

**Algonquin-Lake in the Hills Fire Protection District
Lake-in the Hills, Illinois
Comprehensive Annual Financial Report
For The Year Ended April 30, 2014**

**Submitted by:
Finance Department**

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ALGONQUIN-LAKE IN THE HILLS FIRE PROTECTION DISTRICT



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October 31, 2014

Board of Trustees
Algonquin-Lake in the Hills Fire Protection District
1020 W. Algonquin Rd.
Lake in the Hills, Illinois 60156

Honorable Trustees:

The Comprehensive Annual Financial Report (CAFR) of the Algonquin-Lake in the Hills Fire Protection District for the fiscal year ending April 30, 2014 is submitted herewith. The report was prepared by the District's Fire Chief and Finance Supervisor, working with the District's auditor, Knutte and Associates, P.C. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Algonquin-Lake in the Hills Fire Protection District. We believe the data presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the Algonquin-Lake in the Hills Fire Protection District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The Government Finance Officers Association of the United States and Canada (GFOA) offers a Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government must publish in easily readable and efficiently organized format, a comprehensive annual financial report (CAFR). This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our CAFR will meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for a certificate.

This letter complements management's discussion and analysis (MD&A), and should be read in conjunction with it. The purpose of this letter of transmittal is to provide an overview of the District and its operations. For detailed information and analysis, please review the MD&A which can be found in the financial section of this report immediately following the report of independent auditors.

This report includes all funds of the District. The District provides a full range of fire services at three fire stations.

ECONOMIC CONDITION AND OUTLOOK

The Algonquin-Lake in the Hills Fire Protection District is a municipal corporation of the State of Illinois. The District is made up of the Village of Algonquin, the Village of Lake in the Hills, and some of the surrounding unincorporated areas. It is located in both Kane and McHenry Counties and is approximately 48 miles northwest of downtown Chicago. The District maintains a total of three fire stations. The main fire station is located at 1020 W. Algonquin Road. Additional fire stations are located at 2440 Harnish Drive and 1691 Cumberland Parkway.

The 2013 Census population of 30,467 for the Village represents a 1.4% increase from the 2010 Special Census population of 30,049. Potential for future population growth is slow due to economic factors such as the downturn of the housing market within the District. In the last three tax years ('11 through '13), the District's equalized assessed valuation has decreased by 20% due to the continued decline in home prices.

The District's annual assessed valuation (EAV) has decreased in the last year. Since 2009, the tax rates have been as follows:

Tax Year	EAV	Tax Rate
2009	1,372,833,784	0.5855
2010	1,297,988,001	0.6407
2011	1,166,278,667	0.7184
2012	1,040,958,344	0.8273
2013	937,567,915	0.9352

According to the US Census Bureau, in 2010 the total housing units for the District amounted to 10,727 with the median value of a single family home at \$264,000. The average household contained an average of 2.88 individuals and 29% had children under the age of 18 living with them. Additionally, this contributes to the District's strong demand for fire protection from well-trained and strategically positioned firefighters and paramedics located throughout Algonquin and Lake in the Hills.

MAJOR INITIATIVES/HAPPENINGS FOR THE YEAR

The 2014 Budget for Operations remained fairly static for the year. The District's charges for services decreased 11.5% or \$109,303. The majority of the decrease was due to the District's transfer of the radio frequency fire alarm fund to the Village of Algonquin on December 1, 2013. Due to this loss of revenue, the District will need to monitor budgetary controls and in fiscal 2014 the District's expenditures were 4% under

MAJOR INITIATIVES/HAPPENINGS FOR THE YEAR (CONTINUED)

budget. Additionally, in 2014 the District was able to transfer monies into the capital fund in the amount of \$735,638.

FUTURE INITIATIVES/FUTURE DIRECTION

In 2014, the District received a Federal Emergency Management Agency (FEMA) grant for \$348,025 for self-contained breathing apparatus (SCBA), tanks, masks and a fit test machine. In fiscal year 2015, most of the grant monies will be received and SCBA purchases will be made.

FINANCIAL INFORMATION

Accounting System and Budgetary Control - The District's records for general governmental operations are maintained on an accrual basis, with the revenues being recorded when earned and expenditures being recorded when the liability is incurred or the economic asset is used.

In developing and maintaining the District's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is of great importance to the District and has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item, and are distributed monthly to District departmental and divisional management and to others upon request.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures (items over \$5,000 and having a useful life of more than 1 year) are monitored and controlled item by item. Revenue budgets are reviewed monthly. Additionally, all expenditures are reviewed by the Board of Trustees prior to the release of payments.

The Reporting Entity and its Services - This report includes all of the funds, account groups and activities controlled by the District.

