

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
VILLAGE OF CHICAGO RIDGE, ILLINOIS**
As of and for the Year Ended December 31, 2013

VILLAGE OF CHICAGO RIDGE

TABLE OF CONTENTS As of and for the Year Ended December 31, 2013

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i - vi
Organizational Chart	vii
List of Elected and Appointed Officials	viii
FINANCIAL SECTION	
<i>INDEPENDENT AUDITORS' REPORT</i>	1 - 3
<i>REQUIRED SUPPLEMENTARY INFORMATION</i>	
Management's Discussion and Analysis	4 - 16
<i>BASIC FINANCIAL STATEMENTS</i>	
Government-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	18 - 19
Fund Financial Statements	
Balance Sheet - Governmental Funds	20 - 21
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	22
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	23 - 26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Statement of Net Position - Proprietary Fund	28
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	29
Statement of Cash Flows - Proprietary Fund	30 - 31
Statement of Fiduciary Net Position - Fiduciary Funds	32
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	33
Index to Notes to Financial Statements	34
Notes to Financial Statements	35 - 70
<i>REQUIRED SUPPLEMENTARY INFORMATION</i>	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - NonGAAP Budgetary Basis	71

VILLAGE OF CHICAGO RIDGE

TABLE OF CONTENTS (cont.) December 31, 2013

REQUIRED SUPPLEMENTARY INFORMATION (cont.)

Historical Pension Information

Illinois Municipal Retirement Fund - Schedule of Employer's Contributions and Schedule of Funding Progress	72
Police Pension Fund - Schedule of Employer's Contributions and Schedule of Funding Progress	73
Firefighters' Pension Fund - Schedule of Employer's Contributions and Schedule of Funding Progress	74
Retiree's Health Plan - Schedule of Employer Contributions and Schedule of Funding Progress	75
Notes to Required Supplementary Information	76

SUPPLEMENTARY INFORMATION

General Fund

Detailed Schedule of Revenues - Budget and Actual - General Fund - NonGAAP Budgetary Basis	77
Detailed Schedule of Expenditures - Budget and Actual - General Fund - NonGAAP Budgetary Basis	78 - 80

Governmental Funds

Combining Balance Sheet - Nonmajor Governmental Funds	81 - 82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	83 - 84
Schedules of Revenues, Expenditures and Changes in Fund Balances (Deficit) - Budget and Actual	
Motor Fuel Tax Fund	85
Community Development Fund	86
Ridgeland TIF Fund	87
Bond and Interest Fund	88
Capital Improvements Fund	89
Combining Statement of Fiduciary Net Position - Pension Trust Funds	90
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	91
Schedule of Changes in Assets and Liabilities - All Agency Funds	92
Debt Service Requirements - General Obligation Fire Station Project Bond Issue Dated August 15, 2008	93

OTHER INFORMATION

Community Development Block Grant - Schedule of Project Activity	94
--	----

VILLAGE OF CHICAGO RIDGE

TABLE OF CONTENTS (cont.) December 31, 2013

OTHER INFORMATION (cont.)

Additional Disclosure Required by SEC Rule 15C2-12 - Required Information for Continuing Disclosure Undertaking	95 - 96
---	---------

STATISTICAL SECTION

Net Position by Component - Last Ten Fiscal Years	97 - 98
Changes in Net Position - Last Ten Fiscal Years (Accrual Basis of Accounting)	99 - 104
Fund Balances of Governmental Funds - Last Ten Fiscal Years (Modified Accrual Basis of Accounting)	105 - 106
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years (Modified Accrual Basis of Accounting)	107 - 108
Assessed Value and Actual Value of Taxable Property - Last Ten Levy Years	109
Trend of Equalized Assessed Valuations - Last Ten Levy Years	110
Property Tax Rates per \$100 Assessed Valuation - Direct and Overlapping Governments - Last Ten Levy Years	111 - 112
Property Tax Rates per \$100 of Assessed Valuation - Last Ten Levy Years	113 - 114
Principal Property Tax Payers - Current Fiscal and Nine Years Ago	115 - 116
Property Tax Levies and Collections - Last Ten Levy Years	117 - 118
Taxable Sales by Category - Last Ten Fiscal Years	119 - 120
Ratio of Outstanding Debt by Type - Last Ten Fiscal Years	121
Ratio of Net General Bonded Debt Outstanding - Last Ten Fiscal Years	122
Calculation of Legal Debt Margin	123
Computation of Direct and Overlapping Bonded Debt	124
Demographic and Economic Statistics - Last Ten Fiscal Years	125
Principal Employers - Current Fiscal Year and Seven Years Ago	126
Full-Time Equivalent Village Government Employees by Function - Last Nine Fiscal Years	127
Operating Indicators by Function/Programs - Last Ten Fiscal Years	128 - 129
Capital Assets Statistics by Function - Last Ten Fiscal Years	130



VILLAGE OF CHICAGO RIDGE

10455 S. RIDGELAND AVE. • CHICAGO RIDGE, ILLINOIS 60415 • (708) 425-7700

CHARLES E. TOKAR
PRESIDENT
GEORGE M. SCHLEYER
VILLAGE CLERK

TRUSTEES:
DANIEL A. BADON
AMANDA V. CARDIN
MICHAEL R. DAVIES
SALLY A. DURKIN
JOHN "JACK" LIND
BRUCE D. QUINTOS

August 25, 2014

To the Members of the Village Board and Citizens of the Village of Chicago Ridge, Illinois.

State Law requires that all general-purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Village of Chicago Ridge for the fiscal year ended December 31, 2013.

This report consists of management's representations concerning the finances of the Village of Chicago Ridge. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village of Chicago Ridge has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Chicago Ridge's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village of Chicago Ridge's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Baker Tilly Virchow Krause, LLP, a firm of licensed certified public accountants, has audited the Village of Chicago Ridge's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements of the Village of Chicago Ridge for the fiscal year ended December 31, 2013 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the Village of Chicago Ridge's financial statements for the year ended December 31, 2013 are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

This Report is presented in three sections:

The Introductory section contains a table of contents, this transmittal letter, a list of elected and appointed officials, and an organizational chart.

The Financial section contains the auditor's report on the financial statements and schedules, management's discussion and analysis, the basic financial statements, the notes to financial statements, required supplementary information, and the combining and individual fund schedules.

The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

General Information

The Village of Chicago Ridge is a home-rule unit of government under the 1970 constitution of the state of Illinois and pursuant to the passage of a home-rule referendum in March 1994. The Village is located in the southwest portion of Cook County, Illinois, which is about 20 miles southwest of downtown Chicago. The Village is bordered by the Village of Oak Lawn to the south, east and west; the Village of Worth and unincorporated Cook County to the north. The Village encompasses an area of approximately two and one third square miles and was incorporated in 1914. The Village population as of the 2010 Census is 14,305. The Village tax base is largely residential with significant retail and industrial development as well.

The legislative authority is a seven member Board elected at large and consists of six trustees and a Board President (Mayor) each serving a four-year term. Terms are staggered to allow for election of at least three members every two years. The President and Village Board, among other things, are responsible for passing ordinances, adopting a budget, appointing committees, setting policies and goals, and hiring of employees.

The Village of Chicago Ridge provides a full range of services, including police and fire protection, ambulance service, public works and sewer/water service.

The annual budget ordinance serves as the foundation for the Village of Chicago Ridge's financial planning and control. All departments of the Village are required to work with the Budget Officer to submit a proposed budget to the Village Board for review and approval, with final passage of the budget ordinance after a public hearing before the end of the last quarter of the fiscal year (January 1 through December 31). The budget ordinance is categorized by fund and department. Transfers of funds between the different departments or funds require approval of the Village Board. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual appropriated budget has been adopted.

Major Initiatives

The Village is committed to ensuring that its residential and business communities are well served. To that end, the Village staff, following objectives outlined by the President and Village Board, has been involved in various projects throughout the year. Among the many initiatives and capital improvements completed during fiscal year 2013, the following were the most important:

- ❑ Continuing the Village's water main rehabilitation program, Nottingham Avenue, 100th Street and ancillary streets were completed with CDBG funding, at a total cost of \$292,376. In addition, water mains were also replaced on Lyman Avenue with a completed construction cost of \$395,505. Reconstruction of these streets also was concluded, using \$349,684 in Motor Fuel Tax funds from the Street Department budget.
- ❑ At the Public Works facility, repairs were made to the fuel pumping system at a cost of \$22,070, paid from the Capital Improvement Fund. Also from that fund, the asphalt parking areas around the Municipal Complex were sealcoated and restriped at a cost of \$8,540. Repairs also were required at the 99th Street Liftstation, at a cost of \$11,940, paid from the Sewer Department budget.
- ❑ Two Ford Interceptor police vehicles were purchased as replacement vehicles at a cost of under \$31,606 from the General Fund (Police budget) and the Capital Improvement Fund.
- ❑ From the Sewer Fund, \$110,698 was spent on a new large dump truck, while the Water Fund replaced a truck body at a cost of almost \$13,000.
- ❑ \$400,000 in Motor Fuel Tax funds was transferred to the Village's General Fund. These dollars primarily covered street repairs, salaries in the Street Department and the purchase of \$48,719 of street salt. Approximately \$7,500 was spent in 2013 from the Capital Improvement Fund as the Village's share of the cost for the 50/50 residential sidewalk replacement program.
- ❑ The Village started a program in 2013 that will upgrade its street signs throughout the community to larger, more reflective signage in keeping with Illinois Department of Transportation's guidelines. The initial cost of this upgrade in 2013 was under \$2500.
- ❑ Computer hardware purchases totaled \$20,130 in all Village Departments.
- ❑ In the Fire Department, the Village received a grant of \$214,533 toward the purchase of a new ambulance, which was finally received in spring of 2014. This vehicle will replace the oldest ambulance, a 1996 model, which was turned over to our Emergency Management Agency for use as a command vehicle. The Village's share above the grant amount for the purchase was \$24,177 and was paid from the Capital Improvement Fund.
- ❑ It should also be noted that the Village is exploring the feasibility of manning its fire station located at 107th and Lombard with an ambulance and/or other equipment. Doing so would considerably reduce response time for the vast majority of the Village's residents, while at the same time increasing the ambulance fees directed to the Village. It is expected that options for achieving this goal will be reviewed, and that implementation will occur by the end of 2014.
- ❑ Finally, the Village is making steady progress in its plan to create a major "destination" development along the east side of Harlem Avenue, from Southwest Highway north to the 294 tollway overpass. This area, which exceeds 100 acres, has been designated for a mixed use Tax Increment Financing District, and recently (July 2014) received the unanimous approval of the affected taxing bodies sitting on the TIF District's Joint Review Board. In August, it is expected that a Public Hearing will be held and the Village's Board of Trustees will approve the ordinances necessary to begin the TIF District.

Factors affecting Financial Condition

Local Economy

The majority of the Village of Chicago Ridge's tax base is commercial which accounted for approximately 45.2% of its equalized assessed valuation for the 2012 tax levy year. Despite a slowing economy nationwide, the Village of Chicago Ridge nevertheless still provided a sizable source of employment opportunities to the local and regional economy. In 2013, the top three employers in the Village included Sears, Carson Pirie Scott and Kohls (information provided by the USA, Illinois Department of Employment Security).

The Village has made use of tax increment financing (TIF) as a development tool, and provides financial reports for the Ridgeland TIF District. Tax increment financing provides a means for municipalities, after approval of a "Redevelopment Plan" to redevelop blighted areas by pledging the anticipated increase in tax revenues resulting from using new tax revenues generated by private redevelopment to pay for the public costs incurred to stimulate such private investment in new development and rehabilitation. Tax increment financing is authorized in Illinois by the Tax Increment Redevelopment Act, as amended (the "Tax Increment Act").

The Village has created three tax increment finance districts:

1. Tri-State/Southwest Redevelopment Project Area, established in December 1986, formerly occupied by the North American Tank Car Company which has been converted into an industrial park with a small commercial center along the Southwest Highway frontage. This District closed in 2010, with a final distribution of property tax dollars to the thirteen taxing bodies covering the District.
2. Commons Shopping Center TIF, established in October 1985, for the construction of a full retail outlet strip mall containing over twenty stores, restaurant and a four screen cinema. The Commons Shopping Center TIF was closed in December 1996.
3. Ridgeland Redevelopment Project Area, established in July 2007, for the construction of 58 town homes on 6 acres of property bounded by Oxford Avenue and Birmingham Street, just east of Ridgeland Avenue.

Long-Term Financial Planning

Not much has changed in the 12 months since the report made in this section of last year's transmittal letter. Serious concerns remain in the most important areas of the national as well as local economies. Whether discussing the continuing and very distressing job market, the foreclosure crisis, or stagnant retail sales climate, the overall economic picture seems to have neither brightened nor dimmed appreciably.

Our Village is, along with the rest of the municipalities in America, struggling to stay at equilibrium. We endeavor to only tax as much as we need to cover the cost of necessary services, including police, fire and public works. Yet in spite of holding the line on spending in terms of our latest tax levy – which amount actually went down slightly – the necessary revenues are increasingly being diverted to the escalating cost of police and fire pensions. Despite more than quadrupling the levy amount for the Police Pension and more than doubling the Fire Pension in just seven years, we are told by the pension auditors/actuaries that the total levy for pensions must almost double again.

We have gone from a levy of \$347,000 to \$1,636,678 in the police pension levy amount, and from \$241,000 to \$627,852 in the fire pension levy amount. Combining the two, we have jumped from \$588,000 to approximately \$2.26 million dollars, an average of over 20% per year. In order to reach the goal of being 90% funded by the year 2040, without increases in employee contributions, the Village basically needs to start levying the plateau target figure of \$3 million per year, based on current assumptions, and get to that target as quickly as possible.

Considering our total tax levy just passed in December of 2013 was for \$4.8 million, with all other levy amounts decreasing by \$40,000 from their 2012 level, the levy would need to increase to over \$6 million to reach the suggested pension funding level of \$3 million.

Looking back at the 2006 tax levy, the total amount of the levy – not including the pension amounts – has declined in the succeeding 7 years by \$456,310. Over the course of these years, the police and fire pension amounts combined have increased over \$2.2 million.

It is difficult to see the light at the end of the tunnel when these trend lines are what they are. Clearly, the Board of Trustees must wrestle with some weighty issues in determining where to cut spending in order to reach a reasonable tax levy and a balanced budget.

In order to understand the pension problem more clearly, individual members of the Board of Trustees have met with Pension Board members in several workshops presented by Lauterbach & Amen LLP, pension accountants. To its credit, the Board has also approved the retention of an independent actuarial firm to review reports and audits of the Police and Fire Pensions, in order to make an appraisal of the Village's position and make recommendations concerning future tax levy planning. In any event, progress in meeting the Village's pension obligations will require a concerted team effort of the Village's Board of Trustees, the Police and Fire Pension Boards and the Police and Fire employees as represented by their union representatives.

A model of such a concerted effort can be seen in the successful actions taken by the Water Reclamation District of Greater Chicago. By working together with their employee union, the District Commissioners have devised a plan that has set their employee pension on a path to sustained viability into the future. It is suggested that a similar "partnership" approach, with give and take on both sides, is what will be required in order for Chicago Ridge, as well as other communities in similar positions, to forge a realistic plan for the long-term success of its retirement programs.

In any case, significant reductions in expenditures must be the priority as raising revenue through means other than the tax levy leaves limited options. Sales tax and home rule sales tax figures through June of 2014 are up over \$300,000 compared to the first six months of 2013. The 2014 six-month total is still \$200,000 lower than the comparable period in 2007. Budget projections for these two line items combined forecast an annual 9% increase, primarily due to the one quarter of one percent increase in the home rule sales tax phased in last year.

Cash Management

Cash reserves of the Village are invested in the Illinois Funds, an investment pool managed by the State of Illinois.

Risk Management

The Village is exposed to various risks of loss related to employee health benefits; worker's compensation claims; theft of, damage to, and destruction of assets; and natural disasters. The Village has purchased insurance from private insurance companies for general liability, worker's compensation and other overages not included below. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in prior years.

Retirement Plans

The Village sponsors three retirement plans for its employees, all of which are defined benefit pension plans. The Village contributes to the Illinois Municipal Retirement Fund (IMRF), which is an agent multiple employer public employee retirement system that acts as a common investment and administrative agent for the majority of local governments and school districts in Illinois, the Village of Chicago Ridge Police Pension Fund ("Police Pension"), a single employer plan, and the Village of Chicago Ridge Firefighters' Pension Fund ("Firefighters' Pension"), also a single employer plan.

Acknowledgements

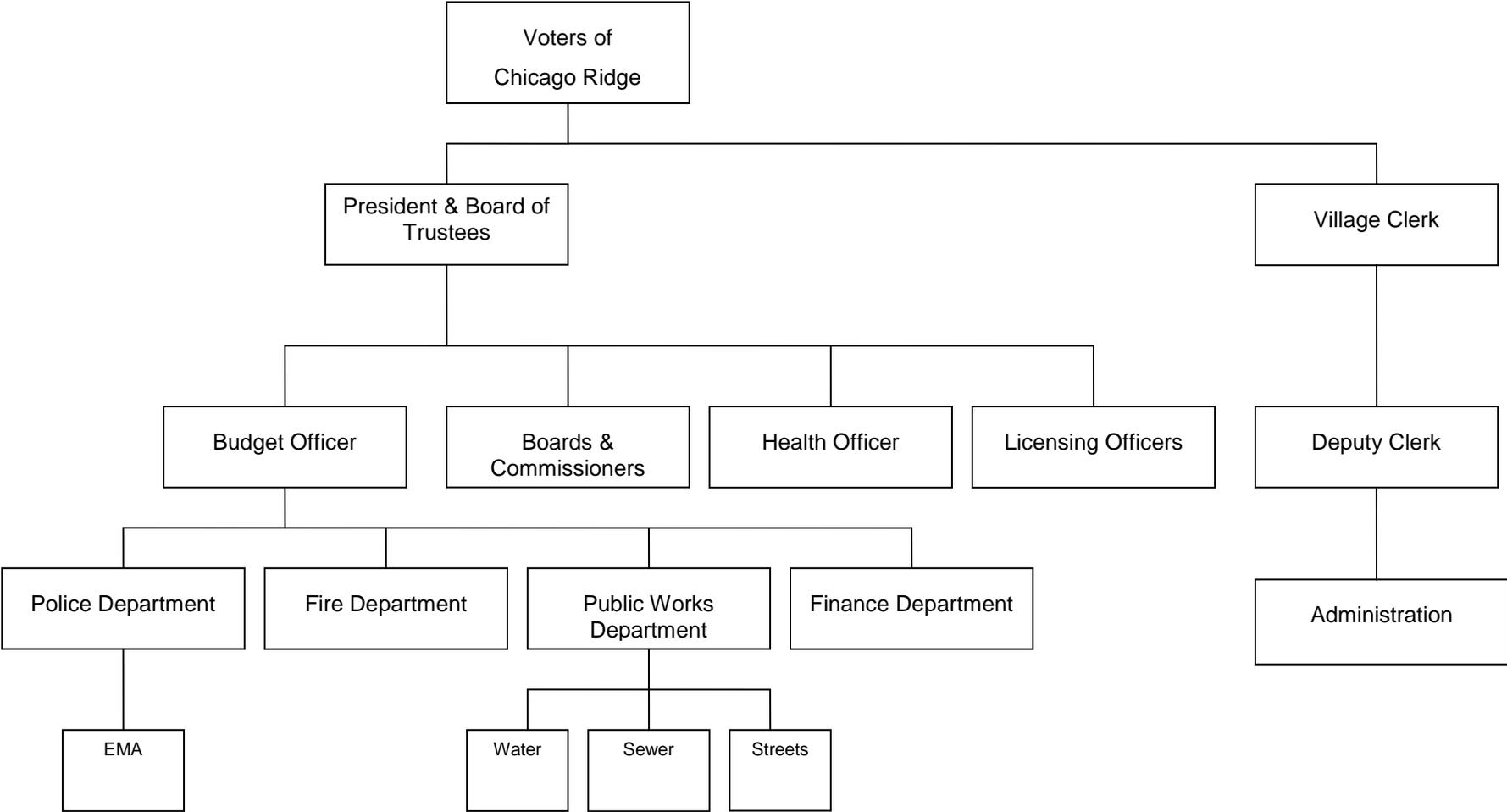
The preparation of this report is possible through the efforts of the Village staff and the commitment towards excellence in financial reporting by the Board of Trustees.

Respectfully submitted,



Charles Tokar
Village President

VILLAGE OF CHICAGO RIDGE ORGANIZATIONAL CHART



VILLAGE OF CHICAGO RIDGE
LIST OF ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2013

ELECTED OFFICIALS

President	Charles E. Tokar
Village Clerk / Collector	George M. Schleyer
Trustee	John Lind
Trustee	Daniel A. Badon
Trustee	Michael R. Davies
Trustee	Amanda Cardin
Trustee	Bruce D. Quintos
Trustee	Sally Durkin

APPOINTED OFFICIALS

Treasurer	Deborah M. Pyznarski
Attorney	George J. Witous
Engineer	Christopher B. Burke Engineering, Ltd.
Police Chief	Robert Pyznarski
Fire Chief	Robert Muszynski
Public Works Superintendent	Doug Koehler
Code Enforcement Officer	Robert Gushes



Baker Tilly Virchow Krause, LLP
1301 W 22nd St, Ste 400
Oak Brook, IL 60523-3389
tel 630 990 3131
fax 630 990 0039
bakertilly.com

INDEPENDENT AUDITORS' REPORT

To the President and Board of Trustees
Village of Chicago Ridge
Chicago Ridge, 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 Chicago Ridge, Illinois, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Village of Chicago Ridge'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 did not audit the financial statements of the Chicago Ridge Police and Firefighters' pension funds, which represent 98 percent, 99 percent and 87 percent, respectively, of the assets, net position/fund balance, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Chicago Ridge Police and Firefighters' pension funds, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

To the President and Board of Trustees
Village of Chicago Ridge

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 relevant to the Village of Chicago Ridge'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 Chicago Ridge's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chicago Ridge, Illinois, as of December 31, 2013 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I, the Village of Chicago Ridge adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective January 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.

