472.4</u>	<u>106,971.5</u>
<u>455,346.0</u>	<u>445,452.1</u>	<u>436,467.8</u>	<u>452,678.7</u>	<u>458,999.1</u>
\$8.65	\$9.00	\$9.36	\$9.73	\$11.93
\$2.60	\$2.86	\$2.86	\$2.86	\$2.86