FINANCIAL INFORMATION (CONTINUED)

The mission of the Algonquin-Lake in the Hills Fire Protection District is to preserve lives and property in our community by providing services directed at the prevention of fires, accidents and other emergencies while maintaining the highest standards of professionalism, efficiency and effectiveness.

The District participates in the Illinois Municipal Retirement Fund, IPRF and the Algonquin Firefighters' Pension Plan. Those organizations are separate governmental units because (1) they are organized entities, (2) have governmental character, and (3) are substantially autonomous. Audited financial statements for these organizations are not included in this report. However, such statements are available upon request from their respective business offices.

General Government Functions - The reporting period covered by these financial statements encompasses twelve months. Funds are provided for services by taxes, user fees, interest income, grants, donations and miscellaneous sources.

Property taxes are a major source of income for general operations. The District's property taxes make up 88.5% of the total revenue for the major governmental funds.

As property values continue to decline, the overall assessed valuation or EAV of the District also declined to \$937,567,915 or a 10% decrease from prior year.

Allocation of the property tax levy for 2013 and the preceding three tax years are as follows (amounts for each \$100 of assessed value):

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Purpose				
General Fund	0.4000	0.3976	0.3097	0.2777
Insurance Fund	0.0459	0.0413	0.0367	0.0264
Audit Fund	0.0011	0.0005	0.0004	0.0001
Ambulance Fund	0.4000	0.2987	0.2976	0.2638
Pension Fund	<u>0.1080</u>	<u>0.0886</u>	<u>0.0768</u>	<u>0.0697</u>
Total Tax Rate	<u>0.9550</u>	<u>0.8267</u>	<u>0.7212</u>	<u>0.6377</u>

The maximum tax rate for the Corporate Fund is .4000. The maximum tax rate for the Ambulance Fund is .4000.

Fund balance increased by \$146,737 for a total of \$3,110,793 as of December 31, 2014. Of this amount, \$1,643,131 is unrestricted for continuing operations.

Capital Assets Additions - As of December 31, 2014 the capital assets of the Algonquin-Lake in the Hills Fire Protection District amounted to \$9,572,124. The major category of increase results from equipment purchases related the SCBA grant.

FINANCIAL INFORMATION (CONTINUED)

Independent Audit - Chapter 50, Section 310/2 of the Illinois Revised Statutes requires districts secure a licensed public accountant to perform an annual audit of accounts. The firm of Knutte & Associates, P.C. has performed the audit for the year ended April 30, 2014. Their unqualified opinion on the basic financial statements is presented in this report.

OTHER INFORMATION

Acknowledgments - The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff. We express our appreciation to the District's employees throughout the organization, especially those instrumental to the successful completion of this report.

We would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operation of the District in a responsible and progressive manner.