To the President and Board of Trustees
Village of Chicago Ridge

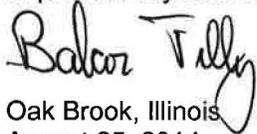
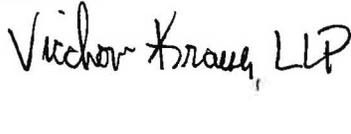
Supplementary Information

Our audit for the year ended December 31, 2013 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Chicago Ridge's basic financial statements. The financial information listed as supplementary information in the table of contents for the year ended December 31, 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 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 December 31, 2013, 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 financial information listed as supplementary information in the table of contents is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2013.

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 Chicago Ridge as of and for the year ended December 31, 2012 (not presented herein), and have issued our report thereon dated August 27, 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 financial information listed as supplementary information in the table of contents for the year ended December 31, 2012 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 2012 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2012 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 financial information listed as supplementary information in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2012.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Chicago Ridge's basic financial statements. The introductory section, other information, and statistical section as listed in the table of contents 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.

  Victor Kraus, LLP

Oak Brook, Illinois
August 25, 2014

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

The discussion and analysis of the Village of Chicago Ridge's (the "village") financial performance provides an overall review of the village's financial activities for the year ended December 31, 2013. The management of the village encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the village's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- > The assets of the village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$27.8 million (net position). Of this amount, \$3.5 million is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors.
- > In total, net position increased by \$1.4 million. This increase is the largely the result of increased revenues over the prior year.
- > As of the close of the current fiscal year, the village's governmental funds reported combined ending fund balances of \$8.7 million, an increase of \$1.1 million in comparison with the prior year. Approximately \$8.3 million is available for spending at the government's discretion (assigned and unassigned fund balances).
- > At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5.1 million, or 36% of the total General Fund expenditures.
- > The village's total long-term liabilities increased by \$0.2 million during the current year to \$12.3 million. The increase was the result of \$0.5 million increase in the Village's net pension obligation and other post employment benefits payable offset by \$0.3 million in bond payments.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the village's basic financial statements. The basic financial statements are comprised of three components:

- > Government-wide financial statements,
- > Fund financial statements, and
- > Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the village's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

The statement of net position presents information on all of the village's assets deferred outflow of resources, liabilities and 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 is improving or deteriorating.

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

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the village that are principally supported by taxes and intergovernmental revenues. Business-type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The village's governmental activities include functions like general government, public safety, public works and public welfare. The village's business-type activities include the water and sewer system.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the village can be divided into two categories: governmental 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 and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the village's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources; as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a village's near-term financing requirements.

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 this comparison between governmental funds and governmental activities.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

The village maintains 3 major 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, Bond and Interest, and Capital Improvement Funds, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The village adopts an annual budget for each of the major funds listed above. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

Proprietary funds

Proprietary funds are used to report the same functions presented as business type activities in the government-wide financial statements. The village's proprietary funds present the activities and balances in the Water and Sewer Fund, which is considered to be a major fund, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary funds reflect the private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation.

Fiduciary funds

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

Notes to basic financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the village's contributions and funding progress of the Illinois Municipal Retirement Fund, Police Pension Fund and Firefighters' Pension Fund; as well as, funding progress of the Retiree's Health Plan and budget to actual comparison of the General Fund. Supplementary schedules include combining and individual fund schedules of non-major funds and Fiduciary Funds.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Government-Wide Financial Analysis

Table 1 Condensed Statements of Net Position (in millions of dollars)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>2013</u>	<u>2012</u>
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	\$ 15.2	\$ 14.0	\$ 2.1	\$ 2.1	\$ 17.3	\$ 16.1
Capital assets	<u>22.6</u>	<u>22.9</u>	<u>6.1</u>	<u>5.4</u>	<u>28.7</u>	<u>28.3</u>
Total assets	<u>37.8</u>	<u>36.9</u>	<u>8.2</u>	<u>7.5</u>	<u>46.0</u>	<u>44.4</u>
Liabilities						
Long-term liabilities	12.1	11.9	0.2	0.2	12.3	12.1
Other liabilities	<u>0.7</u>	<u>5.7</u>	<u>0.2</u>	<u>0.2</u>	<u>0.9</u>	<u>5.9</u>
Total liabilities	<u>12.8</u>	<u>17.6</u>	<u>0.4</u>	<u>0.4</u>	<u>13.2</u>	<u>18.0</u>
Deferred inflows of resources	<u>5.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5.0</u>	<u>-</u>
Net position						
Net investment in capital assets	18.0	17.9	6.1	5.4	24.1	23.3
Restricted	0.2	0.3	-	-	0.2	0.3
Unrestricted	<u>1.8</u>	<u>1.1</u>	<u>1.7</u>	<u>1.7</u>	<u>3.5</u>	<u>2.8</u>
Total net position	<u>\$ 20.0</u>	<u>\$ 19.3</u>	<u>\$ 7.8</u>	<u>\$ 7.1</u>	<u>\$ 27.8</u>	<u>\$ 26.4</u>

The impact of the implementation of GASB 65 is not reflected in the prior year column in the above condensed statement of net position.

Normal Impacts

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

Net results of activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for capital – which will increase current assets and long-term debt.

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net position net investment in capital assets.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal payment on debt – which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase net position net investment in capital assets.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Reduction of capital assets through depreciation – which will reduce capital assets and net position net investment in capital assets.

Current Year Impacts

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the village's, total net position increased by \$1.4 million from \$26.4 million to \$27.8 million. The village's total assets equal \$46.0 million. The village's total liabilities and deferred inflows of resources equal \$18.2 million.

A portion of the net position of the governmental activities is restricted for street maintenance, road improvements, and special assessments. The unrestricted combined balance, for both governmental and business-type activities, of \$3.5 million may be used to meet the ongoing village obligations to their citizens and creditors. All net position categories show positive balances at year end.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Table 2						
Condensed Statements of Activities						
(in millions of dollars)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Activities</u>	
	2013	2012	2013	2012	2013	2012
Revenues						
<i>Program revenues</i>						
Charges for services	\$ 2.0	\$ 2.0	\$ 2.9	\$ 2.8	\$ 4.9	\$ 4.8
Operating grants and contributions	0.5	0.4	-	-	0.5	0.4
Capital grants and contributions	0.4	0.3	-	-	0.4	0.3
<i>General revenues</i>						
Property taxes	4.6	4.7	-	-	4.6	4.7
Other taxes	6.6	6.0	-	-	6.6	6.0
Intergovernmental	1.7	1.5	-	-	1.7	1.5
Other general revenues	<u>0.7</u>	<u>0.6</u>	<u>-</u>	<u>-</u>	<u>0.7</u>	<u>0.6</u>
Total revenues	<u>16.5</u>	<u>15.5</u>	<u>2.9</u>	<u>2.8</u>	<u>19.4</u>	<u>18.3</u>
Expenses						
General government	3.8	3.9	-	-	3.8	3.9
Police	6.5	6.1	-	-	6.5	6.1
Fire	3.6	3.8	-	-	3.6	3.8
EMA	0.1	0.1	-	-	0.1	0.1
Street	0.7	0.5	-	-	0.7	0.5
Refuse	0.4	0.4	-	-	0.4	0.4
TIF area development	0.1	0.1	-	-	0.1	0.1
Interest and fees	0.2	0.3	-	-	0.2	0.3
Unallocated depreciation	0.1	0.1	0.1	0.1	0.2	0.2
Water and sewer	<u>-</u>	<u>-</u>	<u>2.4</u>	<u>2.6</u>	<u>2.4</u>	<u>2.6</u>
Total expenses	<u>15.5</u>	<u>15.3</u>	<u>2.5</u>	<u>2.7</u>	<u>18.0</u>	<u>18.0</u>
Change in net position before transfers	1.0	0.2	0.4	0.1	1.4	0.3
Transfers	<u>(0.3)</u>	<u>(0.5)</u>	<u>0.3</u>	<u>0.5</u>	<u>-</u>	<u>-</u>
Change in net position	0.7	(0.3)	0.7	0.6	1.4	0.3
Net position, beginning of year	<u>19.3</u>	<u>19.6</u>	<u>7.1</u>	<u>6.5</u>	<u>26.4</u>	<u>26.1</u>
Net position end of year	<u>\$ 20.0</u>	<u>\$ 19.3</u>	<u>\$ 7.8</u>	<u>\$ 7.1</u>	<u>\$ 27.8</u>	<u>\$ 26.4</u>

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

Economic condition – which can reflect a declining, stable or growing economic environment, and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/decrease in village approved rates – while certain tax rates are set by statute, the village has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the village's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the village.

Salary increases (annual adjustments and merit) – The Village of Chicago Ridge endeavors to maintain a competitive salary range for all its employees, comparable to surrounding Southwest Suburban municipalities. Under recently negotiated labor agreements, most employees saw a 2% wage increase in 2012 and another 2% increase in 2013. This does not take into account any longevity increases for public safety employees.

Inflation - primarily because of the downturn in the economy, inflation has not been as much of a budgetary concern as it has been in previous years. The Village is a major consumer of certain commodities such as supplies, fuel and parts. Some functions may experience unusual commodity specific fluctuations.

Current Year Impacts

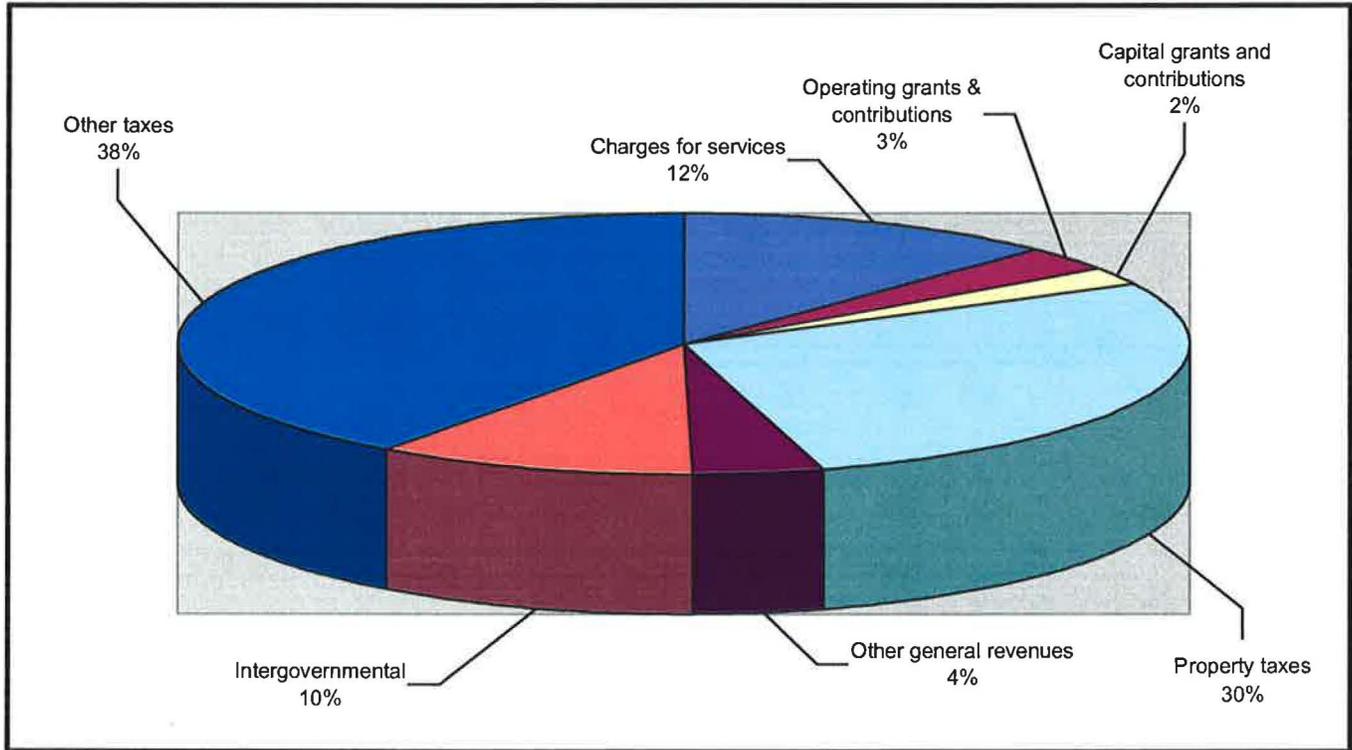
The slight decrease in property taxes for the village compared to 2012 is the result of more timely collection of the second installment in 2012. Expenses increased from 2012 as a result of an increase in the net pension obligation for the Police and Firefighters' pensions, as well as IMRF.

VILLAGE OF CHICAGO RIDGE

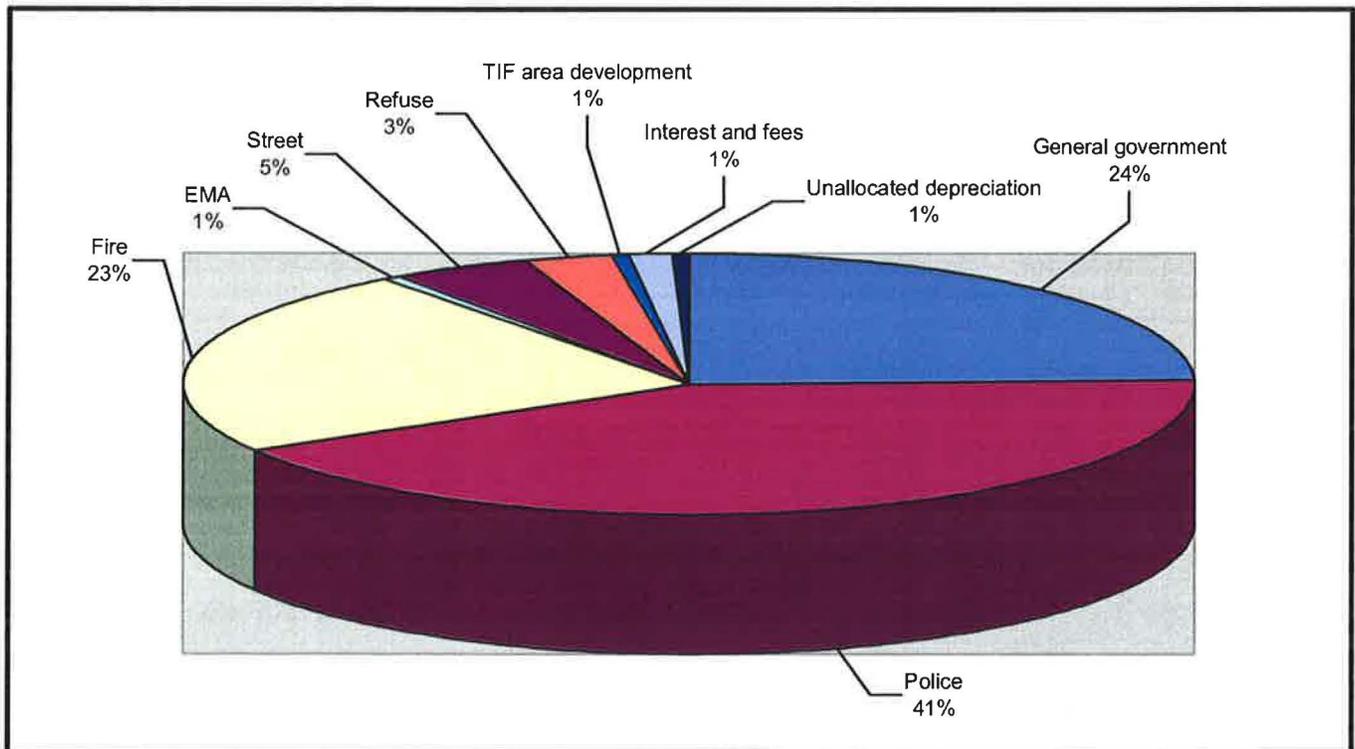
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Governmental Activities

Governmental Revenues by Source



Governmental Expenses by Function



VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Business-Type Activities

The Business Type activity of the village includes the water and sewer departments. The departments serve the village's residents and businesses. Pricing of water is based on fee determined by the supplier of water, the City of Chicago. Sales of water (revenues) can be affected by climate, at times, with warmer and drier summers bringing higher demand. The operating revenues of the department was approximately \$2.9 million. The increase of \$0.1 million is a result of increasing the water rates from the prior year.

Financial Analysis of the Village's Funds

The Village of Chicago Ridge uses fund accounting to ensure and demonstrate compliance with finance legal requirements.

Governmental Funds: The focus of the Village of Chicago Ridge's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Village of Chicago Ridge's financial requirements.

The Village of Chicago Ridge's major funds include; the General, Bond and Interest, and Capital Improvements Funds.

At the end of the current fiscal year, the Village of Chicago Ridge's governmental funds reported a combined (major and non-major) ending fund balance of \$8.7 million, an increase of \$1.1 million over fiscal year 2012.

General Fund Budgetary Highlights

General Fund revenues exceeded the amount budgeted by \$0.7 million and expenditures were under budget by \$0.4 million.

Capital Assets and Debt Administration

Capital assets

By the end of 2013, the village had compiled a total investment of \$46.9 million (\$28.7 million net of accumulated depreciation) in a broad range of capital assets including police and fire equipment, buildings, village facilities, water facilities, roads, streets, and sewer lines. Total depreciation expense for the year was \$0.9 million. More detailed information about capital assets can be found in Note III. C. of the basic financial statements.

Table 3							
Capital Assets (net of depreciation)							
(in millions of dollars)							
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>		
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Land	\$ 1.1	\$ 1.1	\$ -	\$ -	\$ 1.1	\$ 1.1	
Buildings	12.5	12.7	0.2	0.2	12.7	12.9	
Improvements other than buildings	0.3	0.3	-	-	0.3	0.3	
Equipment	1.7	2.1	0.5	0.3	2.2	2.4	
Infrastructure	7.0	6.7	5.4	4.9	12.4	11.6	
Total	\$ 22.6	\$ 22.9	\$ 6.1	\$ 5.4	\$ 28.7	\$ 28.3	

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Debt Administration

The debt administration discussion covers two types of debt reported by the village's financial statements. The village's governmental activities consist of general obligation debt and tax increment financing bonds. As of December 31, 2013, the village's governmental activities general obligation debt was \$4.6 million. The village began the year with \$5.0 million in general obligation debt and paid \$0.4 million in principal to result in \$4.6 million in general obligation debt as of December 31, 2013. As of December 31, 2013, the village's tax increment financing bond debt was \$2.67 million, which approximated 2012. The other long-term debt consists of the Village's liability for the net pension obligation and other post employment benefits payable. More detailed information about debt administration can be found in Note III. E. of the basic financial statements.

Table 4						
Long-Term Debt						
(in millions of dollars)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 4.6	\$ 5.0	\$ -	\$ -	\$ 4.6	\$ 5.0
Tax increment financing bonds	2.7	2.7	-	-	2.7	2.7
Other	<u>4.8</u>	<u>4.2</u>	<u>0.2</u>	<u>0.2</u>	<u>5.0</u>	<u>4.4</u>
Total	<u>\$ 12.1</u>	<u>\$ 11.9</u>	<u>\$ 0.2</u>	<u>\$ 0.2</u>	<u>\$ 12.3</u>	<u>\$ 12.1</u>

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Factors Bearing on the Village's Future

At this time last year, the national unemployment rate was approximately 7.4%, with Illinois considerably higher at 9.2%, the highest in the nation. That national rate has since gone down to the 6.3% level, with Illinois' rate dropping to 7.9%, still very high but at least not the highest.

Over the course of the last year, the stock market has also seen steady improvement, with each of the major indices reaching progressively new highs. The sustained bull market noted in last year's report has continued. In addition, home sales and new home building are picking up a little steam. There have even been reports referencing an increase in some areas of manufacturing, which is somewhat surprising in this day when everything seems to be made "not" in America.

In any case the trends in all these areas does give reason for some optimism in terms of the improving general economy, and therefore by extension, as factors bearing on Chicago Ridge's future.

Looking at significant economic trends within our own Village, we continue to see a major drop in the number of new foreclosures. There were 82 new foreclosures in the first six months of 2011, and 77 in the first half of 2012. The first half of 2013 dropped to 47, while the first six months of 2014 thankfully saw only 9 new foreclosures.

Another sign of an improving local economy is the number of new businesses that have opened in Chicago Ridge, both within our Mall and on our main arterial streets. In the first half of 2014, fifteen new businesses applied for and were granted licenses to operate in our community. Among many stores refreshing their operations, the AMC theatre located in the Chicago Ridge Mall completed their extensive remodeling project, which included leather recliner seating and a full liquor bar available for adult patrons. Chick-Fil-A restaurant also opened in the last quarter of 2013 and has seen a great response from local diners.

The Mall itself has spent considerable sums upgrading and adding new signage, along with refreshed landscaping. In addition, recent plans for a large second floor addition in the Mall's center atrium area would add 9,000 square feet of new space, along with a renovation of another 12,000 square feet. This improvement would add some "new to the Mall" major retailers, including H & M, one of the fastest growing young adult retailers in the country.

Moving on to the Village's revenue stream, for the first six months of 2014, sales tax and home rule sales tax receipts together are up over \$300,000 from the first half of 2013. Budget projections for these two line items combined forecast an annual 9% increase, primarily due to the one quarter of one percent increase in the home rule sales tax phased in last year.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Equally important, the relatively new food and beverage tax has been projected to bring in approximately \$300,000 in fiscal 2014. And it should be noted that, with seventeen of the Village's liquor establishments holding video gaming licenses, it is anticipated that approximately \$120,000 should be added to revenues in 2014.

Property tax revenues are a budgetary weak point with actual and estimated amounts coming in lower than budgeted the last two years. It is probable that there has been a significant increase in the number of property owners, especially commercial and industrial owners, seeking and receiving reductions in their property valuations. We have also seen a dramatic lowering of the Village's total equalized assessed valuation from a high of \$430 million just a few years ago to the current valuation of \$312 million. This trend is also evident in many of our neighboring communities. In response to this, the Village Board has authorized joining with other taxing districts to dispute the largest requested reductions. With the construction improvements noted above, it is hoped that this decline will reverse course in the coming years.

Giving some extra cause for that hope is the Village's plan for redeveloping the commercial and industrial properties on the east side of Harlem Avenue north and south of 103rd Street. Much activity has taken place over the last year, with regular discussions currently leading to the launching of a highly anticipated Tax Increment Financing District.

As was noted in last year's report, about 70 acres of the property under consideration for this TIF District are owned by YRC Freight, headquartered in Overland Park, Kansas. We are aware that YRC has had the property on the market, and has been in talks with potential purchasers and/or developers. There are also 30+ additional acres of land that the Village would want to include in this TIF District covering the entire stretch of Harlem Avenue from Southwest Highway north to the I-294 overpass. As also noted previously, the Village has passed the necessary amendments to the Village's Comprehensive Plan, proposed by planning consultant Camiros, and the Village's Planning and Development Commission has approved a Mixed Use amendment to the Zoning Code. All of this has been done per the recommendations contained in the Cook County Harlem Avenue Corridor Plan, which was finalized in December of 2011.

A Public Hearing held by the Planning and Development Commission for applying the new mixed use classification to approximately 75 acres of this land has been convened and is expected to reach a decision and recommendation for the Board of Trustees within a month. Concurrently, notice is being sent out to affected taxing bodies for the convening of a TIF Joint Review Board. A Public Hearing is scheduled for this summer.

The proposed redevelopment of this entire 100 acre site would obviously have a very significant positive long-term impact on the Village's financial future.

VILLAGE OF CHICAGO RIDGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Finally, it should be noted that the Board of Trustees has passed two Resolutions encouraging the investigation of ways and means to more cost efficiently manage the operation of our fire and emergency services. The Village has also taken steps to challenge the validity of, and end, any and all pension "spiking." With the Board's action in significantly increasing the levy amounts for both the police and fire pensions the last two years, along with other actions, it is expected that the unfunded liability of both funds will decrease over time. The independent actuarial firm, Tepfer Consulting Group, Ltd., will again be reviewing, assessing and reporting to the Board this year on the impact these actions will have on these pension funds.

Requests for Information

This financial report is designed to provide the village's citizens, taxpayers, and creditors with a general overview of the village's finances and to demonstrate the village's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like a copy of the financial statements for the Police or Firefighters' pension funds, or need additional information, contact the Mayor's Office:

Charles E. Tokar
Village of Chicago Ridge
10455 S. Ridgeland Avenue
Chicago Ridge, Illinois 60415

VILLAGE OF CHICAGO RIDGE

STATEMENT OF NET POSITION As of December 31, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
ASSETS			
Cash	\$ 657,410	\$ 975,497	\$ 1,632,907
Investments	6,854,484	355,553	7,210,037
Receivables (net)			
Property taxes	5,042,434	-	5,042,434
Sales taxes	1,873,700	-	1,873,700
Telecommunication taxes	98,740	-	98,740
State income taxes	365,767	-	365,767
Other intergovernmental Accounts	35,796	-	35,796
Other	56,715	531,102	587,817
Other	161,006	-	161,006
Due from other governmental units	22,982	-	22,982
Internal balances	(157,358)	157,358	-
Prepaid items	150,730	8,309	159,039
Restricted assets	7	-	7
Capital Assets			
Land	1,058,336	-	1,058,336
Other capital assets, net of depreciation	<u>21,588,346</u>	<u>6,086,481</u>	<u>27,674,827</u>
Total Assets	<u>37,809,095</u>	<u>8,114,300</u>	<u>45,923,395</u>
LIABILITIES			
Accounts payable	148,025	142,129	290,154
Accrued salaries	335,221	28,695	363,916
Payroll liabilities	-	977	977
Accrued interest payable	65,522	-	65,522
Due to fiduciary funds	54,156	-	54,156
Noncurrent Liabilities			
Due within one year	680,446	-	680,446
Due in more than one year	<u>11,450,557</u>	<u>183,409</u>	<u>11,633,966</u>
Total Liabilities	<u>12,733,927</u>	<u>355,210</u>	<u>13,089,137</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for a future period	<u>5,042,434</u>	-	<u>5,042,434</u>
Total Deferred Inflows of Resources	<u>5,042,434</u>	-	<u>5,042,434</u>
NET POSITION			
Net investment in capital assets	18,006,682	6,086,481	24,093,163
Restricted for			
Streets and highways	140,031	-	140,031
Economic Development	50,701	-	50,701
Special Assessments	2,073	-	2,073
Unrestricted	<u>1,833,247</u>	<u>1,672,609</u>	<u>3,505,856</u>
TOTAL NET POSITION	<u>\$ 20,032,734</u>	<u>\$ 7,759,090</u>	<u>\$ 27,791,824</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2013

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Village board/administration	\$ 1,719,211	\$ 118,762	\$ -	\$ -
Village hall	711,162	577,307	-	-
Buildings and grounds	147,273	-	-	-
Health department	50,579	-	-	-
Licensing/building department	154,905	222,003	-	-
Planning and zoning department	14,764	-	-	-
Police and fire commission	18,625	90,000	-	-
Professional services department	609,627	-	-	-
Special events department	351,954	279,601	-	-
Police department	6,507,922	323,065	-	-
Fire department	3,624,807	195,223	-	-
EMA department	48,794	-	-	-
Street department	657,538	-	484,076	352,094
Refuse department	440,905	216,906	-	-
TIF area development	67,551	-	-	-
Interest and fiscal charges	247,945	-	-	-
Amortization of deferred charges	54,378	-	-	-
Unallocated depreciation (excludes direct depreciation expense)	133,875	-	-	-
Total Governmental Activities	<u>15,561,815</u>	<u>2,022,867</u>	<u>484,076</u>	<u>352,094</u>
Business-type Activities				
Water	2,177,931	2,545,354	-	-
Sewer	289,406	375,812	-	-
Unallocated depreciation (excludes direct depreciation expense)	120,558	-	-	-
Total Business-type Activities	<u>2,587,895</u>	<u>2,921,166</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 18,149,710</u>	<u>\$ 4,944,033</u>	<u>\$ 484,076</u>	<u>\$ 352,094</u>

General Revenues
Property Taxes
Sales taxes
Telecommunications taxes
Food & beverage taxes
Intergovernmental
Personal property replacement taxes
State income tax
Interest income
Miscellaneous

Total General Revenues

Transfers

Change in net position

NET POSITION - Beginning of Year

NET POSITION - END OF YEAR

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (1,600,449)	\$ -	\$ (1,600,449)
(133,855)	-	(133,855)
(147,273)	-	(147,273)
(50,579)	-	(50,579)
67,098	-	67,098
(14,764)	-	(14,764)
71,375	-	71,375
(609,627)	-	(609,627)
(72,353)	-	(72,353)
(6,184,857)	-	(6,184,857)
(3,429,584)	-	(3,429,584)
(48,794)	-	(48,794)
178,632	-	178,632
(223,999)	-	(223,999)
(67,551)	-	(67,551)
(247,945)	-	(247,945)
(54,378)	-	(54,378)
<u>(133,875)</u>	<u>-</u>	<u>(133,875)</u>
<u>(12,702,778)</u>	<u>-</u>	<u>(12,702,778)</u>
-	367,423	367,423
-	86,406	86,406
-	<u>(120,558)</u>	<u>(120,558)</u>
-	<u>333,271</u>	<u>333,271</u>
<u>(12,702,778)</u>	<u>333,271</u>	<u>(12,369,507)</u>
4,582,701		4,582,701
5,989,559	-	5,989,559
391,966	-	391,966
314,443	-	314,443
68,856	-	68,856
1,625,881	-	1,625,881
2,589	10,106	12,695
<u>693,338</u>	<u>-</u>	<u>693,338</u>
<u>13,669,333</u>	<u>10,106</u>	<u>13,679,439</u>
<u>(292,376)</u>	<u>292,376</u>	<u>-</u>
674,179	635,753	1,309,932
<u>19,358,555</u>	<u>7,123,337</u>	<u>26,481,892</u>
<u>\$ 20,032,734</u>	<u>\$ 7,759,090</u>	<u>\$ 27,791,824</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2013

	General	Bond and Interest	Capital Improvements	Nonmajor Governmental Funds
ASSETS				
Cash	\$ 517,902	\$ -	\$ -	\$ 139,508
Investments	3,552,279	-	3,197,970	104,235
Receivables				
Property taxes	4,981,853	-	-	60,581
Sales taxes	1,873,700	-	-	-
Telecommunication taxes	98,740	-	-	-
State income taxes	365,767	-	-	-
Other intergovernmental	3,763	-	-	193,039
Accounts	56,715	-	-	-
Due from other governments	22,982	-	-	-
Due from other funds	18,877	61,311	73,128	-
Prepaid items	88,328	-	62,402	-
Restricted cash	7	-	-	-
	<u>\$ 11,580,913</u>	<u>\$ 61,311</u>	<u>\$ 3,333,500</u>	<u>\$ 497,363</u>
TOTAL ASSETS				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 131,100	\$ -	\$ 2,560	\$ 14,365
Accrued salaries	335,221	-	-	-
Due to other funds	62,178	-	-	248,496
Due to fiduciary funds	-	54,156	-	-
Total Liabilities	<u>528,499</u>	<u>54,156</u>	<u>2,560</u>	<u>262,861</u>
Deferred Inflows of Resources				
Property taxes levied for a future period	4,981,853	-	-	60,581
Unavailable other taxes	905,658	-	-	-
Total Deferred Inflows of Resources	<u>5,887,511</u>	<u>-</u>	<u>-</u>	<u>60,581</u>
Fund Balances				
Nonspendable	88,328	-	62,402	-
Restricted	7	-	-	192,798
Assigned	-	7,155	3,268,538	-
Unassigned	5,076,568	-	-	(18,877)
Total Fund Balances	<u>5,164,903</u>	<u>7,155</u>	<u>3,330,940</u>	<u>173,921</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	<u>\$ 11,580,913</u>	<u>\$ 61,311</u>	<u>\$ 3,333,500</u>	<u>\$ 497,363</u>

See accompanying notes to financial statements.

Totals

\$ 657,410
6,854,484

5,042,434
1,873,700
98,740
365,767
196,802
56,715
22,982
153,316
150,730
7
\$ 15,473,087

\$ 148,025
335,221
310,674
54,156
848,076

5,042,434
905,658
5,948,092

150,730
192,805
3,275,693
5,057,691
8,676,919

\$ 15,473,087

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2013

Total Fund Balances - Governmental Funds	\$ 8,676,919
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note III C.	22,646,682
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	905,658
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds and notes payable	(7,310,000)
Compensated absences	(290,446)
Interest payable	(65,522)
Net pension obligation	(2,533,010)
Other post employment benefits payable	<u>(1,997,547)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 20,032,734</u>

VILLAGE OF CHICAGO RIDGE

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

For the Year Ended December 31, 2013

	General	Bond and Interest	Capital Improvements	Nonmajor Governmental Funds
REVENUES				
Property taxes	\$ 4,522,120	\$ -	\$ -	\$ 60,581
Other taxes	6,648,166	-	-	-
Intergovernmental	1,749,982	-	72,717	713,627
Licenses and permits	1,106,906	-	189,848	-
Fines, forfeitures and penalties	413,065	-	-	-
Fest income	279,601	-	-	-
Investment income	1,297	182	967	143
Miscellaneous	719,292	-	7,493	-
Total Revenues	<u>15,440,429</u>	<u>182</u>	<u>271,025</u>	<u>774,351</u>
EXPENDITURES				
Current				
Village board/administration	1,707,484	-	-	-
Village hall	559,766	-	-	-
Buildings and grounds	143,085	-	-	-
Health department	50,297	-	-	-
Licensing/buildings department	147,475	-	-	-
Planning and zoning department	14,522	-	-	-
Police and fire commission	18,625	-	-	-
Professional services department	609,627	-	-	-
Special events department	351,954	-	-	-
Police department	5,967,575	-	-	-
Fire department	3,209,150	-	-	-
EMA department	48,582	-	-	-
Street department	513,222	-	-	48,719
Refuse department	440,905	-	-	-
TIF area development	37,920	-	-	29,631
Capital Outlay	377,226	-	186,853	292,376
Debt Service				
Principal	-	375,000	-	-
Interest and fees	-	198,863	-	102,960
Total Expenditures	<u>14,197,415</u>	<u>573,863</u>	<u>186,853</u>	<u>473,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,243,014</u>	<u>(573,681)</u>	<u>84,172</u>	<u>300,665</u>

See accompanying notes to financial statements.

<u>Totals</u>	
\$	4,582,701
	6,648,166
	2,536,326
	1,296,754
	413,065
	279,601
	2,589
	<u>726,785</u>
	<u>16,485,987</u>

	1,707,484
	559,766
	143,085
	50,297
	147,475
	14,522
	18,625
	609,627
	351,954
	5,967,575
	3,209,150
	48,582
	561,941
	440,905
	67,551
	856,455
	375,000
	<u>301,823</u>
	<u>15,431,817</u>
	<u>1,054,170</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

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

For the Year Ended December 31, 2013

	<u>General</u>	<u>Bond and Interest</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 400,000	\$ 572,278	\$ 100,000	\$ -
Transfers out	<u>(672,278)</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Total Other Financing Sources (Uses)	<u>(272,278)</u>	<u>572,278</u>	<u>100,000</u>	<u>(400,000)</u>
Net Change in Fund Balances	970,736	(1,403)	184,172	(99,335)
FUND BALANCES - Beginning of Year	<u>4,194,167</u>	<u>8,558</u>	<u>3,146,768</u>	<u>273,256</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,164,903</u>	<u>\$ 7,155</u>	<u>\$ 3,330,940</u>	<u>\$ 173,921</u>

See accompanying notes to financial statements.

<u>Totals</u>	
\$	1,072,278
	<u>(1,072,278)</u>
	<u>-</u>
	1,054,170
	<u>7,622,749</u>
\$	<u>8,676,919</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2013

Net change in fund balances - total governmental funds	\$ 1,054,170
--	--------------

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

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

This is the amount by which depreciation exceeds capital outlay in the current period.	(217,738)
The net effect of various miscellaneous transactions involving capital assets (sale, disposal, transfer, etc.) is to decrease net position.	(8,603)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	42,383
---	--------

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt payments during the year.	375,000
--	---------

The costs of prior bond issuance costs, premiums and deferred charges on refundings, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Amortization of issuance costs	(54,378)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Interest payable	53,878
Net pension obligation	(155,932)
Other post employment benefits payable	(389,453)
Compensated absences	(25,148)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 674,179</u>
--	--------------------------

VILLAGE OF CHICAGO RIDGE

STATEMENT OF NET POSITION PROPRIETARY FUND As of December 31, 2013

	Business-type Activities - Enterprise Fund
	<u> </u>
ASSETS	
Current Assets	
Cash	\$ 975,497
Investments	355,553
Receivables (net)	
Accounts	531,102
Due from other funds	157,358
Prepaid items	<u>8,309</u>
Total Current Assets	<u>2,027,819</u>
Noncurrent Assets	
Capital assets (net of accumulated depreciation)	
Depreciable buildings, property and equipment	<u>6,086,481</u>
Total Noncurrent Assets	<u>6,086,481</u>
Total Assets	<u>8,114,300</u>
LIABILITIES	
Current Liabilities	
Accounts payable	142,129
Accrued salaries	28,695
Payroll liabilities	<u>977</u>
Total Current Liabilities	<u>171,801</u>
Noncurrent Liabilities	
Long-Term Debt	
Other post employment benefits payable	121,136
Net Pension Obligation	<u>62,273</u>
Total Noncurrent Liabilities	<u>183,409</u>
Total Liabilities	<u>355,210</u>
NET POSITION	
Net investment in capital assets	6,086,481
Unrestricted	<u>1,672,609</u>
TOTAL NET POSITION	<u>\$ 7,759,090</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUND

For the Year Ended December 31, 2013

	<u>Business-type Activities - Enterprise Fund</u>
OPERATING REVENUES	
Water sales	\$ 2,545,354
Sewer charges	<u>375,812</u>
Total Operating Revenues	<u>2,921,166</u>
OPERATING EXPENSES	
Water	
Personnel services	412,085
Contractual services	1,454,141
Supplies	83,275
Utilities	49,238
Miscellaneous	7,309
Sewer	
Personnel services	187,701
Supplies	8,392
Miscellaneous	8,577
Contractual services	5,187
Insurance	190,090
Depreciation expense	<u>181,900</u>
Total Operating Expenses	<u>2,587,895</u>
Operating Income	<u>333,271</u>
NONOPERATING REVENUES	
Investment income	<u>10,106</u>
Total Nonoperating Revenues	<u>10,106</u>
Income Before Contributions	<u>343,377</u>
CONTRIBUTIONS	
Capital contributions	<u>292,376</u>
Total Contributions	<u>292,376</u>
Change in Net Position	635,753
NET POSITION - Beginning of Year	<u>7,123,337</u>
NET POSITION - END OF YEAR	<u><u>\$ 7,759,090</u></u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 2,873,307
Cash payments to suppliers for services	(1,798,690)
Cash payment to employees for services	(580,132)
Net Cash Flows From Operating Activities	<u>494,485</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	<u>10,106</u>
Net Cash Flows From Investing Activities	<u>10,106</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating transfers - Out to Other Funds	<u>(67,351)</u>
Net Cash Flows From Noncapital Financing Activities	<u>(67,351)</u>
CASH FLOWS (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(529,781)</u>
Net Cash Flows used for Capital and Related Financing Activities	<u>(529,781)</u>
Net Change in Cash and Cash Equivalents	(92,541)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,423,591</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,331,050</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended December 31, 2013

	<u>Business-type Activities - Enterprise Funds</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 333,271
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities	
Depreciation	181,900
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(47,859)
(Increase) decrease in prepaid items	2,382
Increase (decrease) in accounts payable	5,137
Increase (decrease) in other post employment benefits payable	18,188
Increase (decrease) in accrued salaries	<u>1,466</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 494,485</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS	
Cash	\$ 975,497
Investments	<u>355,553</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,331,050</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Contribution from Governmental Activities	<u>\$ 292,376</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of December 31, 2013

	<u>Pension Trusts</u>	<u>Agency Fund</u>
ASSETS		
Cash	\$ 475,489	\$ 28,211
Investments		
Money markets	1,752,473	1,329
U.S. government and agency obligations	4,980,871	-
Mutual funds	11,130,305	-
Corporate bonds	4,437,901	-
Insurance company contracts	2,235,067	-
Receivables		
Accrued interest	45,854	-
Due from primary government	-	54,156
Other assets	<u>2,275</u>	<u>-</u>
Total Assets	<u>25,060,235</u>	<u>83,696</u>
LIABILITIES		
Accounts payable	42,987	-
Deposits payable	<u>-</u>	<u>83,696</u>
Total Liabilities	<u>42,987</u>	<u>83,696</u>
NET POSITION		
Held in trust for pension benefits	<u>25,017,248</u>	<u>-</u>
TOTAL NET POSITION	<u><u>\$ 25,017,248</u></u>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2013

	<u>Pension Trusts</u>
ADDITIONS	
Contributions	
Employer	\$ 2,083,644
Plan members	<u>375,542</u>
Total Contributions	<u>2,459,186</u>
Investment income	
Investment income	761,807
Net appreciation (depreciation) in fair value of investments	2,219,535
Interest expense	<u>(73,348)</u>
Total Investment Income	<u>2,907,994</u>
Total Additions	<u>5,367,180</u>
DEDUCTIONS	
Administration	158,234
Benefits	<u>1,697,871</u>
Total Deductions	<u>1,856,105</u>
Change in Net Position	3,511,075
NET POSITION - Beginning of Year	<u>21,506,173</u>
NET POSITION - END OF YEAR	<u>\$ 25,017,248</u>

See accompanying notes to financial statements.