Respectfully submitted,

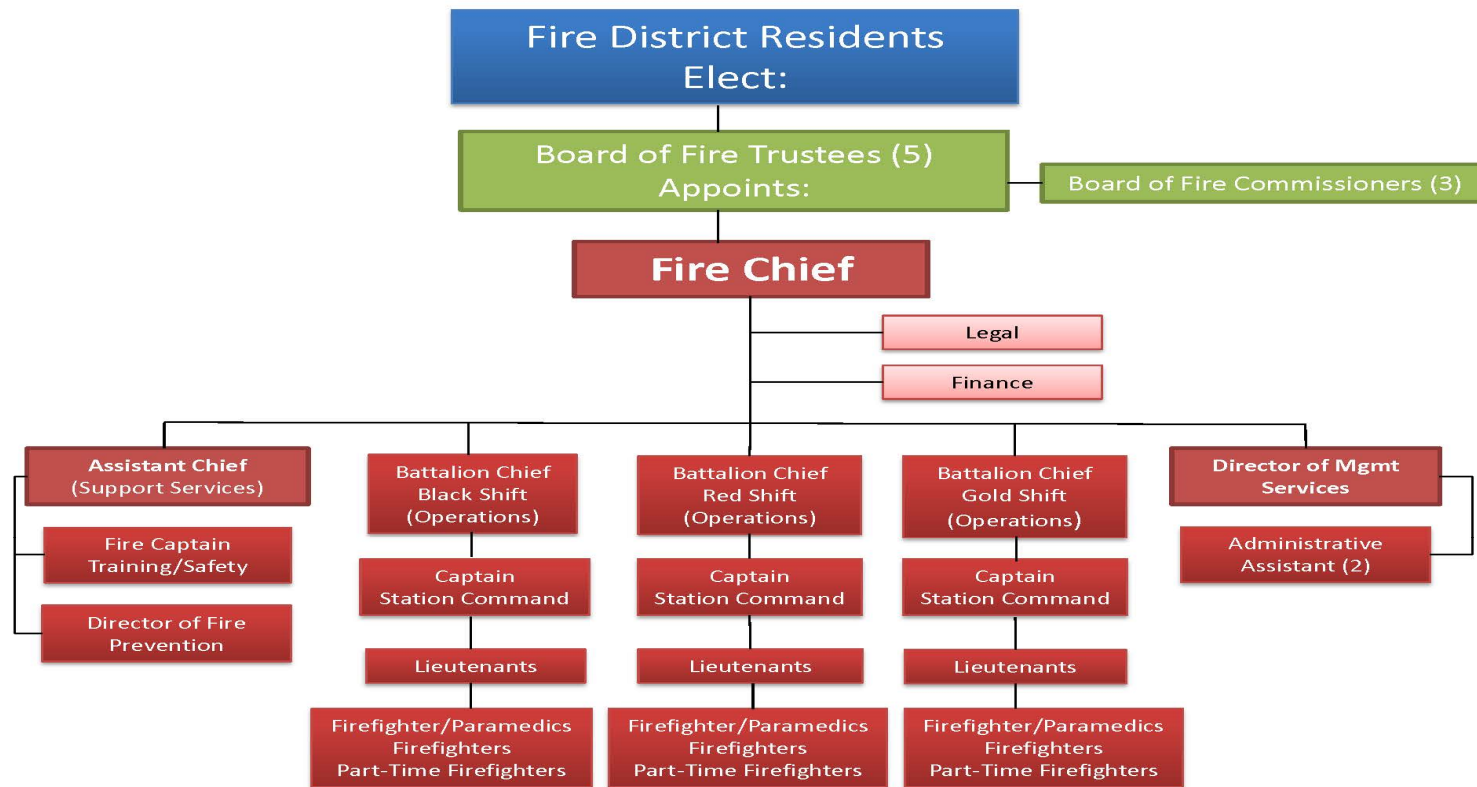


Patrick J. Mullen
Fire Chief



James R. Howard, CPA
Finance

ALGONQUIN-LAKE IN THE HILLS FIRE PROTECTION DISTRICT ORGANIZATION CHART



Algonquin-Lake in the Hills Fire Protection District Principal Officers

Board of Fire Commissioners

Jeff Harper, Chairperson
Tamara Miner
Corky Corless

Board of Fire Trustees

Rick Naatz, President
Tim Moss
Michael Markowitz
John Bradach
Bruce Toussaint

Fire Chief

Patrick Mullen

Assistant Fire Chief (Support Services)

Peter Van Dorpe

Management Services Director

Cris Randall

Fire Prevention Bureau Director

Mike Murphy

Training Officer

Charlie Teson



KNUTTE & ASSOCIATES, P.C.

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INDEPENDENT AUDITORS' REPORT

To The Board of Trustees
Algonquin-Lake in the Hills Fire Protection District
Lake in the Hills, 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 Algonquin-Lake in the Hills Fire Protection District, including the fiduciary funds, as of and for the year ended April 30, 2014, and the related notes to the financial statements which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the fiduciary funds, of the Algonquin-Lake in the Hills Fire Protection District, as of April 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the schedules of funding progress, and schedule of employer contributions on pages 3 through 7 and page 37 through 39, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

The major fund budgetary comparison schedules listed on the table of contents are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This Required Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending April 30, 2014 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Algonquin-Lake in the Hills Fire Protection District's basic financial statements. The combining and individual fund financial schedules for the year ended April 30, 2014 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund financial schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended April 30, 2014 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing procedures generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Algonquin-Lake in the Hills Fire Protection District. The information has not been audited by us and, accordingly, we express no opinion on such matters.

October 1, 2014
Darien, Illinois

Knuttle & Associates, P.C.

**ALGONQUIN-LAKE IN THE HILLS FIRE PROTECTION DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED APRIL 30, 2014**

As the Algonquin-Lake in the Hills Fire Protection District (District) management, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended April 30, 2014. The management of the District encourages the readers of this financial information presented in conjunction with the financial statements to obtain a better understanding of the District's financial operations.

Financial Highlights

The assets of District exceeded its liabilities by \$3,713,728 and \$4,040,271 as of April 30, 2014 and 2013, respectively. The District's net position decreased \$326,543 in fiscal year 2014. The majority of this decrease is due to the transfer of ownership, operational management, and oversight of the District's radio frequency fire alarm (RFFA) service to the Village of Algonquin. After December 1, 2013, the District no longer was entitled to revenue generated by the service, although expenses were still incurred.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains required supplementary information and additional information.