VILLAGE OF CHICAGO RIDGE

INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE	Page
I Summary of Significant Accounting Policies	35
A. Reporting Entity	35
B. Government-Wide and Fund Financial Statements	36
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	39
D. Assets, Liabilities, Deferred Inflows of Resources, and Net Position or Equity	41
1. Deposits and Investments	41
2. Receivables	43
3. Prepaid Items	43
4. Restricted Assets	44
5. Capital Assets	44
6. Compensated Absences	45
7. Long-Term Obligations	45
8. Deferred Inflows of Resources	45
9. Equity Classifications	46
II Stewardship, Compliance, and Accountability	47
A. Budgetary Information	47
B. Budget Reconciliations	48
C. Excess Expenditures Over Appropriations	48
D. Deficit Balances	48
III Detailed Notes on All Funds	49
A. Deposits and Investments	49
B. Receivables	52
C. Capital Assets	53
D. Interfund Receivables/Payables and Transfers	55
E. Long-Term Obligations	57
F. Fund Balances	60
IV Other Information	61
A. Employees' Retirement System	61
B. Risk Management	67
C. Other Postemployment Benefits	67
D. Tax Increment Financing District	69
E. Effect of New Accounting Standards on Current-Period Financial Statements	69
F. Redevelopment Agreement and Restricted Cash	70

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Chicago Ridge, Illinois (the "village") was incorporated in 1926. The village is a home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Chicago Ridge, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the village. The reporting entity for the village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Component Units

The Police Pension Employees Retirement System (PPERS) is established for the village's police employees. PPERS functions for the benefit of these employees and is governed by a five-member 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 and the data for the component unit is included in the government's fiduciary fund financial statements. Complete financial statements for the component unit may be obtained at the village's administrative offices.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the village's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the village's President, one pension beneficiary elected by the membership, and two fire employees elected by the membership constitute the pension board. 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 and the data for the component unit is included in the government's fiduciary fund financial statements. Complete financial statements for the component unit may be obtained at the village's administrative offices.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In November 2010, the GASB issued statement No. 61 - *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. This statement modifies certain requirements for inclusion of component units in the financial reporting entity. This standard was implemented effective January 1, 2013.

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. This standard was implemented effective January 1, 2013.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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. The village does not allocate indirect expenses to functions in the statement of activities. 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 included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund equity, revenues, and expenditure/expenses.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the village or meets the following criteria:

- a. Total assets/deferred outflow of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the village believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The village reports the following major governmental funds:

- General Fund - accounts for the village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Bond and Interest Fund - accounts for the accumulation of resources, through transfers from the General Fund, and payments of general long-term debt principal, interest, and related costs.
- Capital Improvements Fund - is used to account for the accumulation of financial resources to be used for the acquisition, construction, or improvement of major capital facilities.

The village reports the following major enterprise fund:

- Water and Sewer Fund - accounts for operations of the water distribution system and sewer system.

The village reports the following nonmajor governmental funds:

- Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Motor Fuel Tax
Ridgeland TIF

Community Development

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The village reports the following non-major governmental and enterprise funds: (cont.)

Debt Service Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

Special Assessment No. 28

Special Assessment No. 33

In addition, the village reports the following fund types:

Pension (and other employee benefit) trust funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Police Pension
Firefighters' Pension

Agency fund is used to account for and report assets held by the village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Agency Fund - Trust and Agency Escrow

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used 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 except for state income taxes and sales taxes, for which available is defined as 90 days. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the village is entitled the resources and the amounts are available. Amounts owed to the village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows of resources.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from nonoperating 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 water and sewer fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary 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 nonoperating revenues and expenses.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

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.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents. The deposits and investments of the pension trust funds are held separately from those of other funds.

Illinois 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.

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, and 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 adviser may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements.

The village has adopted an investment policy. That policy follows the state statute for allowable investments.

Interest Rate Risk

The village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The pension funds limit exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

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 pension funds help limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The pension funds' investment policies establish criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The pension funds' investment policies also prescribe to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

Concentration of Credit Risk

The firefighters' pension investment policy states "the Plan shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent no to do so. Diversification is to be interpreted to include diversification by asset type, by characteristic and by number of investments." The police pension does not have a formal written policy with regards to concentration of credit risk for investments.

Custodial Credit Risk - Deposits

The village's 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, witnessed by a written agreement and held at an independent - third party institution in the name of the municipality. The pension funds' investment policies do not require pledging of collateral for all bank balances in excess of FDIC insurable limits, since flow-through FDIC insurance is available for the pension funds' deposit with financial institutions.

Custodial Credit Risk - Investments

The pension funds do not have a formal written policy with regards to custodial credit risk for investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

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 valued at Illinois Fund's share price, the price for which the investments could be sold.

See Note III. A. for further information.

2. Receivables

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

Tax bills for levy year 2013 are prepared by Cook County and issued on or about February 1, 2014 and July 1, 2014, and are payable in two installments, on or about March 1, 2014 and August 1, 2014 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2013 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal 2013, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2013, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2013 levy.

Proprietary fund trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days plus 1% comprise the trade accounts receivable allowance for uncollectibles.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

3. 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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,000 for general capital assets and \$1,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	20 - 80 Years
Land Improvements	20 Years
Machinery and Equipment	5 - 30 Years
Infrastructure	80 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. *Compensated Absences*

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Employees earn a specified amount of vacation and sick leave each year. Vacations must be taken in the year following the year in which it was earned. Sick leave may be accumulated for future use, but employees are not compensated for unused sick leave upon termination. Therefore, the village does not record a liability for unused sick leave. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements and are payable with expendable resources.

7. *Long-Term Obligations*

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for gains/losses is shown as a deferred outflow/inflow in the statement of net position.

8. *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 CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

9. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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.

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints place on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the village board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the village that originally created the commitment.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

9. Equity Classifications (cont.)

Fund Statements (cont.)

- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The Board may take official action to assign amounts. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceeds amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Fiduciary fund equity is classified as held in trust for pension benefits on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the village believes it is in compliance with all significant restrictions.

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and except for the exclusion of certain pension related activity, discussed below, is presented using generally accepted accounting principles and the modified accrual basis of accounting. Budget amounts are as originally adopted by the Board of Trustees on December 20, 2011. All annual appropriations lapse at fiscal year end.

Prior to December 31, the village clerk submits to the village board a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

A. BUDGETARY INFORMATION (cont.)

The village is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the village board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function, and department. The village is authorized to transfer budget amounts between departments within any fund; however, the village board must approve revisions that alter the total expenditures of any fund.

B. BUDGET RECONCILIATIONS

	Revenues	Expenditures
General Fund Budgetary Basis	\$ 13,356,785	\$ 12,113,771
To adjust for revenue - pension property tax	2,083,644	-
To adjust for expenditure - pension contributions	-	2,083,644
General Fund GAAP Basis	\$ 15,440,429	\$ 14,197,415

C. EXCESS EXPENDITURES OVER APPROPRIATIONS

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Bond and Interest	\$ 573,778	\$ 573,863	\$ 85

The village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the village's year-end budget to actual report.

D. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

At December 31, 2013, the Community Development Fund had a deficit fund balance of \$18,877. This deficit is anticipated to be funded with future contributions.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The village, police pension, and firefighters' pension deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 2,487,849	\$ 2,895,096	Custodial Credit Risk - Deposits
Equity mutual funds	11,130,305	11,130,305	None
Insurance contracts	2,235,067	2,235,067	Concentration of Credit Risk and Interest Rate Risk
Other investments - village	6,860,005	6,864,671	Credit Risk
Other investments - police pension	6,306,663	5,069,547	Custodial Credit Risk - Investments, Credit Risk, Concentration of Credit Risk and Interest Rate Risk
Other investments - firefighters' pension	4,864,582	4,864,582	Custodial Credit Risk - Investments, Credit Risk, Concentration of Credit Risk and Interest Rate Risk
Petty cash	125	-	N/A
Total Deposits and Investments	\$ 33,884,596	\$ 33,059,268	
Reconciliation to financial statements			
Per statement of net position			
Cash	\$ 1,632,906		
Investments	7,210,037		
Restricted cash	7		
Per statement of net position- fiduciary funds			
Pension trusts - cash	475,489		
Pension trusts - money markets	1,752,473		
Pension trusts - U.S. Gov't and agency	4,980,871		
Pension trusts - corporate bonds	4,437,901		
Pension trusts - mutual funds	11,130,305		
Pension trusts - insurance contracts	2,235,067		
Agency - cash	28,211		
Agency - money markets	1,329		
Total Deposits and Investments	\$ 33,884,596		

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held at an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the village's deposits may not be returned to the village.

The village, police pension, and firefighters' pension do not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The village, police pension fund, and firefighters' pension fund do not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The village, police pension fund, and firefighters' pension fund investment in Illinois Funds, a state investment pool, was rated AAAM by Standard & Poor's. The pension funds' investments in the securities of U.S. government agencies were all rated triple A by Standard & Poor's or by Moody's Investors Services. In August 2011, U.S. Treasury and government agency security ratings were downgraded by Standard & Poor's rating agency to AA+. In addition, the firefighters' pension had unrated investments in small issues including five Royal Bank of Canada Corporate Bond pools (\$300,000 par value, 0% interest rate maturing January 30, 2014, \$250,000 par value, 0% interest rate maturing March 31, 2014, \$500,000 par value, 0% interest rate, maturing February 2, 2016, \$500,000 par value, 0% interest rate maturing June 3, 2016, \$600,000 par value, 0% interest rate maturing March 29, 2017). The firefighters' pension also had two unrated investments in a Morgan Stanley Corporate Bond pool at \$300,000 par value, 0% interest rate maturing March 27, 2015 and a Barclays Bank Corporate Bond pool at \$500,000 par value, 0% interest rate maturing August 31, 2016.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At December 31, 2013, the pension funds have over 5% of plan net position invested in various investments as indicated in the tables below. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

At December 31, 2013, the firefighters' pension fund had investments in excess of 5% of plan net position as follows:

Royal Bank of Canada Corporate Bond	\$	500,000
Royal Bank of Canada Corporate Bond		500,000
Royal Bank of Canada Corporate Bond		600,000
Barclays Bank Corporate Bond		500,000
Prudential Life Insurance Contract		1,591,928
Pacific Life Insurance Contract		643,149
Advisors Disciplined Investment Trust Funds		493,710

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

Police Pension:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury Notes	\$ 3,624,007	\$ 282,589	\$ 2,779,420	\$ 561,998	\$ -
Governmental National Mortgage Assoc.	4,984	-	-	2,535	2,449
Federal Farm Credit Bank	71,980	-	71,980	-	-
Federal Home Loan Mortgage Corp.	190,343	-	190,343	-	-
Federal Home Loan Bank	439,468	-	336,892	102,576	-
Federal National Mortgage Assoc.	284,827	82,782	202,045	-	-
Corporate Bonds	1,237,116	164,525	621,343	451,248	-
Money Market Mutual Funds	453,938	453,938	-	-	-
Totals	\$ 6,306,663	\$ 983,834	\$ 4,202,023	\$ 1,118,357	\$ 2,449

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk (cont.)

Firefighters' Pension:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	More than 10
Governmental National Mortgage Assoc.	\$ 365,262	\$ -	\$ -	\$ -	\$ 365,262
Corporate Bonds	3,200,785	591,270	2,609,515	-	-
Money Market Mutual Funds	1,056,284	1,056,284	-	-	-
Illinois Funds	<u>242,251</u>	<u>242,251</u>	-	-	-
Totals	<u>\$ 4,864,582</u>	<u>\$ 1,889,805</u>	<u>\$ 2,609,515</u>	<u>\$ -</u>	<u>\$ 365,262</u>

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,058,336	\$ -	\$ -	\$ 1,058,336
Total Capital Assets Not Being Depreciated	1,058,336	-	-	1,058,336
Capital assets being depreciated				
Land Improvements	\$ 1,001,965	\$ -	\$ -	\$ 1,001,965
Buildings	15,823,787	-	-	15,823,787
Equipment	5,444,704	51,682	94,002	5,402,384
Infrastructure	10,796,048	466,333	-	11,262,381
Total Capital Assets Being Depreciated	33,066,504	518,015	94,002	33,490,517
Total Capital Assets	34,124,840	518,015	94,002	34,548,853
Less: Accumulated depreciation for				
Land Improvements	(704,945)	(41,050)	-	(745,995)
Buildings	(3,075,978)	(281,867)	-	(3,357,845)
Equipment	(3,417,181)	(269,044)	85,399	(3,600,826)
Infrastructure	(4,053,713)	(143,792)	-	(4,197,505)
Total Accumulated Depreciation	(11,251,817)	(735,753)	85,399	(11,902,171)
Net Capital Assets Being Depreciated	21,814,687	(217,738)	8,603	21,588,346
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 22,873,023	\$ (217,738)	\$ 8,603	\$ 22,646,682

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Governmental Activities

Village board/administration	\$	422
Village hall		143,364
Buildings and grounds		2,893
Licensing and buildings		657
Police department		196,211
Fire department		214,908
ESDA department		212
Street Department		43,211
Unallocated depreciation (including infrastructure)		<u>133,875</u>
Total Governmental Activities Depreciation Expense		<u>\$ 735,753</u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Total Capital Assets Not Being Depreciated	\$ -	\$ -	\$ -	\$ -
Capital assets being depreciated				
Buildings	\$ 886,500	\$ -	\$ -	\$ 886,500
Equipment - sewer	339,164	64,833	-	403,997
Equipment - water	613,189	26,550	-	639,739
Infrastructure	<u>9,645,119</u>	<u>730,774</u>	-	<u>10,375,893</u>
Total Capital Assets Being Depreciated	<u>11,483,972</u>	<u>822,157</u>	-	<u>12,306,129</u>
Less: Accumulated depreciation for				
Buildings	(659,155)	(43,211)	-	(702,366)
Equipment - sewer	(201,071)	(16,439)	-	(217,510)
Equipment - water	(415,534)	(1,692)	-	(417,226)
Infrastructure	<u>(4,761,988)</u>	<u>(120,558)</u>	-	<u>(4,882,546)</u>
Total Accumulated Depreciation	<u>(6,037,748)</u>	<u>(181,900)</u>	-	<u>(6,219,648)</u>
Net Capital Assets Being Depreciated	<u>5,446,224</u>	<u>640,257</u>	-	<u>6,086,481</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 5,446,224</u>	<u>\$ 640,257</u>	<u>\$ -</u>	<u>\$ 6,086,481</u>

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Business-type Activities

Water	\$ 44,903
Sewer	16,439
Unallocated depreciation (infrastructure)	<u>120,558</u>
 Total Business-type Activities Depreciation Expense	 <u><u>\$ 181,900</u></u>

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 18,877
Bond and Interest	General	61,311
Capital Improvements	General	73,128
Water	Nonmajor Governmental	157,243
Water	General	<u>115</u>
 Total - Fund Financial Statements		 310,674
Less: Government-wide eliminations		<u>(153,316)</u>
 Total Internal Balances - Government-Wide Statement of Net Position		 <u><u>\$ 157,358</u></u>

All amounts are due within one year.

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Nonmajor Governmental	\$ 400,000	To fund street and parking lot repairs funded by the General Fund
Bond and Interest	General	572,278	To pay for principal and interest on bonds
Capital Improvements	General	<u>100,000</u>	To pay for capital improvement projects funded by the General Fund
Total - Fund Financial Statements		1,072,278	
Less: Government-wide eliminations		(1,072,278)	
Less: Capital contributions from Governmental Activities to Business-type Activities		<u>(292,376)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ (292,376)</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2013, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 5,015,000	\$ -	\$ 375,000	\$ 4,640,000	\$ 390,000
Tax increment financing bonds	<u>2,670,000</u>	<u>-</u>	<u>-</u>	<u>2,670,000</u>	<u>-</u>
Sub-totals	<u>7,685,000</u>	<u>-</u>	<u>375,000</u>	<u>7,310,000</u>	<u>390,000</u>
Other Liabilities					
Vested compensated absences	265,298	428,295	403,147	290,446	290,446
Net pension obligation	2,377,078	155,932	-	2,533,010	-
Other post employment benefits payable	<u>1,608,094</u>	<u>389,453</u>	<u>-</u>	<u>1,997,547</u>	<u>-</u>
Total Other Liabilities	<u>4,250,470</u>	<u>973,680</u>	<u>403,147</u>	<u>4,821,003</u>	<u>290,446</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 11,935,470</u>	<u>\$ 973,680</u>	<u>\$ 778,147</u>	<u>\$ 12,131,003</u>	<u>\$ 680,446</u>
Business-type Activities					
Other Liabilities					
Other post employment benefits payable	\$ 112,425	\$ 8,711	\$ -	\$ 121,136	\$ -
Net Pension Obligation	<u>52,796</u>	<u>9,477</u>	<u>-</u>	<u>62,273</u>	<u>-</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 165,221</u>	<u>\$ 18,188</u>	<u>\$ -</u>	<u>\$ 183,409</u>	<u>\$ -</u>

Estimated payments of compensated absences, other post employment benefits and net pension obligation are not included in the debt service requirement schedules. The compensated absences liability, other post employment benefit and net pension obligation attributable to governmental activities will be liquidated primarily by the General Fund.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

<u>Governmental Activities General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2013</u>
General Obligation Corporate Purpose Bonds Series August 15, 2008 - Due in annual installments of \$365,000 to \$550,000	8/15/2008	12/1/2023	3.00% - 4.30%	\$ 5,380,000	<u>\$ 4,640,000</u>
Total Governmental Activities - General Obligation Debt					<u><u>\$ 4,640,000</u></u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 390,000	\$ 185,278
2015	405,000	171,823
2016	420,000	157,040
2017	435,000	141,290
2018	450,000	124,543
2019-2023	<u>2,540,000</u>	<u>331,218</u>
Totals	<u><u>\$ 4,640,000</u></u>	<u><u>\$ 1,111,192</u></u>

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Tax Increment Financing Bonds

Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

Tax Increment Financing Bonds at December 31, 2013, consists of the following:

Governmental Activities Tax Increment Financing Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2013
Tax Increment Revenue Senior Lien Bonds, Series 2011A	12/20/2011	2/01/2027	4.95 - 6.95%	\$ 2,081,000	\$ 2,080,000
Tax Increment Revenue Junior Lien Bonds, Series 2011B	12/20/2011	2/01/2027	4.95 - 6.95%	590,000	<u>590,000</u>
Total Governmental Activities Tax Increment Financing Bonds					<u>\$ 2,670,000</u>

The Village has pledged future net incremental property taxes, to repay \$2,671,000 in Tax Increment Revenue Bonds issued in 2011. Proceeds from the bonds provided financing for the Developer to purchase land in the TIF Area. The bonds are payable solely from net incremental property taxes and are payable through February 1, 2027. Annual principal and interest payments on the bonds are only payable should the appropriate funds become available. The total principal remaining to be paid on the bonds is \$2,670,000. Principal and interest payments began in 2012 and net incremental property taxes received during fiscal year 2013 was \$69,113. Net incremental property taxes are deposited into the Municipal Account of the Special Tax Allocation Fund to pay for debt service requirements of the bonds. As this amount is uncertain and debt service payments are delayed until sufficient net incremental property taxes have been collected, no repayment schedule has been calculated. The percentage of net revenues required to fund annual principle and interest on the bonds is not estimable. The order of payment on Bonds from all available monies shall be as follows:

- (a) To pay the annual tuition reimbursement to the overlapping school districts.
- (b) To pay administrative costs not to exceed \$10,000 increased by 5% each tax year. Remaining funds after this payment are considered net incremental property taxes.
- (c) To pay for deferred accrued interest on 2011A bonds.
- (d) To pay for current interest on 2011A bonds.
- (e) To pay for mandatory or stated redemption of principal on 2011A bonds.
- (f) To pay for deferred interest on 2011A bonds.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Tax Increment Financing Bonds (cont.)

- (g) To pay for deferred accrued interest on 2011B bonds.
- (h) To pay for current interest on 2011B bonds.
- (i) To pay for mandatory or stated redemption of principal on 2011B bonds.
- (j) To pay for deferred interest on 2011B bonds.

F. FUND BALANCES

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2013, include the following:

	General	Bond and Interest	Capital Improvement	Nonmajor Funds	Totals
Fund balances:					
Nonspendable:					
Prepaid items	\$ 88,328	\$ -	\$ 62,402	\$ -	\$ 150,730
Restricted for:					
Economic					
Development	7	-	-	50,694	50,701
Street					
Improvements	-	-	-	140,031	140,031
Special					
Assessments	-	-	-	2,073	2,073
Assigned to:					
Debt Service	-	7,155	-	-	7,155
Capital					
Improvements	-	-	3,268,538	-	3,268,538
Unassigned:	<u>5,076,568</u>	<u>-</u>	<u>-</u>	<u>(18,877)</u>	<u>5,057,691</u>
Total fund balances	<u>\$ 5,164,903</u>	<u>\$ 7,155</u>	<u>\$ 3,330,940</u>	<u>\$ 173,921</u>	<u>\$ 8,676,919</u>

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Plan Descriptions

The village contributes to three defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an 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 a single-employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. Effective January 1, 2011, IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in Regular Tier 1. If the member first participated in IMRF on or after January 1, 2011, they participate in Regular Tier 2.

For Regular Tier 1, pension benefits vest after eight 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 (average of the highest 48 consecutive months earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2% for each year thereafter. For Regular Tier 2, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service, or age 62 with 35 years of service are entitled to an annual retirement benefit as described above. 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 4.5% of their annual salary to IMRF. The Village contribution rate for 2012 was 13.87 percent of annual covered payroll. For 2012, the employer annual required contribution rate was 15.11 percent.

Police Pension

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.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

At January 1, 2013, the date of the latest actuarial valuation, the Police Pension membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	26
Current employees:	
Vested	25
Non vested	3
	<hr/>
Total	<hr/> <hr/> 54

As provided for in the Illinois Compiled Statutes, the Police Pension Fund provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees 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.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police officer shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one half the annual unadjusted percentage increase in the CPI, whichever is less.