Government-Wide Financial Analysis

The government-wide financial statements are prepared using the full accrual basis of accounting and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector businesses.

The statement of net assets presents financial information on all of the District's assets & deferred outflows and liabilities & deferred inflows, with the difference between the two 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 District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activity of the District includes a full range of fire services at three fire stations. Fire services provided are directed at the prevention of fires, accidents and other emergencies while maintaining the highest standards of professionalism, efficiency and effectiveness.

The basic government-wide financial statements are presented on pages 8 through 9 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund and major special revenue funds. Budgetary comparison schedules for other special revenue funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 10 through 11 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the District charges customers a fee. There are two types of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the governmental-wide statements. Services are provided to customers external to the District organization such as the golf course. Internal service funds provide services to customers within the District's organization.

The proprietary fund financial statements are presented on pages 13 through 16 of this report.

Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Fiduciary Fund includes the pension fund and foreign fire insurance tax fund.

The basic fiduciary fund financial statements are presented on pages 17 through 18 of this report.

Notes to Financial Statements

The notes provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Required Supplementary Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Additionally, required supplementary information regarding a statement of revenues, expenditures, and changes in fund balance - budget vs. actual for each major fund is presented in this section. Supplementary information can be found on pages 37 through 42 of this report.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets & deferred outflows exceeded liabilities & deferred inflows by \$3,713,728 for the year ended April 30, 2014. A portion of the District's net assets reflects its investment in capital assets of \$9,572,124. The District uses these capital assets to provide services, and consequently these assets are not available to liquidate liabilities or for other spending.

During the year \$741,668 was transferred from the General and Ambulance Funds to the Capital Projects Fund and Other Governmental Funds for vehicle replacement reserves as well as debt retirement.

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets and Deferred Outflows						
Current and Other Assets	\$ 11,286,668	\$ 11,791,028	\$ 156,460	\$ 353,414	\$ 11,443,128	\$ 12,144,442
Capital Assets, net of accumulated depreciation	9,561,816	9,986,357	10,308	213,152	9,572,124	10,199,509
Total Assets and Deferred Outflows	20,848,484	21,777,385	166,768	566,566	21,015,252	22,343,951
Liabilities and Deferred Inflows						
Current Liabilities and Deferred Inflows	8,798,300	9,439,397	116,488	204,377	8,914,788	9,643,774
Non-Current Liabilities	8,386,736	8,659,906	0	0	8,386,736	8,659,906
Total Liabilities and Deferred Inflows	17,185,036	18,099,303	116,488	204,377	17,301,524	18,303,680
Net Position						
Net Investment in Capital Assets	2,441,816	2,426,357	10,308	213,152	2,452,124	2,639,509
Restricted Amounts	1,467,662	1,371,527	0	0	1,467,662	1,371,527
Unrestricted Amounts	(246,030)	(119,802)	39,972	149,037	(206,058)	29,235
Total Net Assets	\$ 3,663,448	\$ 3,678,082	\$ 50,280	\$ 362,189	\$ 3,713,728	\$ 4,040,271

Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for Services	\$ 836,148	\$ 945,451	\$ 207,315	\$ 407,236	\$ 1,043,463	\$ 1,352,687
Operating Grants & Contributions	130,121	219,692	0	0	130,121	219,692
General Revenues						
Property Taxes	7,820,930	8,357,885	0	0	7,820,930	8,357,885
Replacement Taxes	32,881	28,732	0	0	32,881	28,732
Interest Income	4,879	10,624	141	434	5,020	11,058
Miscellaneous	11,844	16,257	564	3,613	12,408	19,870
Total Revenues	<u>8,836,803</u>	<u>9,578,641</u>	<u>208,020</u>	<u>411,283</u>	<u>9,044,823</u>	<u>9,989,924</u>
Expenses						
Program Expenses						
Public Safety	8,524,617	9,113,243	0	0	8,524,617	9,113,243
Interest on Long-Term Debt	326,820	335,020	0	0	326,820	335,020
Radio Frequency Fire Alarm Service	0	0	519,929	429,418	519,929	429,418
Total Expenses	<u>8,851,437</u>	<u>9,448,263</u>	<u>519,929</u>	<u>429,418</u>	<u>9,371,366</u>	<u>9,877,681</u>
Change in Net Position	(14,634)	130,378	(311,909)	(18,135)	(326,543)	112,243
Net Position						
Beginning of Year, as Originally Stated	3,678,082	2,959,699	362,189	380,324	4,040,271	3,340,023
Prior Period Adjustment	0	588,005	0	0	0	588,005
Beginning of Year, as Restated	<u>3,678,082</u>	<u>3,547,704</u>	<u>362,189</u>	<u>380,324</u>	<u>4,040,271</u>	<u>3,928,028</u>
End of Year	<u>\$ 3,663,448</u>	<u>\$ 3,678,082</u>	<u>\$ 50,280</u>	<u>\$ 362,189</u>	<u>\$ 3,713,728</u>	<u>\$ 4,040,271</u>

Budgetary Highlights

During the 2014 Budget year, the District made revisions to the annual operating budget in the Corporate and Ambulance funds.

The Corporate and Ambulance funds are reported as a major funds and account for the routine operations of the District. Actual revenues in these major governmental funds were \$8,068,021 which underperformed budget estimates by 1%. Additionally, actual expenditures were \$7,211,821 which outperformed budget estimates by 4%.

The Corporate and Ambulance funds had an operational excess of revenues over expenditures was \$856,200. Due increased property taxes and operational cost containment, the total Corporate and Ambulance fund balance increased to \$2,453,509 from \$2,338,977 the previous year.

Capital Assets

The following is a summary of capital assets, net of accumulated depreciation. For more information on the District's capital assets, see Note 3 in the notes to the financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 1,416,856	\$ 1,416,856	\$ -	\$ -	\$ 1,416,856	\$ 1,416,856
Building & Improvements	7,299,636	7,287,521	-	-	7,299,636	7,287,521
Apparatus & Vehicles	4,109,664	4,109,664	-	-	4,109,664	4,109,664
Equipment	706,202	638,227	82,464	600,762	788,666	1,238,989
Cosst of Capital Assets	13,532,358	13,452,268	82,464	600,762	13,614,822	14,053,030
Less Accumulated Depreciation	(3,970,542)	(3,465,911)	(72,156)	(387,610)	(4,042,698)	(3,853,521)
Net Capital Assets	<u>\$ 9,561,816</u>	<u>\$ 9,986,357</u>	<u>\$ 10,308</u>	<u>\$ 213,152</u>	<u>\$ 9,572,124</u>	<u>\$ 10,199,509</u>

Description of Current or Expected Conditions

Currently, management is not aware of any changes in conditions that could have a significant effect on the financial position or results of activities of the District in the near future. The District's primary revenue source continues to be property tax, representing approximately 88% of total revenue. The Property Tax Extension Limitation Law (PTELL) allows a taxing District to receive a limited inflationary increase in tax extensions on existing property, an additional amount for new construction, and additional amounts related to voter-approved rate increases.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Finance, Algonquin-Lake in the Hills Fire Protection District, 1020 West Algonquin Road, Lake in the Hills, Illinois 60156.

Algonquin-Lake in the Hills Fire Protection District
Statement of Net Position
April 30, 2014

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash	\$ 3,111,765	\$ 156,460	\$ 3,268,225
Property Taxes Receivable	7,931,669	0	7,931,669
Ambulance Fees Receivable, Net of Allowance	204,778	0	204,778
Other Accounts Receivable	5,114	0	5,114
Prepaid Expenses	33,342	0	33,342
Capital Assets			
Capital Assets Not Being Depreciated	1,416,856	0	1,416,856
Other Capital Assets, Net of Depreciation	8,144,960	10,308	8,155,268
Total Capital Assets	9,561,816	10,308	9,572,124
TOTAL ASSETS	20,848,484	166,768	21,015,252
TOTAL DEFERRED OUTFLOWS	0	0	0
LIABILITIES			
Accounts Payable	70,094	116,488	186,582
Accrued Interest Payable	108,940	0	108,940
Accrued Liabilities	174,112	0	174,112
Due Within One Year			
Bonds Payable	450,000	0	450,000
Accrued Vacation and Sick Leave	63,485	0	63,485
Due in More Than One Year			
Bonds Payable	6,670,000	0	6,670,000
Accrued Vacation and Sick Leave	561,234	0	561,234
Net Pension Obligation	1,155,502	0	1,155,502
TOTAL LIABILITIES	9,253,367	116,488	9,369,855
DEFERRED INFLOWS			
Deferred Property Taxes	7,931,669	0	7,931,669
TOTAL DEFERRED INFLOWS	7,931,669	0	7,931,669
NET POSITION			
Net Investment in Capital Assets	2,441,816	10,308	2,452,124
Restricted Amounts	1,467,662	0	1,467,662
Unrestricted Amounts	(246,030)	39,972	(206,058)
TOTAL NET POSITION	\$ 3,663,448	\$ 50,280	\$ 3,713,728

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Statement of Activities
For The Year Ended April 30, 2014

		Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business Type Activities	Total
	Expenses					
FUNCTIONS/PROGRAMS						
Governmental Activities						
Public Safety	\$ 8,524,617	\$ 836,148	\$ 130,121	\$ (7,558,348)	\$ 0	\$ (7,558,348)
Interest on Long-Term Debt	326,820	0	0	(326,820)	0	(326,820)
Total Governmental Activities	<u>8,851,437</u>	<u>836,148</u>	<u>130,121</u>	<u>(7,885,168)</u>	<u>0</u>	<u>(7,885,168)</u>
Business Type Activities						
Radio Frequency Fire Alarm Service	519,929	207,315	0	0	(312,614)	(312,614)
Total Business Type Activities	<u>519,929</u>	<u>207,315</u>	<u>0</u>	<u>0</u>	<u>(312,614)</u>	<u>(312,614)</u>
TOTAL	<u>\$ 9,371,366</u>	<u>\$ 1,043,463</u>	<u>\$ 130,121</u>	<u>(7,885,168)</u>	<u>(312,614)</u>	<u>(8,197,782)</u>
GENERAL REVENUES						
Taxes						
Property taxes levied for general purposes				7,820,930	0	7,820,930
Replacement taxes for general purposes				32,881	0	32,881
Interest Income				4,879	141	5,020
Miscellaneous				11,844	564	12,408
TOTAL GENERAL REVENUES				<u>7,870,534</u>	<u>705</u>	<u>7,871,239</u>
CHANGE IN NET POSITION				(14,634)	(311,909)	(326,543)
NET POSITION, BEGINNING OF YEAR				<u>3,678,082</u>	<u>362,189</u>	<u>4,040,271</u>
END OF YEAR				<u>\$ 3,663,448</u>	<u>\$ 50,280</u>	<u>\$ 3,713,728</u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Governmental Funds
Balance Sheet
April 30, 2014

	General	Ambulance	Pension Tax Levy	Capital	Other Governmental Funds	Total
ASSETS						
Cash	\$ 1,191,156	\$ 1,263,861	\$ 34,460	\$ 592,193	\$ 30,095	\$ 3,111,765
Property Taxes Receivable	3,665,707	3,676,504	157,867	0	431,591	7,931,669
Ambulance Fees Receivable, Net of Allowance	0	204,778	0	0	0	204,778
Other Accounts Receivable	5,114	0	0	0	0	5,114
Prepaid Expenditures	0	0	0	0	33,342	33,342
TOTAL ASSETS	4,861,977	5,145,143	192,327	592,193	495,028	11,286,668
TOTAL DEFERRED						
OUTFLOWS	0	0	0	0	0	0
TOTAL ASSETS AND						
DEFERRED OUTFLOWS	4,861,977	5,145,143	192,327	592,193	495,028	11,286,668
LIABILITIES						
Accounts Payable	18,557	18,748	0	31,959	830	70,094
Accrued Liabilities	94,816	79,279	17	0	0	174,112
TOTAL LIABILITIES	113,373	98,027	17	31,959	830	244,206
DEFERRED INFLOWS						
Deferred Property Taxes	3,665,707	3,676,504	157,867	0	431,591	7,931,669
TOTAL DEFERRED INFLOWS	3,665,707	3,676,504	157,867	0	431,591	7,931,669
FUND BALANCES						
Fund Balances						
Non-spendable	0	0	0	0	33,342	33,342
Restricted	0	1,370,612	34,443	0	29,265	1,434,320
Assigned	0	0	0	560,234	0	560,234
Unassigned	1,082,897	0	0	0	0	1,082,897
TOTAL FUND BALANCES	1,082,897	1,370,612	34,443	560,234	62,607	3,110,793
TOTAL LIABILITIES,						
DEFERRED INFLOWS,						
AND FUND BALANCES	\$ 4,861,977	\$ 5,145,143	\$ 192,327	\$ 592,193	\$ 495,028	

AMOUNTS REPORTED 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 fund financial statements.	9,561,816
Accrued Interest Payable is not reported as a liability in the fund financial statements.	(108,940)
Accrued Compensated Absences are not reported as a liability in the fund financial statements.	(624,719)
Bonds Payable are not reported as a liability in the fund financial statements.	(7,120,000)
Net Pension Obligation is not reported as a liability in the fund financial statements.	(1,155,502)

NET POSITION OF GOVERNMENTAL FUNDS **\$ 3,663,448**

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For The Year Ended April 30, 2014