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. Effective January 1, 2011 the Village's contributions must accumulate to the point where past service cost for the Police Pension Plan is 90% by the year 2040.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension

Fire sworn personnel are covered by the Firefighters' 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 January 1, 2013, the Firefighters' Pension Plan membership consisted of:

Table with 2 columns: Description and Count. Rows include: Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them (6); Current employees: Vested (18), Non vested (-); Total (24).

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Fund provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees 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 monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 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 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.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one half the annual unadjusted percentage increase in the CPI, whichever is less.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 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. Effective January 1, 2011 the Village's contributions must accumulate to the point where past service cost for the Firefighters' Pension Plan is 90% by the year 2040.

Summary of Significant Accounting Policies

Police and Firefighters' Pension Plans

Basis of Accounting. The financial statements of the pension fund 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.

Method Used to Value Investments. Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Annual Pension Cost

The village annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2012	January 1, 2013	January 1, 2013
Contribution rates:			
Employer	13.87%	95.62%	92.91%
Employee	4.50%	9.91%	9.46%
Annual pension cost	\$351,033	\$1,613,805	\$606,641
Contributions made	\$322,226	\$1,520,339	\$563,505
Actuarial cost method	Entry-age normal 5 year smoothed market	Entry-age normal 5-year smoothed market	Entry-age normal 5-year smoothed market
Asset valuation method	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll
Amortization method	30 years, open	27 years, closed	20 years, closed
Amortization period			
Actuarial assumptions:			
Investment rate of return	7.50%	6.75%	6.50%
	Compounded annually	Compounded annually	Compounded annually
		1.12% to 4.86%, plus inflation	1.12% to 4.86%, plus inflation
Projected salary increases	0.4 to 10.0%		
Inflation rate included	4.00%	2.00%	2.00%
Cost-of-living adjustments	3.00%	3.00%	3.00%

Net Pension Obligation

The following is the net pension obligation calculation from the actuarial reports:

Net Pension Obligation:	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual required contribution	\$ 351,033	\$ 1,590,062	\$ 606,486
Interest on net pension obligation	-	116,866	34,863
Adjustment to annual required contribution	-	(93,123)	(34,708)
Annual pension cost	351,033	1,613,805	606,641
Contributions made	(322,226)	(1,520,339)	(563,505)
Change in net pension obligation	28,807	93,466	43,136
Net pension obligation, beginning of year	162,174	1,731,342	536,358
Net pension obligation, end of year	<u>\$ 190,981</u>	<u>\$ 1,824,808</u>	<u>\$ 579,494</u>

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2013	\$ 351,033	\$ 1,613,805	\$ 606,641
	2012	453,902	1,525,627	589,917
	2011	271,983	1,044,594	596,803
Contributions made	2013	\$ 322,226	\$ 1,520,339	\$ 563,505
	2012	291,728	1,084,582	535,121
	2011	271,983	1,038,401	569,071
Percentage of APC contributed	2013	91.79%	95.62%	92.91%
	2012	64.27%	71.09%	90.71%
	2011	100.00%	99.41%	95.35%
Net pension obligation	2013	\$ 190,981	\$ 1,824,808	\$ 579,494
	2012	162,174	1,731,342	536,358
	2011	N/A	1,290,297	481,562

Funded Status and Funding Progress

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2012	January 1, 2013	January 1, 2013
Actuarial Valuation of Assets (a)	\$ 5,403,517	\$ 13,728,337	\$ 8,354,810
Actuarial Accrued Liability (AAL) - Entry Age (b)	8,372,146	31,925,837	13,421,007
Unfunded AAL (UAAL) (b - a)	2,968,629	18,197,500	5,066,197
Funded Ratio (a/b)	64.54 %	43.00 %	62.25 %
Covered Payroll (c)	\$ 2,323,184	\$ 2,341,589	\$ 1,365,653
UAAL as a Percentage of Covered Payroll ((b-a)/c)	127.78 %	777.14 %	370.97 %

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

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT

The village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

C. OTHER POSTEMPLOYMENT BENEFITS

The village administers a single-employer defined benefit healthcare plan. The plan provides limited healthcare insurance for eligible retirees through the village's plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and past practice and state that eligible disabled pensioners at established contribution rates.

Contribution requirements are established through collective bargaining agreements and past practice and may be amended through negotiations between the village and the union or by action of the governing body. The village contributes 100 percent and 80 percent of the current year premiums for eligible disabled pensioners and all others, respectively, for eligible retired plan members. For fiscal year 2013, the village contributed \$125,658 to the plan. Plan members receiving benefits contribute 20 percent of their premium costs. For fiscal year 2013, total member contributions were \$44,422.

The village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). 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	\$	437,796
Interest on net OPEB obligation		86,026
Adjustment to annual required contribution		<u>-</u>
Annual OPEB cost		523,822
Contributions made		<u>(125,658)</u>
Increase in net OPEB obligation (asset)		398,164
Net OPEB Obligation (Asset) - Beginning of Year		<u>1,720,519</u>
Net OPEB Obligation (Asset) - End of Year	\$	<u><u>2,118,683</u></u>

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

C. OTHER POSTEMPLOYMENT BENEFITS (cont.)

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2013	\$ 523,822	23.99%	\$ 2,118,683
December 31, 2012	504,862	24.89%	1,720,519
December 31, 2011	454,639	27.64%	1,341,315

The funded status of the plan as of December 31, 2011, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 8,452,502
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 8,454,502</u></u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 6,133,421
UAAL as a percentage of covered payroll	138%

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 is understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing 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.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

C. OTHER POSTEMPLOYMENT BENEFITS (cont.)

In the December 31, 2011 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 5% investment rate of return and an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 6% after 4 years. Both rates include a 3% 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 December 31, 2011, was 30 years.

D. TAX INCREMENT FINANCING DISTRICT

The Village of Chicago Ridge has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the village and its surrounding areas. As part of the redevelopment plans, the village has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the village created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*
- > Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- > Statement No. 69, *Government Combinations and Disposals of Government Operations*
- > Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*

When they become effective, application of these standards may restate portions of these financial statements.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

F. REDEVELOPMENT AGREEMENT AND RESTRICTED CASH

By an ordinance dated July 1, 1998, the village entered into a redevelopment agreement with a local developer for the purpose of paying costs incurred by the developer to improve property within the village. Under the agreement, the village issued a \$4,626,250 note to the developer which bears interest at 8 percent and has a maturity date of January 15, 2020.

The note is payable solely from the incremental sales taxes received by the village from the redevelopment area. The village has no obligation to pay principal or interest on the note beyond the amount of incremental sales taxes collected. Therefore, the note has not been recognized as a liability in the accompanying financial statements. The amount of sales taxes collected at year end which are to be remitted to the local developer is represented as restricted cash on the face of the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND - NONGAAP BUDGETARY BASIS
 For the Year Ended December 31, 2013
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property taxes	\$ 2,700,000	\$ 2,438,476	\$ (261,524)	\$ 3,062,893
Other taxes	6,295,000	6,648,166	353,166	5,865,461
Intergovernmental	1,445,000	1,749,982	304,982	1,556,052
Licenses and permits	1,124,620	1,106,906	(17,714)	1,130,067
Fest income	250,000	279,601	29,601	257,020
Investment income	2,000	1,297	(703)	3,603
Fines, forfeitures and penalties	362,000	413,065	51,065	363,512
Miscellaneous	<u>512,500</u>	<u>719,292</u>	<u>206,792</u>	<u>590,147</u>
Total Revenues	<u>12,691,120</u>	<u>13,356,785</u>	<u>665,665</u>	<u>12,828,755</u>
EXPENDITURES				
CURRENT				
Village board/administration	1,774,306	1,707,484	66,822	1,777,990
Village hall	588,981	559,766	29,215	548,146
Buildings and grounds	153,593	143,085	10,508	146,059
Health department	46,100	50,297	(4,197)	43,863
Licensing/buildings department	153,923	147,475	6,448	159,975
Planning and zoning department	17,460	14,522	2,938	15,570
Police and fire commission	19,686	18,625	1,061	23,537
Professional services department	608,000	609,627	(1,627)	590,991
Special events department	358,300	351,954	6,346	366,915
Police department	4,404,017	4,447,236	(43,219)	4,175,016
Fire department	2,820,248	2,645,845	174,403	2,759,345
EMA department	47,210	48,582	(1,372)	42,870
Street department	535,570	513,222	22,348	492,731
Refuse department	442,469	440,905	1,564	425,125
TIF area development	100,000	37,920	62,080	64,560
Capital outlay	<u>430,800</u>	<u>377,226</u>	<u>53,574</u>	<u>424,150</u>
Total Expenditures	<u>12,500,663</u>	<u>12,113,771</u>	<u>386,892</u>	<u>12,056,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>190,457</u>	<u>1,243,014</u>	<u>1,052,557</u>	<u>771,912</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000	400,000	-	350,000
Transfers out	<u>(672,278)</u>	<u>(672,278)</u>	<u>-</u>	<u>(975,053)</u>
Total Other Financing Sources (Uses)	<u>(272,278)</u>	<u>(272,278)</u>	<u>-</u>	<u>(625,053)</u>
Net Change in Fund Balance	<u>\$ (81,821)</u>	970,736	<u>\$ 1,052,557</u>	146,859
FUND BALANCE - Beginning of Year		<u>4,194,167</u>		<u>4,047,308</u>
FUND BALANCE - END OF YEAR		<u>\$ 5,164,903</u>		<u>\$ 4,194,167</u>

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF CHICAGO RIDGE

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS As of and for the Year Ended December 31, 2013

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/13	\$ 351,033	92.00%	\$ 190,981
12/31/12	453,902	64.00%	162,174
12/31/11	271,983	100.00%	-

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/12	\$ 5,403,517	\$ 8,372,146	\$ 2,968,629	64.54%	\$ 2,323,184	127.78%
12/31/11	4,782,918	8,035,701	3,252,783	59.52%	2,313,464	140.60%
12/31/10	5,246,947	8,277,879	3,030,932	63.39%	2,373,324	127.71%
12/31/09	3,724,743	7,560,896	3,836,153	49.26%	2,615,051	146.70%
12/31/08	7,267,180	8,821,425	1,554,245	82.38%	2,726,668	57.00%
12/31/07	8,150,751	8,972,357	821,606	90.84%	2,661,754	30.87%

Assumptions

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$5,668,416. On a market basis, the funded ratio would be 67.71%.

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	December 31, 2012
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	0.4% to 10.0%
Inflation factor	4.00%
Cost of living adjustments	3.00%

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF CHICAGO RIDGE

POLICE PENSION FUND SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS As of and for the Year Ended December 31, 2013

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2013	\$ 1,590,062	95.62%	\$ 1,824,808
12/31/2012	1,506,350	72.00%	1,731,342
12/31/2011	960,858	108.07%	1,290,297

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
01/01/2013	\$ 13,728,337	\$ 31,925,837	\$ 18,197,500	43.00%	\$ 2,341,589	777.14%
01/01/2012	13,172,750	30,810,747	17,637,997	42.75%	2,289,248	770.47%
12/31/2010	12,609,254	29,090,826	16,481,572	43.34%	2,375,067	693.94%
12/31/2009	11,964,168	26,044,763	14,080,595	45.94%	2,322,346	606.31%
12/31/2007	12,130,091	23,300,043	11,169,952	52.06%	2,182,923	511.70%
12/31/2006	11,316,265	21,982,069	10,665,804	51.48%	2,036,339	523.77%

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	January 1, 2013
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	27 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases	1.12% to 4.86%, plus inflation
Inflation factor	2.00%
Cost of living adjustments	3.00%

VILLAGE OF CHICAGO RIDGE

FIREFIGHTERS' PENSION FUND SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS As of and for the Year Ended December 31, 2013

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2013	\$ 606,486	92.91%	\$ 579,494
12/31/2012	588,679	90.90%	536,358
12/31/2011	587,826	96.81%	481,562

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
01/01/2013	\$ 8,354,810	\$ 13,421,007	\$ 5,066,197	62.25%	\$ 1,365,653	370.97%
01/01/2012	7,731,780	12,763,417	5,031,637	60.58%	1,483,746	339.12%
12/31/2010	6,815,769	12,255,892	5,440,123	55.61%	1,557,313	349.33%
12/31/2009	5,968,373	11,300,556	5,332,183	52.81%	1,502,712	354.84%
12/31/2008	5,059,044	10,630,457	5,571,413	47.59%	1,486,360	374.84%
12/31/2007	5,114,789	9,761,147	4,646,358	52.40%	1,435,057	323.78%

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	1/1/2013
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	6.50%
Projected salary increases	1.12% to 4.86%, plus inflation
Inflation factor	2.00%
Cost of living adjustments	3.00%

VILLAGE OF CHICAGO RIDGE

RETIREE'S HEALTH PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS December 31, 2013

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
12/31/13	\$ 437,796	29 %
12/31/12	437,796	29
12/31/11	437,796	29
12/31/10	443,025	28
12/31/09	443,025	28
12/31/08	443,025	28

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Projected Unit (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/11	\$ -	\$ 8,454,502	\$ 8,454,502	0%	\$ 6,133,421	138%
12/31/08	-	6,218,557	6,218,557	0%	6,611,651	94%

The village is required to present the above information for the three most recent actuarial studies. The study completed as of December 31, 2011 was the second study performed for the village.

VILLAGE OF CHICAGO RIDGE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2013

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year end.

The village's budgetary basis of accounting differs from that used for external financial reporting because the village does not budget in its General Fund a revenue and expenditure for the collection of property taxes and personal property replacement taxes related to the pension funds and remittance of those taxes to the pension funds, respectively. The reconciliation of the two bases of accounting is as follows:

BUDGET RECONCILIATIONS

	<u>Revenues</u>	<u>Expenditures</u>
General Fund Budgetary Basis	\$ 13,356,785	\$ 12,113,771
Pension levy and replacement taxes received	2,083,644	-
Contribution made to pension fund	<u>-</u>	<u>2,083,644</u>
General Fund GAAP Basis	<u>\$ 15,440,429</u>	<u>\$ 14,197,415</u>

SUPPLEMENTARY INFORMATION

VILLAGE OF CHICAGO RIDGE

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL -
 GENERAL FUND - NONGAAP BUDGETARY BASIS
 For the Year Ended December 31, 2013
 with Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
Revenues				
Property taxes	\$ 2,700,000	\$ 2,438,476	\$ (261,524)	\$ 3,062,893
TOTALS	<u>2,700,000</u>	<u>2,438,476</u>	<u>(261,524)</u>	<u>3,062,893</u>
Other Taxes				
Sales	5,575,000	5,939,757	364,757	5,426,250
Telecommunication	420,000	393,966	(26,034)	439,211
Food and beverage	<u>300,000</u>	<u>314,443</u>	<u>14,443</u>	<u>-</u>
TOTALS	<u>6,295,000</u>	<u>6,648,166</u>	<u>353,166</u>	<u>5,865,461</u>
Intergovernmental				
Personal property replacement tax	10,000	68,856	58,856	11,501
State income tax	1,405,000	1,621,408	216,408	1,475,792
IDOT grant	30,000	59,718	29,718	38,559
Fed - capital	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,200</u>
TOTALS	<u>1,445,000</u>	<u>1,749,982</u>	<u>304,982</u>	<u>1,556,052</u>
License, permits and fees				
Impact fees	1,000	-	(1,000)	2,000
Ambulance service	280,000	195,229	(84,771)	226,382
Refuse fees	200,000	216,906	16,906	214,533
Business regulation fees	103,000	115,233	12,233	106,049
Liquor license fees	45,000	52,150	7,150	51,850
Vending machine fees	18,500	20,575	2,075	17,400
Vehicle tags	206,000	214,606	8,606	209,134
Building permits	98,000	106,770	8,770	105,413
Other licenses and permits	<u>173,120</u>	<u>185,437</u>	<u>12,317</u>	<u>197,306</u>
TOTALS	<u>1,124,620</u>	<u>1,106,906</u>	<u>(17,714)</u>	<u>1,130,067</u>
Fines, forfeitures and penalties	362,000	413,065	51,065	363,512
Investment income	2,000	1,297	(703)	3,603
Fest income	250,000	279,601	29,601	257,020
Other	122,500	284,538	162,038	198,647
Commuter parking	-	33,447	33,447	33,939
Vehicle fuel	<u>390,000</u>	<u>401,307</u>	<u>11,307</u>	<u>357,561</u>
TOTAL REVENUES	<u>\$ 12,691,120</u>	<u>\$ 13,356,785</u>	<u>\$ 665,665</u>	<u>\$ 12,828,755</u>

VILLAGE OF CHICAGO RIDGE

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND - NONGAAP BUDGETARY BASIS
 For the Year Ended December 31, 2013
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance with Final Budget	2012 Actual
	Original and Final Budget	Actual		
Expenditures				
Village board/administration				
Personnel services	\$ 274,448	\$ 274,509	\$ (61)	\$ 309,810
Other charges	215,500	224,957	(9,457)	213,196
Insurance	<u>1,244,358</u>	<u>1,208,018</u>	<u>36,340</u>	<u>1,254,984</u>
Total Village board/administration	<u>1,734,306</u>	<u>1,707,484</u>	<u>26,822</u>	<u>1,777,990</u>
Village hall				
Personnel services	467,011	426,993	40,018	437,273
Contractual services	44,020	49,910	(5,890)	35,480
Materials and supplies	33,000	35,004	(2,004)	28,096
Other charges	28,950	28,655	295	30,531
Utilities	<u>16,000</u>	<u>19,204</u>	<u>(3,204)</u>	<u>16,766</u>
Total Village hall	<u>588,981</u>	<u>559,766</u>	<u>29,215</u>	<u>548,146</u>
Buildings and grounds				
Personnel services	74,143	75,783	(1,640)	71,342
Materials and supplies	68,000	61,753	6,247	66,585
Utilities	<u>11,450</u>	<u>5,549</u>	<u>5,901</u>	<u>8,132</u>
Total Buildings and grounds	<u>153,593</u>	<u>143,085</u>	<u>10,508</u>	<u>146,059</u>
Health department				
Personnel services	15,600	15,300	300	15,300
Contractual services	<u>30,500</u>	<u>34,997</u>	<u>(4,497)</u>	<u>28,563</u>
Total Health department	<u>46,100</u>	<u>50,297</u>	<u>(4,197)</u>	<u>43,863</u>
Licensing/building department				
Personnel services	137,078	133,229	3,849	146,945
Contractual services	3,995	3,565	430	1,896
Materials and supplies	8,650	9,331	(681)	7,762
Other charges	<u>4,200</u>	<u>1,350</u>	<u>2,850</u>	<u>3,372</u>
Total Licensing/building department	<u>153,923</u>	<u>147,475</u>	<u>6,448</u>	<u>159,975</u>
Planning and zoning department				
Personnel services	16,560	13,135	3,425	14,883
Materials and supplies	300	924	(624)	307
Other charges	<u>600</u>	<u>463</u>	<u>137</u>	<u>380</u>
Total Planning and zoning department	<u>17,460</u>	<u>14,522</u>	<u>2,938</u>	<u>15,570</u>

VILLAGE OF CHICAGO RIDGE

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND - NONGAAP BUDGETARY BASIS
 For the Year Ended December 31, 2013
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
Police and fire commission				
Personnel services	\$ 11,686	\$ 11,457	\$ 229	\$ 11,457
Contractual services	4,000	2,705	1,295	8,821
Materials and supplies	400	44	356	517
Other charges	<u>3,600</u>	<u>4,419</u>	<u>(819)</u>	<u>2,742</u>
Total Police and fire commission	<u>19,686</u>	<u>18,625</u>	<u>1,061</u>	<u>23,537</u>
Professional services department				
Contractual services	607,500	609,147	(1,647)	590,511
Other charges	<u>500</u>	<u>480</u>	<u>20</u>	<u>480</u>
Total Professional services department	<u>608,000</u>	<u>609,627</u>	<u>(1,627)</u>	<u>590,991</u>
Special events department				
Personnel services	7,800	4,228	3,572	7,820
Contractual services	347,500	333,630	13,870	357,740
Other charges	<u>3,000</u>	<u>14,096</u>	<u>(11,096)</u>	<u>1,355</u>
Total Special events department	<u>358,300</u>	<u>351,954</u>	<u>6,346</u>	<u>366,915</u>
Police department				
Personnel services	3,249,505	3,218,775	30,730	3,083,121
Contractual services	342,154	343,070	(916)	339,270
Materials and supplies	137,250	157,287	(20,037)	118,055
Other charges	65,787	84,988	(19,201)	63,633
Insurance	631,321	622,613	8,708	553,255
Utilities	<u>18,000</u>	<u>20,503</u>	<u>(2,503)</u>	<u>17,682</u>
Total Police department	<u>4,444,017</u>	<u>4,447,236</u>	<u>(3,219)</u>	<u>4,175,016</u>
Fire department				
Personnel services	1,913,583	1,753,998	159,585	1,921,721
Contractual services	74,650	74,190	460	73,988
Materials and supplies	137,500	129,505	7,995	167,995
Other charges	34,000	45,168	(11,168)	24,893
Insurance	646,515	627,060	19,455	556,698
Utilities	<u>14,000</u>	<u>15,924</u>	<u>(1,924)</u>	<u>14,050</u>
Total Fire department	<u>2,820,248</u>	<u>2,645,845</u>	<u>174,403</u>	<u>2,759,345</u>

VILLAGE OF CHICAGO RIDGE

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND - NONGAAP BUDGETARY BASIS
 For the Year Ended December 31, 2013
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
EMA department				
Personnel services	\$ 27,500	\$ 30,994	\$ (3,494)	\$ 26,392
Contractual services	260	205	55	218
Materials and supplies	13,350	11,316	2,034	10,037
Utilities	<u>6,100</u>	<u>6,067</u>	<u>33</u>	<u>6,223</u>
Total EMA department	<u>47,210</u>	<u>48,582</u>	<u>(1,372)</u>	<u>42,870</u>
Street department				
Personnel services	238,292	232,485	5,807	218,479
Contractual services	61,430	48,239	13,191	61,485
Materials and supplies	90,000	89,009	991	77,795
Other charges	2,000	1,758	242	1,811
Insurance	115,848	111,571	4,277	103,879
Utilities	<u>28,000</u>	<u>30,160</u>	<u>(2,160)</u>	<u>29,282</u>
Total Street department	<u>535,570</u>	<u>513,222</u>	<u>22,348</u>	<u>492,731</u>
Refuse department				
Contractual services	<u>442,469</u>	<u>440,905</u>	<u>1,564</u>	<u>425,125</u>
Total Refuse department	<u>442,469</u>	<u>440,905</u>	<u>1,564</u>	<u>425,125</u>
Community Development				
Community development	<u>100,000</u>	<u>37,920</u>	<u>62,080</u>	<u>64,560</u>
Total Community Development	<u>100,000</u>	<u>37,920</u>	<u>62,080</u>	<u>64,560</u>
Capital outlay	<u>430,800</u>	<u>377,226</u>	<u>53,574</u>	<u>424,150</u>
Total capital outlay	<u>430,800</u>	<u>377,226</u>	<u>53,574</u>	<u>424,150</u>
TOTAL EXPENDITURES	<u>\$ 12,500,663</u>	<u>\$ 12,113,771</u>	<u>\$ 386,892</u>	<u>\$ 12,056,843</u>

VILLAGE OF CHICAGO RIDGE

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2013

	Motor Fuel Tax	Community Development	Ridgeland TIF Fund	Special Assessment No. 28	Special Assessment No. 33
ASSETS					
Cash	\$ -	\$ 72,376	\$ 65,059	\$ 939	\$ 1,134
Investments	104,235	-	-	-	-
Receivables					
Property taxes	-	-	60,581	-	-
Other					
intergovernmental	35,796	157,243	-	-	-
TOTAL ASSETS	\$ 140,031	\$ 229,619	\$ 125,640	\$ 939	\$ 1,134
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ -	\$ -	\$ 14,365	\$ -	\$ -
Due to other funds	-	248,496	-	-	-
Total Liabilities	-	248,496	14,365	-	-
Deferred Inflows of Resources					
Property taxes levied for a future period	-	-	60,581	-	-
Total Deferred Inflows of Resources	-	-	60,581	-	-
Fund Balances					
Restricted	140,031	-	50,694	939	1,134
Unassigned	-	(18,877)	-	-	-
Total Fund Balances	140,031	(18,877)	50,694	939	1,134
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 140,031	\$ 229,619	\$ 125,640	\$ 939	\$ 1,134

Total
Nonmajor
Governmental
Funds

\$ 139,508
104,235

60,581

193,039

\$ 497,363

\$ 14,365
248,496
262,861

60,581

60,581

192,798
(18,877)
173,921

\$ 497,363

VILLAGE OF CHICAGO RIDGE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	Motor Fuel Tax	Community Development	Ridgeland TIF Fund	Special Assessment No. 28	Special Assessment No. 33
REVENUES					
Property taxes	\$ -	\$ -	\$ 60,581	\$ -	\$ -
Motor fuel tax allotments	411,359	-	-	-	-
Community development grant	-	302,268	-	-	-
Investment income	72	-	71	-	-
Total Revenues	<u>411,431</u>	<u>302,268</u>	<u>60,652</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current					
Street department	48,719	-	-	-	-
TIF area development	-	-	29,631	-	-
Capital Outlay	-	292,376	-	-	-
Debt Service					
Interest and fees	-	-	102,960	-	-
Total Expenditures	<u>48,719</u>	<u>292,376</u>	<u>132,591</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>362,712</u>	<u>9,892</u>	<u>(71,939)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(400,000)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(37,288)	9,892	(71,939)	-	-
FUND BALANCES (DEFICIT)					
- Beginning of Year	<u>177,319</u>	<u>(28,769)</u>	<u>122,633</u>	<u>939</u>	<u>1,134</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 140,031</u>	<u>\$ (18,877)</u>	<u>\$ 50,694</u>	<u>\$ 939</u>	<u>\$ 1,134</u>

Total
Nonmajor
Governmental
Funds

\$ 60,581
411,359

302,268

143

774,351

48,719

29,631

292,376

102,960

473,686

300,665

(400,000)

(400,000)

(99,335)

273,256

\$ 173,921

VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND
For the Year Ended December 31, 2013
With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Motor fuel tax allotments	\$ 400,000	\$ 411,359	\$ 11,359	\$ 410,201
Investment income	135	72	(63)	218
Total Revenues	<u>400,135</u>	<u>411,431</u>	<u>11,296</u>	<u>410,419</u>
EXPENDITURES				
STREET DEPARTMENT				
Snow and ice control	<u>70,000</u>	<u>48,719</u>	<u>21,281</u>	<u>67,620</u>
Total Expenditures	<u>70,000</u>	<u>48,719</u>	<u>21,281</u>	<u>67,620</u>
Excess of revenues over expenditures	<u>330,135</u>	<u>362,712</u>	<u>32,577</u>	<u>342,799</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>	<u>(350,000)</u>
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>	<u>(350,000)</u>
Net Change in Fund Balance	<u>\$ (69,865)</u>	<u>(37,288)</u>	<u>\$ 32,577</u>	<u>(7,201)</u>
FUND BALANCE - Beginning of Year		<u>177,319</u>		<u>184,520</u>
FUND BALANCE - END OF YEAR		<u>\$ 140,031</u>		<u>\$ 177,319</u>

VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT FUND
 For the Year Ended December 31, 2013
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Community development grant	\$ 300,000	\$ 302,268	\$ 2,268	\$ 293,930
Total Revenues	<u>300,000</u>	<u>302,268</u>	<u>2,268</u>	<u>293,930</u>
EXPENDITURES				
CAPITAL OUTLAY				
Capital outlay	300,000	292,376	7,624	251,923
Total Expenditures	<u>300,000</u>	<u>292,376</u>	<u>7,624</u>	<u>251,923</u>
Net Change in Fund Balance	<u>\$ -</u>	9,892	<u>\$ 9,892</u>	42,007
FUND BALANCE (DEFICIT) - Beginning of Year		<u>(28,769)</u>		<u>(70,776)</u>
FUND BALANCE (DEFICIT) - END OF YEAR		<u>\$ (18,877)</u>		<u>\$ (28,769)</u>

VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - RIDGELAND TIF FUND
For the Year Ended December 31, 2013
With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Property Taxes - Ridgeland TIF	\$ 100,000	\$ 60,581	\$ (39,419)	\$ 80,407
Investment income	<u>-</u>	<u>71</u>	<u>71</u>	<u>158</u>
Total Revenues	<u>100,000</u>	<u>60,652</u>	<u>(39,348)</u>	<u>80,565</u>
EXPENDITURES				
TIF AREA DEVELOPMENT				
Community development	<u>37,500</u>	<u>29,631</u>	<u>7,869</u>	<u>34,157</u>
Total TIF Area development	<u>37,500</u>	<u>29,631</u>	<u>7,869</u>	<u>34,157</u>
DEBT SERVICE				
Principal	-	-	-	1,000
Interest and fees	<u>120,000</u>	<u>102,960</u>	<u>17,040</u>	<u>11,732</u>
Total debt service	<u>120,000</u>	<u>102,960</u>	<u>17,040</u>	<u>12,732</u>
Total Expenditures	<u>157,500</u>	<u>132,591</u>	<u>24,909</u>	<u>46,889</u>
Net Change in Fund Balance	<u>\$ (57,500)</u>	(71,939)	<u>\$ (14,439)</u>	33,676
FUND BALANCE - Beginning of Year		<u>122,633</u>		<u>88,957</u>
FUND BALANCE - END OF YEAR		<u>\$ 50,694</u>		<u>\$ 122,633</u>

VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BOND AND INTEREST FUND
For the Year Ended December 31, 2013
With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Investment income	\$ 150	\$ 182	\$ 32	\$ 390
Total Revenues	<u>150</u>	<u>182</u>	<u>32</u>	<u>390</u>
EXPENDITURES				
DEBT SERVICE				
Principal	572,278	375,000	197,278	560,000
Interest and fees	<u>1,500</u>	<u>198,863</u>	<u>(197,363)</u>	<u>217,103</u>
Total Expenditures	<u>573,778</u>	<u>573,863</u>	<u>(85)</u>	<u>777,103</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(573,628)</u>	<u>(573,681)</u>	<u>(53)</u>	<u>(776,713)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>572,278</u>	<u>572,278</u>	<u>-</u>	<u>775,053</u>
Total Other Financing Sources	<u>572,278</u>	<u>572,278</u>	<u>-</u>	<u>775,053</u>
Net Change in Fund Balance	<u>\$ (1,350)</u>	(1,403)	<u>\$ (53)</u>	(1,660)
FUND BALANCE - Beginning of Year		<u>8,558</u>		<u>10,218</u>
FUND BALANCE - END OF YEAR		<u>\$ 7,155</u>		<u>\$ 8,558</u>

VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND
For the Year Ended December 31, 2013
With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
REVENUES				
Franchise fees	\$ 200,000	\$ 189,848	\$ (10,152)	\$ 192,390
Illinois grants	15,000	72,717	57,717	5,796
Investment income	1,600	967	(633)	3,293
Other	8,000	7,493	(507)	-
Total Revenues	<u>224,600</u>	<u>271,025</u>	<u>46,425</u>	<u>201,479</u>
EXPENDITURES				
CAPITAL OUTLAY				
Capital outlay	<u>430,000</u>	<u>186,853</u>	<u>243,147</u>	<u>267,311</u>
Total Expenditures	<u>430,000</u>	<u>186,853</u>	<u>243,147</u>	<u>267,311</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(205,400)</u>	<u>84,172</u>	<u>289,572</u>	<u>(65,832)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>200,000</u>
Total Other Financing Sources	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>200,000</u>
Net Change in Fund Balance	<u>\$ (105,400)</u>	184,172	<u>\$ 289,572</u>	134,168
FUND BALANCE - Beginning of Year		<u>3,146,768</u>		<u>3,012,600</u>
FUND BALANCE - END OF YEAR		<u>\$ 3,330,940</u>		<u>\$ 3,146,768</u>

VILLAGE OF CHICAGO RIDGE

COMBINING STATEMENT OF NET POSITION PENSION TRUST FUNDS As of December 31, 2013

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash	\$ 470,662	\$ 4,827	\$ 475,489
Investments			
Money markets	453,938	1,298,535	1,752,473
U.S. government and agency obligations	4,615,609	365,262	4,980,871
Mutual funds	8,574,337	2,555,968	11,130,305
Corporate bonds	1,237,116	3,200,785	4,437,901
Insurance company contracts	-	2,235,067	2,235,067
Receivables			
Accrued interest	45,297	557	45,854
Other assets	<u>1,908</u>	<u>367</u>	<u>2,275</u>
Total Assets	<u>15,398,867</u>	<u>9,661,368</u>	<u>25,060,235</u>
LIABILITIES			
Accounts payable	<u>25,095</u>	<u>17,892</u>	<u>42,987</u>
Total Liabilities	<u>25,095</u>	<u>17,892</u>	<u>42,987</u>
NET POSITION			
Held in trust for pension benefits	<u>\$ 15,373,772</u>	<u>\$ 9,643,476</u>	<u>\$ 25,017,248</u>

VILLAGE OF CHICAGO RIDGE

COMBINING STATEMENT OF CHANGES IN NET POSITION PENSION TRUST FUNDS For the Year Ended December 31, 2013

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
ADDITIONS			
Contributions			
Employer	\$ 1,520,339	\$ 563,305	\$ 2,083,644
Plan members	247,186	128,356	375,542
Total Contributions	<u>1,767,525</u>	<u>691,661</u>	<u>2,459,186</u>
Investment income			
Investment income	648,570	113,237	761,807
Net appreciation (depreciation) in fair value of investments	<u>1,228,962</u>	<u>990,573</u>	<u>2,219,535</u>
Total Investment Income	1,877,532	1,103,810	2,981,342
Less Interest expense	<u>21,757</u>	<u>51,591</u>	<u>73,348</u>
Net Investment Income	<u>1,855,775</u>	<u>1,052,219</u>	<u>2,907,994</u>
Total Additions	<u>3,623,300</u>	<u>1,743,880</u>	<u>5,367,180</u>
DEDUCTIONS			
Administration	134,721	23,513	158,234
Benefits	<u>1,380,398</u>	<u>317,473</u>	<u>1,697,871</u>
Total Deductions	<u>1,515,119</u>	<u>340,986</u>	<u>1,856,105</u>
 Change in Net Position	 2,108,181	 1,402,894	 3,511,075
 NET POSITION - Beginning of Year	 <u>13,265,591</u>	 <u>8,240,582</u>	 <u>21,506,173</u>
 NET POSITION, END OF YEAR	 <u>\$ 15,373,772</u>	 <u>\$ 9,643,476</u>	 <u>\$ 25,017,248</u>

VILLAGE OF CHICAGO RIDGE

ALL AGENCY FUNDS SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES For the Year Ended December 31, 2013

	Balance December 31, 2012	Additions	Deletions	Balance December 31, 2013
ASSETS				
Cash	\$ 29,347	\$ -	\$ 1,136	\$ 28,211
Investments	2,732	1,660	3,063	1,329
Due from primary government	<u>52,753</u>	<u>3,063</u>	<u>1,660</u>	<u>54,156</u>
Total Assets	<u>\$ 84,832</u>	<u>\$ 4,723</u>	<u>\$ 5,859</u>	<u>\$ 83,696</u>
LIABILITIES				
Restoration, sewer, landscaping, driveway, paving and street deposits payable	<u>\$ 84,832</u>	<u>\$ -</u>	<u>\$ 1,136</u>	<u>\$ 83,696</u>
Total Liabilities	<u>\$ 84,832</u>	<u>\$ -</u>	<u>\$ 1,136</u>	<u>\$ 83,696</u>

VILLAGE OF CHICAGO RIDGE

DEBT SERVICE REQUIREMENTS

GENERAL OBLIGATION FIRE STATION PROJECT BOND ISSUE DATED AUGUST 15, 2008

As of and for the Year Ended December 31, 2013

Year	Rate	Principal			Interest Due	Total Debt Service Requirements
		Issued	Paid	Outstanding		
2014	3.45%	\$ 390,000	\$ -	\$ 390,000	\$ 185,278	\$ 575,278
2015	3.65%	405,000	-	405,000	171,822	576,822
2016	3.75%	420,000	-	420,000	157,040	577,040
2017	3.85%	435,000	-	435,000	141,290	576,290
2018	4.00%	450,000	-	450,000	124,543	574,543
2019	4.00%	470,000	-	470,000	106,543	576,543
2020	4.20%	485,000	-	485,000	87,742	572,742
2021	4.25%	505,000	-	505,000	67,373	572,373
2022	4.20%	530,000	-	530,000	45,910	575,910
2023	4.30%	550,000	-	550,000	23,650	573,650
Total		<u>\$ 4,640,000</u>	<u>\$ -</u>	<u>\$ 4,640,000</u>	<u>\$ 1,111,191</u>	<u>\$ 5,751,191</u>

Principal payable - December 1
Interest payable - June 1 and December 1

VILLAGE OF CHICAGO RIDGE
COMMUNITY DEVELOPMENT BLOCK GRANT
SCHEDULE OF PROJECT ACTIVITY
As of and for the Year Ended December 31, 2013

	<u>Street Improvement</u>
Project Number	<u>12-009</u>
Project Budget Authority	<u>\$ 300,000</u>
Project Drawdowns:	
Current	\$ 292,376
Cumulative	292,376
Project Disbursements:	
Current	292,376
Cumulative	292,376
Project Fund Balance	<u>\$ -</u>
Project Cash Balance	<u>\$ (157,243)</u>
Questioned Costs	NONE
Project Complete	YES
Receivable from County, December 31, 2013	<u>\$ 157,243</u>
Project Payable	<u>\$ -</u>

VILLAGE OF CHICAGO RIDGE

ADDITIONAL DISCLOSURE REQUIRED BY SEC RULE 15C2-12
REQUIRED INFORMATION FOR CONTINUING DISCLOSURE UNDERTAKING
As of and for the Year Ended December 31, 2013

General Obligation Corporate Purpose Bond and Series 2008:

1. Equalized Assessed Valuations by Classification of Property

Included in audited financial statements.

2. Schedule of Tax Rates, Extensions and Collections

Included in audited financial statements.

3. Representative Property Tax Rates:

Included in audited financial statements.

4. Largest Tax Payers:

Included in audited financial statements.

5. Debt Structure:

Included in audited financial statements.

VILLAGE OF CHICAGO RIDGE

ADDITIONAL DISCLOSURE REQUIRED BY SEC RULE 15C2-12
REQUIRED INFORMATION FOR CONTINUING DISCLOSURE UNDERTAKING
 As of and for the Year Ended December 31, 2013

General Obligation Corporate Purpose Bond and Series 2008:

6. Estimated Overlapping General Obligation Bonded Debt:

<u>Overlapping Agencies</u>	<u>Outstanding Debt as of 12/31/13</u>	<u>Applicable Percentage</u>	<u>Amount</u>
Cook County	\$3,578,905,000	0.229%	\$ 8,195,692
Cook County Forest Preserve	124,455,000	0.229%	285,002
Metropolitan Water Reclamation District	2,481,971,593	0.234%	5,807,814
Chicago Ridge Park District	329,565	100.000%	329,565
School District #122	50,516,579	31.367%	15,845,535
School District #127	2,866,431	9.057%	259,613
School District #127 1/2	5,715,000	83.918%	4,795,914
Community High School District #218	21,295,232	9.169%	1,952,560
Community High School District #229	7,030,000	11.806%	829,962
Moraine Valley Community College District #524	74,400,000	3.158%	<u>2,349,552</u>
Total Overlapping General Obligation Bonded Debt			40,651,209
Village of Chicago Ridge			<u>4,640,000</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 45,291,209</u>
Estimated Population		14,305	
2012 EAV	\$	312,305,176	
2012 Market Value	\$	936,915,528	
Per Capita Direct and Overlapping Debt	\$	3,105	
Percent of Direct and Overlapping Debt to EAV		14.22%	
Percent of Direct and Overlapping Debt to Market Value		4.74%	

7. Future Financing:

The Village does not anticipate issuing any additional debt in the next twelve months.

8. Short Term Debt:

The Village has no tax anticipation notes or warrants outstanding.

9. Debt Payment History:

The Village has no record of default and has met its debt repayment obligations promptly.