	General	Ambulance	Pension Tax Levy	Capital	Other Governmental Funds	Total
REVENUES						
Property Taxes	\$ 4,131,519	\$ 3,102,765	\$ 151,691	\$ 0	\$ 434,955	\$ 7,820,930
Replacement Tax	0	0	32,881	0	0	32,881
	1,438	1,590	0	1,851	0	4,879
Charges for Services	47,935	770,930	0	17,283	0	836,148
Grants	0	0	0	130,121	0	130,121
Miscellaneous	4,594	7,250	0	0	0	11,844
TOTAL REVENUES	<u>4,185,486</u>	<u>3,882,535</u>	<u>184,572</u>	<u>149,255</u>	<u>434,955</u>	<u>8,836,803</u>
EXPENDITURES						
Fire and Ambulance	3,708,861	3,502,960	0	0	0	7,211,821
Pension	0	0	165,022	0	0	165,022
Insurance	0	0	0	0	404,095	404,095
Audit	0	0	0	0	10,749	10,749
Debt Service						
Bond Principal	0	0	0	440,000	0	440,000
Bond Interest	0	0	0	326,820	0	326,820
Capital Outlay	0	0	0	112,543	0	112,543
Other	0	0	0	19,016	0	19,016
TOTAL EXPENDITURES	<u>3,708,861</u>	<u>3,502,960</u>	<u>165,022</u>	<u>898,379</u>	<u>414,844</u>	<u>8,690,066</u>
EXCESS (DEFICIENCY) OF						
REVENUES OVER EXPENDITURES	<u>476,625</u>	<u>379,575</u>	<u>19,550</u>	<u>(749,124)</u>	<u>20,111</u>	<u>146,737</u>
OTHER FINANCING						
SOURCES (USES)						
Transfers In	0	0	0	735,638	6,030	741,668
Transfers Out	(412,537)	(329,131)	0	0	0	(741,668)
TOTAL OTHER FINANCING						
SOURCES (USES)	<u>(412,537)</u>	<u>(329,131)</u>	<u>0</u>	<u>735,638</u>	<u>6,030</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	64,088	50,444	19,550	(13,486)	26,141	146,737
FUND BALANCES,						
BEGINNING OF YEAR	<u>1,018,809</u>	<u>1,320,168</u>	<u>14,893</u>	<u>573,720</u>	<u>36,466</u>	<u>2,964,056</u>
END OF YEAR	<u>\$ 1,082,897</u>	<u>\$ 1,370,612</u>	<u>\$ 34,443</u>	<u>\$ 560,234</u>	<u>\$ 62,607</u>	<u>\$ 3,110,793</u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For The Year Ended April 30, 2014

Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 146,737
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation of capital assets is not considered an expenditure in the fund financial statements.	(504,631)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	80,090
The annual change in accrued vacation and sick leave is not recorded in the fund financial statements.	17,229
Payments of debt principal are treated as an expenditure in the fund financial statements.	440,000
The change in Net Pension Obligation is not considered an expenditure in the fund financial statements.	<u>(194,059)</u>
Change in Net Assets of Governmental Activities (Statement of Activities)	<u><u>\$ (14,634)</u></u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Proprietary Fund
Statement of Fund Net Position
April 30, 2014

	Radio Frequency Fire Alarm
ASSETS	
Cash	\$ 156,460
Capital Assets	
Equipment	82,464
Less: Accumulated Depreciation	<u>(72,156)</u>
Total Capital Assets	<u>10,308</u>
TOTAL ASSETS	<u>166,768</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>166,768</u>
LIABILITIES	
Accounts Payable	<u>116,488</u>
TOTAL LIABILITIES	<u>116,488</u>
TOTAL DEFERRED INFLOWS	<u>0</u>
NET POSITION	
Net Investment in Capital Assets	10,308
Unrestricted Amounts	<u>39,972</u>
TOTAL NET POSITION	<u><u>\$ 50,280</u></u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Proprietary Fund
Statement of Revenues, Expenses, and Change in Fund Net Position
April 30, 2014

	Radio Frequency Fire Alarm
OPERATING REVENUES	
Charges for Services	\$ 207,315
Interest	141
Miscellaneous	564
TOTAL OPERATING REVENUES	<u>208,020</u>
DIRECT OPERATING EXPENSES	
Personnel Services	
Salaries and Wages	22,414
Operations & Supplies	
Administrative Expenses	642
Communications Expenses	14,103
Professional Services	268,551
Depreciation	43,847
TOTAL DIRECT OPERATING EXPENSES	<u>349,557</u>
OPERATING LOSS	(141,537)
NON-OPERATING EXPENSES	
Loss on Disposal of Equipment	<u>(170,372)</u>
TOTAL NON-OPERATING EXPENSES	<u>(170,372)</u>
CHANGE IN FUND NET POSITION	(311,909)
FUND NET POSITION, BEGINNING OF YEAR	<u>362,189</u>
END OF YEAR	<u><u>\$ 50,280</u></u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Proprietary Fund
Statement of Cash Flows
For the Year Ended April 30, 2014