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>
Financial Trends These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.	97 - 108
Revenue Capacity These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax.	109 - 120
Debt Capacity 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.	121 - 124
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the Government's financial activities take place.	125 - 127
Operating Information 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.	128 - 130

VILLAGE OF CHICAGO RIDGE

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
As of December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental Activities				
Net investment in capital assets	\$ 8,398,927	\$ 9,745,576	\$ 11,624,942	\$ 12,754,922
Restricted	1,639,339	1,103,511	933,131	648,664
Unrestricted	<u>12,377,599</u>	<u>12,990,934</u>	<u>12,102,316</u>	<u>9,870,647</u>
Total Governmental Activities net position	<u>\$ 22,415,865</u>	<u>\$ 23,840,021</u>	<u>\$ 24,660,389</u>	<u>\$ 23,274,233</u>
Business-type Activities				
Net investment in capital assets	\$ 4,565,887	\$ 4,531,761	\$ 4,416,809	\$ 4,267,745
Unrestricted	<u>1,532,380</u>	<u>1,568,724</u>	<u>1,659,057</u>	<u>1,598,875</u>
Total Business-type Activities net position	<u>\$ 6,098,267</u>	<u>\$ 6,100,485</u>	<u>\$ 6,075,866</u>	<u>\$ 5,866,620</u>
Total Government				
Net investment in capital assets	\$ 12,964,814	\$ 14,277,337	\$ 16,041,751	\$ 17,022,667
Restricted	1,639,339	1,103,511	933,131	648,664
Unrestricted	<u>13,909,979</u>	<u>14,559,658</u>	<u>13,761,373</u>	<u>11,469,522</u>
Total Government net position	<u>\$ 28,514,132</u>	<u>\$ 29,940,506</u>	<u>\$ 30,736,255</u>	<u>\$ 29,140,853</u>

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 14,424,667	\$ 15,782,947	\$ 16,858,053	\$ 17,618,030	\$ 17,912,401	\$ 18,006,682
218,717	194,834	128,170	275,561	302,046	192,805
<u>8,567,417</u>	<u>4,904,995</u>	<u>1,559,443</u>	<u>1,748,546</u>	<u>1,144,108</u>	<u>1,833,247</u>
<u>\$ 23,210,801</u>	<u>\$ 20,882,776</u>	<u>\$ 18,545,666</u>	<u>\$ 19,642,137</u>	<u>\$ 19,358,555</u>	<u>\$ 20,032,734</u>
\$ 4,120,919	\$ 3,976,611	\$ 4,190,218	\$ 4,630,393	\$ 5,447,023	\$ 6,086,481
<u>1,053,959</u>	<u>1,331,827</u>	<u>1,743,523</u>	<u>1,916,642</u>	<u>1,676,314</u>	<u>1,672,609</u>
<u>\$ 5,174,878</u>	<u>\$ 5,308,438</u>	<u>\$ 5,933,741</u>	<u>\$ 6,547,035</u>	<u>\$ 7,123,337</u>	<u>\$ 7,759,090</u>
\$ 18,545,586	\$ 19,759,558	\$ 21,048,271	\$ 22,248,423	\$ 23,359,424	\$ 24,093,163
218,717	194,834	128,170	275,561	302,046	192,805
<u>9,621,376</u>	<u>6,236,822</u>	<u>3,302,966</u>	<u>3,665,188</u>	<u>2,820,422</u>	<u>3,505,856</u>
<u>\$ 28,385,679</u>	<u>\$ 26,191,214</u>	<u>\$ 24,479,407</u>	<u>\$ 26,189,172</u>	<u>\$ 26,481,892</u>	<u>\$ 27,791,824</u>

VILLAGE OF CHICAGO RIDGE

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
For the Year Ended December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
EXPENSES				
Governmental Activities				
Village board/administration	\$2,082,495	\$ 2,195,253	\$ 2,051,072	\$ 2,214,520
Village Hall	711,168	733,207	762,505	781,401
Buildings and grounds	127,009	125,769	127,250	134,260
Health department	38,029	49,960	47,348	46,204
Licensing/building department	142,664	120,953	146,237	218,966
Planning and zoning department	14,656	16,129	15,468	14,926
Police and fire commission	21,500	18,268	18,142	18,959
Professional services department	401,387	402,349	463,836	431,661
Special events department	322,852	311,750	303,266	380,217
Police department	4,321,563	4,542,111	4,852,807	5,382,670
Fire department	2,562,568	2,783,743	2,707,628	3,253,107
EMA department	51,042	61,262	54,143	55,975
Youth service bureau department	85,551	89,989	92,261	96,387
Street department	889,630	852,252	845,515	876,618
Refuse department	273,465	264,619	322,636	293,325
TIF area development	1,644,987	1,797,913	2,592,941	4,112,334
Interest and fees	284,533	317,271	225,380	243,279
Amortization of deferred charges	117,182	25,371	24,441	29,934
Unallocated depreciation (excludes direct depreciation expenses)	<u>80,337</u>	<u>90,192</u>	<u>95,195</u>	<u>100,791</u>
Total governmental activities expenses	<u>14,172,618</u>	<u>14,798,361</u>	<u>15,748,071</u>	<u>18,685,534</u>
Business-type Activities				
Water	1,443,909	1,519,268	1,510,531	1,672,168
Sewer	196,408	201,215	218,458	204,486
Interest and fees	15,828	6,794	1,776	-
Unallocated depreciation (excludes direct depreciation expenses)	<u>100,925</u>	<u>100,925</u>	<u>100,925</u>	<u>100,925</u>
Total Business-type Activities	<u>1,757,070</u>	<u>1,828,202</u>	<u>1,831,690</u>	<u>1,977,579</u>
Total government expenses	<u>\$ 15,929,688</u>	<u>\$ 16,626,563</u>	<u>\$ 17,579,761</u>	<u>\$ 20,663,113</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	2,216,015	\$ 1,924,360	\$ 1,640,831	\$ 1,611,607	\$ 1,815,308	\$ 1,719,211
	814,099	754,861	686,639	672,540	764,665	711,162
	149,349	155,269	167,389	154,510	153,589	147,273
	45,570	44,327	54,346	43,326	45,391	50,579
	186,558	187,401	162,733	163,025	179,423	154,905
	13,677	16,507	15,394	15,205	17,057	14,764
	21,241	19,711	43,504	19,739	23,537	18,625
	499,815	564,395	532,281	574,588	590,991	609,627
	398,837	398,080	348,062	366,469	366,915	351,954
	5,613,119	5,940,674	5,895,959	5,710,680	5,974,776	6,507,922
	3,519,358	3,631,591	3,519,471	3,671,863	3,754,681	3,624,807
	47,060	52,317	52,688	47,320	43,149	48,794
	102,922	75,652	4,728	-	-	-
	1,018,495	869,637	786,388	693,730	537,536	657,538
	324,625	335,090	353,045	438,215	425,125	440,905
	1,805,122	3,929,485	1,017,268	112,523	98,717	67,551
	433,723	496,203	464,193	197,068	330,314	247,945
	35,535	37,644	33,151	54,100	9,557	54,378
	<u>118,897</u>	<u>134,278</u>	<u>125,663</u>	<u>127,986</u>	<u>130,419</u>	<u>133,875</u>
	<u>17,364,017</u>	<u>19,567,482</u>	<u>15,903,733</u>	<u>14,674,494</u>	<u>15,261,150</u>	<u>15,561,815</u>
	2,337,541	1,871,750	1,917,740	1,965,123	2,354,619	2,177,931
	208,149	299,098	264,250	239,099	269,429	289,406
	-	-	-	-	-	-
	<u>100,925</u>	<u>100,925</u>	<u>103,124</u>	<u>106,766</u>	<u>114,385</u>	<u>120,558</u>
	<u>2,646,615</u>	<u>2,271,773</u>	<u>2,285,114</u>	<u>2,310,988</u>	<u>2,738,433</u>	<u>2,587,895</u>
\$	<u>20,010,632</u>	<u>\$ 21,839,255</u>	<u>\$ 18,188,847</u>	<u>\$ 16,985,482</u>	<u>\$ 17,999,583</u>	<u>\$ 18,149,710</u>

VILLAGE OF CHICAGO RIDGE

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
For the Year Ended December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
Village board/administration	\$ 46,572	\$ 42,234	\$ 40,775	\$ 52,265
Village hall	339,159	330,247	465,283	413,943
Licensing/building department	192,643	112,507	203,933	258,237
Police and fire comission	-	-	-	-
Special events department	295,282	287,246	219,412	360,876
Police department	245,327	251,590	239,466	346,272
Fire department	188,326	231,247	246,368	249,764
Street department	50,090	25,427	26,262	34,462
Refuse department	82,917	85,646	80,507	82,212
Operating grants and contributions	463,862	447,950	419,289	415,205
Capital grants and contributions	<u>120,000</u>	<u>150,326</u>	<u>275,883</u>	<u>152,355</u>
Total governmental activities program revenues	<u>2,024,178</u>	<u>1,964,420</u>	<u>2,217,178</u>	<u>2,365,591</u>
Business-type activities				
Charges for Services				
Water	1,589,347	1,604,380	1,563,070	1,510,008
Sewer	208,099	203,174	197,212	204,897
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Business-type activities program revenues	<u>1,797,446</u>	<u>1,807,554</u>	<u>1,760,282</u>	<u>1,714,905</u>
Total government program revenues	<u>\$ 3,821,624</u>	<u>\$ 3,771,974</u>	<u>\$ 3,977,460</u>	<u>\$ 4,080,496</u>
Net (expense)/revenue				
Governmental activities	\$ (12,148,440)	\$ (12,833,941)	\$ (13,530,893)	\$ (16,319,943)
Business-type activities	<u>40,376</u>	<u>(20,648)</u>	<u>(71,408)</u>	<u>(262,674)</u>
Total Government net expense	<u>\$ (12,108,064)</u>	<u>\$ (12,854,589)</u>	<u>\$ (13,602,301)</u>	<u>\$ (16,582,617)</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	110,600	\$ 133,767	\$ 111,731	\$ 113,811	\$ 133,401	\$ 118,762
	400,450	451,933	529,789	604,956	568,618	577,307
	118,831	194,195	259,356	212,979	213,462	222,003
	-	14,750	144,550	154,250	114,350	90,000
	335,780	321,630	254,690	349,346	257,020	279,601
	451,523	256,715	330,318	329,057	249,162	323,065
	251,326	286,459	310,980	302,297	226,382	195,223
	-	-	-	-	-	-
	81,781	81,903	106,912	169,198	214,533	216,906
	404,265	510,955	629,239	436,816	415,997	484,076
	<u>318,641</u>	<u>147,568</u>	<u>377,129</u>	<u>817,090</u>	<u>286,526</u>	<u>352,094</u>
	<u>2,473,197</u>	<u>2,399,875</u>	<u>3,054,694</u>	<u>3,489,800</u>	<u>2,679,451</u>	<u>2,859,037</u>
	1,704,234	2,034,354	2,142,157	2,158,960	2,400,986	2,545,354
	217,299	354,732	395,797	385,654	393,117	375,812
	-	-	-	-	20,000	-
	<u>1,921,533</u>	<u>2,389,086</u>	<u>2,537,954</u>	<u>2,544,614</u>	<u>2,814,103</u>	<u>2,921,166</u>
\$	<u>4,394,730</u>	<u>4,788,961</u>	<u>5,592,648</u>	<u>6,034,414</u>	<u>5,493,554</u>	<u>5,780,203</u>
\$	(14,890,820)	\$ (17,167,607)	\$ (12,849,039)	\$ (11,184,694)	\$ (12,581,699)	\$ (12,702,778)
	<u>(725,082)</u>	<u>117,313</u>	<u>252,840</u>	<u>233,626</u>	<u>75,670</u>	<u>333,271</u>
\$	<u>(15,615,902)</u>	<u>(17,050,294)</u>	<u>(12,596,199)</u>	<u>(10,951,068)</u>	<u>(12,506,029)</u>	<u>(12,369,507)</u>

VILLAGE OF CHICAGO RIDGE

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
For the Year Ended December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Property taxes	\$5,340,748	\$ 6,163,429	\$ 5,740,176	\$ 6,082,805
Other taxes				
Sales	6,103,475	6,041,529	5,995,324	6,059,095
Telecommunication	560,722	574,055	562,346	526,652
Food & beverage	-	-	-	-
Intergovernmental				
State income tax	1,050,358	1,237,729	1,350,271	1,450,397
Personal property replacement tax	44,889	61,752	66,300	78,367
Interest income	146,776	345,133	575,132	576,238
Other	224,761	89,870	61,712	160,233
Transfers	-	-	-	-
Total governmental activities	<u>13,471,729</u>	<u>14,513,497</u>	<u>14,351,261</u>	<u>14,933,787</u>
Business-type activities				
Interest income	21,486	22,866	46,789	53,428
Transfers	-	-	-	-
Total business-type activities	<u>21,486</u>	<u>22,866</u>	<u>46,789</u>	<u>53,428</u>
Total government	<u>\$ 13,493,215</u>	<u>\$ 14,536,363</u>	<u>\$ 14,398,050</u>	<u>\$ 14,987,215</u>
CHANGES IN NET POSITION				
Governmental activities	\$ 1,323,289	\$ 1,679,556	\$ 820,368	\$ (1,386,156)
Business-type activities	<u>61,862</u>	<u>2,218</u>	<u>(24,619)</u>	<u>(209,246)</u>
Total government	<u>\$ 1,385,151</u>	<u>\$ 1,681,774</u>	<u>\$ 795,749</u>	<u>\$ (1,595,402)</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	6,527,552	\$ 7,045,872	\$ 4,357,672	\$ 4,986,857	\$ 4,712,641	\$ 4,582,701
	5,697,741	5,511,217	5,293,870	5,317,423	5,488,092	5,989,559
	539,129	512,624	506,460	444,407	473,243	391,966
	-	-	-	-	-	314,443
	1,545,395	1,306,839	1,306,919	1,347,823	1,477,552	1,625,881
	77,275	65,175	70,319	61,915	61,955	68,856
	286,379	116,079	43,436	4,456	7,662	2,589
	153,917	281,776	159,812	483,975	556,208	693,338
	-	-	<u>(351,623)</u>	<u>(365,691)</u>	<u>(479,236)</u>	<u>(292,376)</u>
	<u>14,827,388</u>	<u>14,839,582</u>	<u>11,386,865</u>	<u>12,281,165</u>	<u>12,298,117</u>	<u>13,376,957</u>
	33,340	16,247	20,840	13,977	21,396	10,106
	-	-	<u>351,623</u>	<u>365,691</u>	<u>479,236</u>	<u>292,376</u>
	<u>33,340</u>	<u>16,247</u>	<u>372,463</u>	<u>379,668</u>	<u>500,632</u>	<u>302,482</u>
\$	<u>14,860,728</u>	<u>14,855,829</u>	<u>11,759,328</u>	<u>12,660,833</u>	<u>12,798,749</u>	<u>13,679,439</u>
\$	(63,432)	\$ (2,328,025)	\$ (1,462,174)	\$ 1,096,471	\$ (283,582)	\$ 674,179
	<u>(691,742)</u>	<u>133,560</u>	<u>625,303</u>	<u>613,294</u>	<u>576,302</u>	<u>635,753</u>
\$	<u>(755,174)</u>	<u>(2,194,465)</u>	<u>(836,871)</u>	<u>1,709,765</u>	<u>292,720</u>	<u>1,309,932</u>

VILLAGE OF CHICAGO RIDGE

FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 As of December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund			
Reserved	\$ 678	\$ 1,688	\$ 83,853
Unreserved	3,793,460	4,204,921	4,548,220
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	-	-	-
	<hr/>	<hr/>	<hr/>
Total general fund	<u>\$ 3,794,138</u>	<u>\$ 4,206,609</u>	<u>\$ 4,632,073</u>
All Other Governmental Funds			
Reserved	\$ 581,671	\$ 601,598	\$ 549,369
Unreserved, reported in			
Special Revenue Funds	1,436,799	609,624	459,776
Capital Projects Fund	4,479,787	4,520,650	4,142,885
Debt Service Fund	2,264,648	3,069,714	2,537,930
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<hr/>	<hr/>	<hr/>
Total all other governmental funds	<u>\$ 8,762,905</u>	<u>\$ 8,801,586</u>	<u>\$ 7,689,960</u>

* - The Village implemented GASB 54 during fiscal year 2011.

2007	2008	2009	2010	2011*	2012	2013
\$ 107,241	\$ 109,934	\$ 100,150	\$ 116,286	\$ -	\$ -	\$ -
4,981,818	4,533,513	4,302,066	3,644,667	-	-	-
-	-	-	-	95,619	109,605	88,328
-	-	-	-	11	21	7
-	-	-	-	3,951,678	4,084,541	5,076,568
<u>\$ 5,089,059</u>	<u>\$ 4,643,447</u>	<u>\$ 4,402,216</u>	<u>\$ 3,760,953</u>	<u>\$ 4,047,308</u>	<u>\$ 4,194,167</u>	<u>\$ 5,164,903</u>
\$ 365,781	\$ 152,752	\$ 211,447	\$ 85,802	\$ -	\$ -	\$ -
400,991	181,129	137,071	222,007	-	-	-
4,736,801	8,164,157	4,018,012	2,633,689	-	-	-
2,838,976	3,053,858	993,556	20,636	-	-	-
-	-	-	-	78,002	70,202	62,402
-	-	-	-	277,286	302,025	192,798
-	-	-	-	2,943,080	3,085,124	3,275,693
-	-	-	-	(70,776)	(28,769)	(18,877)
<u>\$ 8,342,549</u>	<u>\$ 11,551,896</u>	<u>\$ 5,360,086</u>	<u>\$ 2,962,134</u>	<u>\$ 3,227,592</u>	<u>\$ 3,428,582</u>	<u>\$ 3,512,016</u>

VILLAGE OF CHICAGO RIDGE

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
For the Year Ended December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>
REVENUES			
Property taxes	\$ 5,316,674	\$ 6,280,734	\$ 5,938,957
Other taxes	6,598,197	6,615,584	6,557,670
Intergovernmental	1,677,109	1,897,757	2,081,121
Licenses, fees and permits	849,617	757,392	1,004,155
Fines and forfeitures	245,327	251,590	239,466
Fest income	295,282	287,246	219,412
Investment income	146,776	345,134	575,132
Other	<u>296,907</u>	<u>159,697</u>	<u>121,534</u>
Total revenues	<u>15,425,889</u>	<u>16,595,134</u>	<u>16,737,447</u>
EXPENDITURES			
General government	3,710,361	3,838,329	3,808,918
Public safety	6,590,184	7,017,786	7,073,090
Public works	1,439,027	1,025,713	1,064,994
TIF area development	1,644,987	1,797,913	2,592,941
Other	85,551	89,989	92,261
Debt service			
Principal	954,258	1,260,901	971,816
Interest and other	287,661	261,602	196,274
Capital outlay	<u>640,587</u>	<u>851,749</u>	<u>1,623,315</u>
Total governmental activities program expenditures	<u>15,352,616</u>	<u>16,143,982</u>	<u>17,423,609</u>
NET (EXPENSE)/REVENUE GOVERNMENTAL ACTIVITIES	<u>73,273</u>	<u>451,152</u>	<u>(686,162)</u>
OTHER FINANCING SOURCES (USES)			
Transfer to escrow agent	-	-	-
Accrued interest on bonds sold	-	-	-
Proceeds from bond principal	-	-	-
Discount on bonds sold	-	-	-
Transfers in	1,651,500	2,603,311	1,895,000
Transfers (out)	<u>(1,651,500)</u>	<u>(2,603,311)</u>	<u>(1,895,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCE	<u>\$ 73,273</u>	<u>\$ 451,152</u>	<u>\$ (686,162)</u>
Debt service as a percentage of noncapital expenditures	9.2%	11.1%	8.0%

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 6,342,386	\$ 6,584,348	\$ 7,066,555	\$ 4,357,672	\$ 4,986,857	\$ 4,712,641	\$ 4,582,701
6,610,775	6,339,109	6,035,011	5,770,309	5,808,649	5,865,461	6,648,166
2,117,800	2,343,297	1,956,836	2,455,676	2,576,661	2,316,433	2,536,326
1,021,324	924,261	1,109,963	1,288,892	1,369,467	1,322,457	1,296,754
346,272	451,523	271,465	474,868	483,307	363,512	413,065
360,876	335,780	321,630	254,690	349,346	257,020	279,601
576,238	286,379	116,079	43,436	4,456	7,662	2,589
229,792	192,644	320,070	189,688	517,749	590,147	726,785
<u>17,605,463</u>	<u>17,457,341</u>	<u>17,197,609</u>	<u>14,835,231</u>	<u>16,096,492</u>	<u>15,435,333</u>	<u>16,485,987</u>
4,109,366	4,196,914	3,921,500	3,488,316	3,476,644	3,673,046	3,602,835
7,725,847	8,156,201	8,413,407	8,594,261	8,629,982	8,597,026	9,225,307
1,034,976	1,198,234	1,095,913	1,055,245	1,018,570	985,476	1,002,846
4,112,334	1,805,122	3,929,485	1,017,268	112,523	98,717	67,551
96,387	98,990	71,523	393	-	-	-
1,050,000	1,080,000	1,105,000	963,451	3,646,549	561,000	375,000
309,390	429,531	456,158	423,820	348,511	228,835	301,823
<u>747,588</u>	<u>3,070,574</u>	<u>4,637,664</u>	<u>1,456,756</u>	<u>982,900</u>	<u>943,384</u>	<u>856,455</u>
<u>19,185,888</u>	<u>20,035,566</u>	<u>23,630,650</u>	<u>16,999,510</u>	<u>18,215,679</u>	<u>15,087,484</u>	<u>15,431,817</u>
<u>(1,580,425)</u>	<u>(2,578,225)</u>	<u>(6,433,041)</u>	<u>(2,164,279)</u>	<u>(2,119,187)</u>	<u>347,849</u>	<u>1,054,170</u>
-	-	-	-	-	-	-
-	7,519	-	-	-	-	-
2,690,000	5,380,000	-	-	2,671,000	-	-
-	(45,559)	-	-	-	-	-
1,613,647	1,681,467	1,918,054	1,553,330	1,720,000	1,325,053	1,072,278
<u>(1,613,647)</u>	<u>(1,681,467)</u>	<u>(1,918,054)</u>	<u>(1,553,330)</u>	<u>(1,720,000)</u>	<u>(1,325,053)</u>	<u>(1,072,278)</u>
<u>2,690,000</u>	<u>5,341,960</u>	<u>-</u>	<u>-</u>	<u>2,671,000</u>	<u>-</u>	<u>-</u>
<u>\$ 1,109,575</u>	<u>\$ 2,763,735</u>	<u>\$ (6,433,041)</u>	<u>\$ (2,164,279)</u>	<u>\$ 551,813</u>	<u>\$ 347,849</u>	<u>\$ 1,054,170</u>
8.0%	9.8%	9.0%	9.8%	30.2%	5.9%	4.9%

VILLAGE OF CHICAGO RIDGE

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN LEVY YEARS
As of December 31, 2013

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Equalized Assessed Value	Total Actual Value
2003	104,394,178	145,484,103	37,442,963	289,162	287,610,406	863,694,913
2004	108,671,967	149,832,148	39,277,188	257,331	298,038,634	895,010,913
2005	126,451,116	186,044,197	50,135,944	280,189	362,911,446	1,089,824,162
2006	130,640,471	178,561,628	48,347,359	336,843	357,886,301	1,074,733,637
2007	141,191,180	184,638,393	51,276,461	400,535	377,506,569	1,133,653,360
2008	156,624,973	201,330,608	57,989,928	389,206	416,334,215	1,250,252,898
2009	171,256,023	198,131,203	61,114,616	478,454	430,980,296	1,294,235,123
2010	174,544,473	188,063,037	52,455,085	513,961	415,576,556	1,247,977,646
2011	139,967,457	153,812,458	51,483,135	583,147	345,846,197	1,038,577,168
2012	125,963,538	141,049,354	44,712,281	580,003	312,305,176	937,853,381

Source: Cook Counties Clerks' and Assessors' Offices

Note: Information only available through 2012 as this is the most recent information available.

*Breakdown of Equalized Assessed Value not available at time of report issuance.

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 (i.e. data presented for the Fiscal Year ended December 31, 2012 is based on the the 2011 assessed value.)

VILLAGE OF CHICAGO RIDGE

TREND OF EQUALIZED ASSESSED VALUATIONS LAST TEN LEVY YEARS As of December 31, 2013

Levy Year	Equalized Assessed Value	Percentage Increase(Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2003	287,610,406	-2.86%	863,694,913	33.30%
2004	298,038,634	3.63%	895,010,913	33.30%
2005	362,911,446	21.77%	1,089,824,162	33.30%
2006	357,886,301	-1.38%	1,074,733,637	33.30%
2007	377,506,569	5.48%	1,133,653,360	33.30%
2008	416,334,215	10.29%	1,250,252,898	33.30%
2009	430,980,296	3.52%	1,294,235,123	33.30%
2010	415,576,556	-3.57%	1,247,977,646	33.30%
2011	345,846,197	-16.78%	1,038,577,168	33.30%
2012	312,305,176	-9.70%	937,853,381	33.30%

Source: Cook County Clerk's office

VILLAGE OF CHICAGO RIDGE

PROPERTY TAX RATES PER \$100 ASSESSED VALUATION
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN LEVY YEARS
As of December 31, 2013

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Village of Chicago Ridge	\$ 1.2380	\$ 1.2350	\$ 1.0430
Village of Chicago Ridge - Library	0.3460	0.3430	0.2990
Cook County	0.6300	0.5930	0.5330
Cook County Forest Preserve	0.0590	0.0600	0.0600
Cook County Consolidated Elections*	0.0290	-	0.0140
Worth Township	0.0560	0.0550	0.0510
Worth Township General Assistance	0.0160	0.0160	0.0140
Worth Township Road and Bridge	0.0290	0.0280	0.0260
Metropolitan Water Reclamation District	0.3610	0.3470	0.3150
South Cook County Mosquito Abatement	0.0130	0.0120	0.0100
Suburban TB Sanitarium	0.0040	0.0010	0.0050
Chicago Ridge Park District	0.3200	0.3240	0.2830
School District#127.5	3.7090	3.7460	3.2650
High School District #218	2.7570	2.7350	2.4740
Community College District #524	<u>0.2560</u>	<u>0.2530</u>	<u>0.2080</u>
Total Tax Rate per \$100 EAV	<u>9.8230</u>	<u>9.7480</u>	<u>8.6000</u>
Share of Total Tax Rate Levied by Village	<u>12.60%</u>	<u>12.67%</u>	<u>12.13%</u>

Source: Cook County Clerk

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$	1.1084	\$ 1.1015	\$ 1.0198	\$ 1.0501	\$ 1.1327	\$ 1.4018	\$ 1.5648
	0.3064	0.3080	0.3260	0.3130	0.3290	0.3970	0.4550
	0.5000	0.4460	0.4150	0.3940	0.4230	0.4620	0.5310
	0.0570	0.0530	0.0510	0.0490	0.0510	0.0580	0.0630
	-	0.0120	-	0.0210	-	0.0250	-
	0.0540	0.0520	0.0480	0.0480	0.0500	0.0600	0.0680
	0.0140	0.0140	0.0120	0.0120	0.0130	0.0150	0.0170
	0.0270	0.0260	0.0240	0.0240	0.0250	0.0300	0.0330
	0.2840	0.2630	0.2520	0.2610	0.2740	0.3200	0.3700
	0.0070	0.0060	0.0090	0.0090	0.0100	0.0120	0.0140
	0.0050	-	-	-	-	-	0.0020
	0.3910	0.4690	0.4420	0.4550	0.4820	0.5840	0.6610
	3.4000	3.3500	3.3970	3.1930	3.1320	3.8610	4.4330
	2.5660	2.5170	2.3430	2.3640	2.4820	3.0370	3.4420
	<u>0.2700</u>	<u>0.2620</u>	<u>0.2470</u>	<u>0.2470</u>	<u>0.2560</u>	<u>0.3110</u>	<u>0.3460</u>
	<u>8.9898</u>	<u>8.8795</u>	<u>8.5858</u>	<u>8.4401</u>	<u>8.6597</u>	<u>10.5738</u>	<u>11.9998</u>
	<u>12.33%</u>	<u>12.40%</u>	<u>11.88%</u>	<u>12.44%</u>	<u>13.08%</u>	<u>13.26%</u>	<u>13.04%</u>

VILLAGE OF CHICAGO RIDGE

PROPERTY TAX RATES PER \$100 OF ASSESSED VALUATION
LAST TEN LEVY YEARS
As of December 31, 2013

<u>Levy Year</u>	<u>General</u>	<u>Garbage</u>	<u>Street and Bridge</u>	<u>Illinois Municipal Retirement</u>	<u>Social Security</u>	<u>Police Protection</u>
2003	0.2921	0.0283	0.1079	0.0511	0.1278	0.1570
2004	0.2907	0.0273	0.1041	0.0493	0.1233	0.1621
2005	0.2387	0.0224	0.0855	0.0566	0.1143	0.1331
2006	0.2374	0.0223	0.0850	0.0563	0.1137	0.1324
2007	0.2265	0.0218	0.0750	0.0546	0.1091	0.1282
2008	0.2053	0.0198	0.0680	0.0371	0.0866	0.1163
2009	0.2151	0.0191	0.0597	0.0358	0.0836	0.1123
2010	0.2231	0.0198	0.0620	0.0372	0.0867	0.1165
2011	0.2680	0.0238	0.0745	0.0447	0.1042	0.1400
2012	0.1319	0.0264	0.0825	0.0495	0.1154	0.1550

Source: Cook County Clerk's Office

<u>Fire Protection</u>	<u>Auditing</u>	<u>Liability Insurance</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Totals</u>
0.1825	0.0137	0.0632	0.0880	0.1267	1.2383
0.1691	0.0141	0.0875	0.1222	0.0849	1.2346
0.1389	0.0116	0.0718	0.0697	0.1004	1.0430
0.1381	0.0201	0.0714	0.0979	0.1338	1.1084
0.1364	0.0177	0.0620	0.1160	0.1542	1.1015
0.1237	0.0161	0.0562	0.1175	0.1732	1.0198
0.1434	0.0155	0.0543	0.1237	0.1876	1.0501
0.1487	0.0161	0.0563	0.1328	0.2335	1.1327
0.1787	0.0194	0.0736	0.1638	0.3111	1.4018
0.1979	0.0214	0.0815	0.1939	0.5094	1.5648

VILLAGE OF CHICAGO RIDGE

PRINCIPAL PROPERTY TAX PAYERS
CURRENT FISCAL YEAR AND TEN YEARS AGO
As of December 31, 2013

<u>Taxpayer</u>	<u>Total Assessed Value</u>	<u>2012 Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Chicago Ridge Mall	\$ 51,996,308	1	16.65%
Bradley Operating Ltd. Partnership	16,552,484	2	5.30%
Sears	10,374,940	3	3.32%
Yellow Freight System	-		0.00%
McRaes, Inc.	-		0.00%
McRil LLC	8,515,754	4	2.73%
YRC	5,377,634	5	1.72%
Sambell Chicago Ridge	5,106,175	6	1.63%
Kohl's Department Store	4,832,343	7	1.55%
The Home Depot	4,314,710	8	1.38%
David Gorenstein	-		0.00%
Trammel Crow Co.	-		0.00%
BM of Chicago Ridge Re	3,773,049	9	1.21%
AMB Property RE Tax Co.	<u>3,827,447</u>	10	1.23%
Total	<u>\$ 114,670,844</u>		<u>36.72%</u>

Source: Cook County Clerk's and Assessor's Offices and Worth Township Assessor's office.

Note: The 2012 levy year is the most recent available.

	<u>2002</u>		
<u>Total Assessed Value</u>	<u>Rank</u>		<u>Percentage of Total Taxable Assessed Value</u>
\$ 49,525,665	1		16.73%
19,621,630	2		6.63%
10,903,635	3		3.68%
10,211,827	4		3.45%
7,562,231	5		2.55%
5,863,630	6		1.98%
4,181,045	9		1.41%
5,343,783	7		1.80%
4,334,403	8		1.46%
2,437,580	10		0.82%
-			0.00%
-			0.00%
<u>\$ 119,985,429</u>			<u>40.53%</u>

VILLAGE OF CHICAGO RIDGE

PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN LEVY YEARS
 For the Year Ended December 31, 2013

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	3,561,338	3,372,396	94.69%	353,687
2004	3,679,463	3,641,227	98.96%	254,236
2005	3,784,988	3,551,881	93.84%	303,173
2006	3,967,303	3,337,852	84.13%	683,688
2007	4,158,337	3,995,361	96.08%	397,245
2008	4,245,887	4,095,985	96.47%	288,891
2009	4,526,562	4,376,307	96.68%	470,695
2010	4,707,327	4,516,162	95.94%	150,597
2011	4,848,019	4,712,641	97.21%	14,285
2012	4,887,132	4,507,835	92.24%	-

Source: Cook County Clerks' and Assessors' Offices

Total Collected to Date	
Amount	Percentage of Levy
3,726,083	104.63%
3,895,463	105.87%
3,855,054	101.85%
4,021,540	101.37%
4,392,606	105.63%
4,384,876	103.27%
4,847,002	107.08%
4,666,759	99.14%
4,726,926	97.50%
4,507,835	92.24%

VILLAGE OF CHICAGO RIDGE

TAXABLE SALES BY CATEGORY
 LAST TEN FISCAL YEARS
 For the Year Ended December 31, 2013
 (in thousands of dollars)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Apparel Stores	\$ 54,317	\$ 54,315	\$ 55,982	\$ 58,046
General Merchandise	102,818	100,279	105,936	97,855
Food Stores	13,502	14,011	14,110	15,164
Eating and drinking establishments	27,242	25,883	25,771	28,682
Home furnishings and appliances	20,634	20,734	20,379	19,663
Building materials	38,999	37,015	37,244	34,945
Automotive & fill stations	20,758	19,949	21,317	20,604
Drugs and misc. retail	52,115	47,746	47,185	46,659
Agriculture & all others	24,433	27,445	29,872	31,669
Manufacturers	<u>174</u>	<u>170</u>	<u>200</u>	<u>202</u>
 Total	 <u>\$ 354,992</u>	 <u>\$ 347,547</u>	 <u>\$ 357,996</u>	 <u>\$ 353,489</u>
 Village direct sales tax rate	 1.75%	 1.75%	 1.75%	 1.75%

Source: Illinois Department of Revenue, Report of Sales Tax Receipts by Standard Industrial Classification

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	55,788	\$ 48,104	\$ 54,992	\$ 54,063	\$ 54,250	\$ 58,461
	90,449	84,162	87,459	85,705	91,627	87,679
	14,876	14,177	13,812	13,999	14,788	14,924
	25,298	25,342	29,967	29,384	29,234	29,462
	17,690	15,181	16,343	17,020	17,373	17,606
	28,193	23,777	23,466	22,506	22,690	24,843
	26,455	22,262	17,007	22,870	19,902	16,803
	44,837	41,608	43,351	45,393	51,411	53,635
	29,622	20,445	18,187	16,037	14,929	15,564
	<u>2,211</u>	<u>4,464</u>	<u>5,547</u>	<u>6,690</u>	<u>6,584</u>	<u>8,354</u>
\$	<u>335,419</u>	<u>\$ 299,522</u>	<u>\$ 310,131</u>	<u>\$ 313,667</u>	<u>\$ 322,788</u>	<u>\$ 327,331</u>
	1.75%	1.75%	1.75%	1.75%	1.75%	2.00%

VILLAGE OF CHICAGO RIDGE

RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS As of December 31, 2013

Fiscal Year	Governmental Activities	Business-Type Activities	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Bonds			
2004	7,529,258	200,742	7,730,000	2.73%	547,179
2005	6,250,901	109,099	6,360,000	2.24%	450,202
2006	5,311,816	38,184	5,350,000	1.89%	378,707
2007	4,300,000	-	4,300,000	1.52%	304,382
2008	8,600,000	-	8,600,000	3.03%	608,763
2009	7,495,000	-	7,495,000	2.64%	530,544
2010	6,550,000	-	6,550,000	2.28%	457,882
2011	5,575,000	-	5,575,000	1.94%	389,724
2012	5,015,000	-	5,015,000	1.75%	350,577
2013	4,640,000	-	4,640,000	1.62%	324,362

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

VILLAGE OF CHICAGO RIDGE

RATIO OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS As of December 31, 2013

Fiscal Year	General Obligation Bonds	Available in the Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2004	7,730,000	449,068	7,280,932	0.84%	547,179
2005	6,360,000	476,795	5,883,205	0.66%	450,202
2006	5,350,000	432,366	4,917,634	0.45%	378,707
2007	4,300,000	248,778	4,051,222	0.38%	304,382
2008	8,600,000	51,349	8,548,651	0.75%	608,763
2009	7,495,000	8,203	7,486,797	0.60%	530,544
2010	6,550,000	13,638	6,536,362	0.51%	457,882
2011	5,575,000	10,218	5,564,782	0.45%	389,724
2012	5,015,000	8,558	5,006,442	0.48%	350,577
2013	4,640,000	7,155	4,632,845	0.49%	324,362

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

VILLAGE OF CHICAGO RIDGE

CALCULATION OF LEGAL DEBT MARGIN

As of December 31, 2013

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property... (2) if its population is more than 25,000 and less than 500,000 an aggregate one percent... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution of which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF CHICAGO RIDGE

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT

As of December 31, 2013

Governmental Unit	Gross Debt	*Percentage of Debt Applicable to Village	Village's Share of Debt
DIRECT DEBT			
Village of Chicago Ridge	\$ 4,640,000	100.000%	\$ <u>4,640,000</u>
OVERLAPPING AND UNDERLYING DEBT			
Cook County	3,578,905,000	0.229%	8,195,692
Cook County Forest Preserve	124,455,000	0.229%	285,002
Metropolitan Water Reclamation District	2,481,971,593	0.234%	5,807,814
Chicago Ridge Park District	329,565	100.000%	329,565
School District #122	50,516,579	31.367%	15,845,535
School District #127	2,866,431	9.057%	259,613
School District #127.5	5,715,000	83.918%	4,795,914
Community High School District #218	21,295,232	9.169%	1,952,560
Community High School District #229	7,030,000	11.806%	829,962
Moraine Valley Community College District #524	74,400,000	3.158%	<u>2,349,552</u>
Total Overlapping & Underlying Debt			<u>40,651,209</u>
Total Direct, Overlapping & Underlying Debt			<u>\$ 45,291,209</u>

Date Source: Offices of the Cook County Clerk and Department of Revenue and the Treasurer of the Metropolitan Water Reclamation District

**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 CHICAGO RIDGE

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS As of December 31, 2013

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (thousand of dollars)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (1)</u>	<u>Unemployment Rate (2)</u>
2004	14,127	283,472	20,066	32.5	4.6%
2005	14,127	283,472	20,066	32.5	4.6%
2006	14,127	283,472	20,066	32.5	N/A
2007	14,127	283,472	20,066	32.5	N/A
2008	14,127	283,472	20,066	32.5	N/A
2009	14,127	283,472	20,066	32.5	N/A
2010	14,305	287,044	20,066	32.5	N/A
2011	14,305	287,044	20,066	32.5	N/A
2012	14,305	287,044	20,066	32.5	N/A
2013	14,305	287,044	20,066	32.5	N/A

Sources:

(1) Bureau of Census

(2) State of Illinois, Department of Employment Security, Economic Information and Analysis

N/A - Information is not available after 2005.

VILLAGE OF CHICAGO RIDGE

PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND SEVEN YEARS AGO
As of December 31, 2013

Employer	2013			2006		
	Employees	Rank	Percentage Total Village Employment	Employees	Rank	Percentage Total Village Employment
Yellow Transportation, Inc.	-		0.0%	1,500	1	20.7%
Tibor Machine Products, Inc.	100	9	1.4%	120	2	1.7%
C&K trucking, LLC	200	4	2.8%	-		N/A
Cottage Sheet Metal, LLC	100	9	1.4%	50	3	0.7%
Crowley-Sheppard Asphalt Inc.	-		0.0%	40	4	0.6%
Star Contractors Supply Inc.	-		0.0%	45	5	0.6%
CMD Conveyor, Inc.	-		0.0%	30	6	0.4%
Sears	340	1	4.8%	-		N/A
Oak Steel Supply Co.	-		0.0%	32	7	0.4%
Carson Pirie Scott	299	2	4.2%	-		N/A
Kohl's	280	3	4.0%	-		N/A
Acorn Metal Service, Inc.	-		0.0%	25	8	0.3%
K & M Tire	-		0.0%	25	8	0.3%
James Saunoris & Sons, Inc.	-		0.0%	25	8	0.3%
Lexington Center	200	4	2.8%	-		N/A
Chicago Ridge Nursing & Rehab	130	7	1.8%	-		N/A
Home Depot	120	8	1.7%	-		N/A
Buffalo Wild Wings Grill & Bar	100	9	1.4%	-		N/A
Richlee Vans	200	4	2.8%	-		N/A
Total	2,069		29.3%	1,892		26.1%

Source: Reference USA, Illinois Department of Employment Security

Note: Information prior to 2006 is not available.

VILLAGE OF CHICAGO RIDGE

FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION
 LAST NINE FISCAL YEARS
 As of December 31, 2013

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>FUNCTION/PROGRAM</u>									
General government									
Village administration	2	2	2	2	2	2	2	2	2
Village clerical	11	12	11	11	8	8	7	7	8
Janitor	1	1	1	1	1	1	1	1	0
Building/grounds	1	1	1	1	1	1	1	1	1
Licensing/building	1	3	1	1	1	1	1	1	1
Planning and zoning	2	2	2	2	2	2	0	0	0
Public Safety									
Police department	44	45	46	47	48	48	47	47	49
Fire department	25	25	25	27	24	24	24	24	24
E.M.A	1	1	1	1	1	1	1	1	1
Public Safety									
Street department	9	8	7	7	7	7	6	6	6
Water department	8	9	9	9	6	6	6	6	6
Sewer department	2	2	2	2	2	2	2	2	2
Health department	1	1	1	1	1	1	1	1	1
Other									
Youth service bureau	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>109</u>	<u>113</u>	<u>110</u>	<u>113</u>	<u>104</u>	<u>104</u>	<u>99</u>	<u>99</u>	<u>101</u>

Source: Payroll department documents

Note: Information not available prior to 2005

VILLAGE OF CHICAGO RIDGE

OPERATING INDICATORS BY FUNCTION/PROGRAMS LAST TEN FISCAL YEARS As of December 31, 2013

<u>FUNCTION/PROGRAM</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Chicago Ridge Facilities and Services:			
Number of service connects (est.)	2,869	2,865	2,854
Daily average water use	1,600,000	1,510,000	1,500,000
Fire Department			
Number of personnel	35	35	36
Number of calls answered	2,604	2,735	2,719
Number of Inspections	324	116	163
Police Department			
Number of personnel	69	68	70
Number of violations:			
Physical arrests	1,515	1,621	1,652
Traffic violations	4,871	4,589	4,407
Parking violations	1,450	1,371	2,636
Highways and Streets			
Street resurfacing (miles)*	N/A	N/A	1
Potholes repaired*	N/A	N/A	150
Water			
New connections*	N/A	N/A	16
Water main breaks*	36	31	36
Facilities not included in Primary Government:			
Park District:			
Community Centers	1	1	1
Park Acreage	28	28	28
Tennis Court	3	3	3
Ball Fields	9	9	9
Gymnasium	1	1	1
Library District Buildings	1	1	1
Schools:			
Public Grade Schools	2	2	2
Private Primary/Middle School	2	1	1
Junior High (District 127.5) and High School (218)	2	2	2

* N/A - Information is unavailable

2007	2008	2009	2010	2011	2012	2013
2,858	2,863	2,864	2,853	2,868	2,880	2,880
1,420,000	1,433,000	1,351,000	1,303,000	1,385,000	1,438,000	1,438,000
37	35	33	36	32	31	30
2,747	2,683	2,539	2,407	2,536	2,408	2,424
269	206	196	239	273	304	342
72	69	72	73	67	68	68
1,628	1,527	1,195	930	821	745	692
4,465	3,874	3,793	2,911	2,920	1,423	1,343
3,246	3,354	4,366	3,812	3,160	3,630	3,002
1	1	1	1/2 mile	1/2 mile	3/4 mile	1 mile
190	203	350	350	350	400	500
63	6	1	-	-	-	-
42	26	26	43	40	36	42
1	1	1	1	1	1	1
28	28	28	28	28	28	28
3	3	3	3	3	3	3
9	9	9	9	9	9	9
1	1	1	1	1	1	1
1	1	1	1	1	1	1
		-	-	-	-	-
2	2	2	2	2	2	2
1	1	1	1	1	1	1
2	2	2	2	2	2	2

VILLAGE OF CHICAGO RIDGE

CAPITAL ASSETS STATISTICS BY FUNCTION LAST TEN FISCAL YEARS As of December 31, 2013

<u>FUNCTION/PROGRAM</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Police										
Station	1	1	1	1	1	1	1	1	1	1
Patrol Units	10	8	10	12	12	13	13	13	13	13
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public Works										
Streets (miles)	22	22	22	22	22	22	22	22	22	22
Streetlights	387	387	387	387	387	390	390	390	390	390
Traffic Signals	17	17	17	18	19	19	19	19	19	19
Water										
Water mains (miles)	35	35	35	35	35	35	35	35	35	35
Fire hydrants	532	528	532	532	532	534	534	534	534	534
Storage capacity (millions of gallons)	3	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewer (mile)	29	29	29	29	29	29	29	29	29	29

Note: Information prior to 2003 is not available.