	Radio Frequency Fire Alarm
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Public	\$ 235,973
Interest Received	141
Cash Paid to Vendors and Employees	(393,599)
Interest Paid	0
Income Taxes Paid	0
NET CASH USED IN OPERATING ACTIVITIES	<u>(157,485)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Payments for Purchase of Fixed Assets	<u>(11,375)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(11,375)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(168,860)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>325,320</u>
END OF YEAR	<u><u>\$ 156,460</u></u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Proprietary Fund
Statement of Cash Flows (Continued)
For the Year Ended April 30, 2014

	Radio Frequency Fire Alarm
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Fund Net Position	\$ (311,909)
Adjustment to Reconcile Change in Fund Net Position to Net Cash Used in Operating Activities	
Depreciation	43,847
Loss on Disposal of Assets	170,372
Changes In	
Accounts Receivable	28,094
Accounts Payable	<u>(87,889)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u><u>\$ (157,485)</u></u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Fiduciary Funds
Statement of Net Position
April 30, 2014

	Firefighters' Pension	Foreign Fire Insurance Tax Fund
ASSETS		
Cash	\$ 10,000	\$ 83,743
Investments		
Money Market Funds	58,459	0
U.S. Government Obligations	1,370,990	0
U.S. Agency Obligations	4,182,978	0
Corporate Obligations	940,186	0
State and Local Obligations	988,957	0
U.S. Agency Mortgage Pools	136,153	0
Mutual Funds	8,847,359	0
Total Investments	16,525,082	0
Accrued Interest Receivable	65,238	0
Prepaid Expenses	3,581	0
TOTAL ASSETS	16,603,901	83,743
LIABILITIES		
Accounts Payable	4,907	0
TOTAL LIABILITIES	4,907	0
NET POSITION		
Restricted for Pension Benefits	16,598,994	0
Restricted for Foreign Fire Insurance Tax	0	83,743
TOTAL NET POSITION	\$ 16,598,994	\$ 83,743

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Fiduciary Funds
Statement of Changes in Net Position
April 30, 2014

	Firefighters' Pension	Foreign Fire Insurance Tax Fund
ADDITIONS		
Contributions		
Employer	\$ 943,136	\$ 0
Employee	373,760	0
Total Contributions	1,316,896	0
Investment Income		
Net Appreciation in Fair Value of Investments	825,839	0
Interest and Dividends Earned	409,159	0
Total Investment Income	1,234,998	0
Less: Investment Fees	50,691	0
Net Investment Income	1,184,307	0
Foreign Fire Insurance Tax	0	39,532
TOTAL ADDITIONS	2,501,203	39,532
DEDUCTIONS		
Benefits Paid to Participants		
Retirement	248,264	0
Disability	233,067	0
Survivor	13,911	0
Total Benefits Paid to Participants	495,242	0
Administrative Expenses	24,502	0
Foreign Fire Insurance Tax	0	23,035
TOTAL DEDUCTIONS	519,744	23,035
NET INCREASE IN NET POSITION	1,981,459	16,497
NET POSITION		
BEGINNING OF YEAR	14,617,535	67,246
END OF YEAR	\$ 16,598,994	\$ 83,743

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Algonquin-Lake in the Hills Fire Protection District (the District) was established in 1895 and is located in Lake in the Hills, Illinois. The District operates under a Board-Manager form of government encompassing areas in McHenry and Kane County. The mission of the District is to protect the lives and property within the community in a fiscally sound and responsive manner through fire prevention, public education, fire suppression, emergency medical services, and public safety.

A. Reporting Entity

The District follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

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 otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The District has concluded that no entities meet the criteria of Statement 39 for inclusion as a component unit. Likewise, the District is not required to be included as a component unit of any other entity.

Governmental Accounting Standards Board Statement No. 61, "The Financial Reporting Entity," is an amendment of GASB Statements No. 14 and No. 39, which does not have impact on the current year financial statements.

B. New Accounting Standards

As of May 1, 2012, the District has implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. New Accounting Standards (Continued)

As of May 1, 2012, the District has implemented GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities". The objective of this statement is to establish 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. The Statement also recognizes as outflows of resources or inflows of resources certain items that were previously reported as assets and liabilities.

C. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all non-fiduciary activities of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

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. The District does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

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

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into individual 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 and deferred outflows, liabilities and deferred inflows, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental funds are at least ten percent of the corresponding total for all funds of that category or type, and
- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

Governmental Fund Types (Governmental Activities)

Governmental fund types are those through which most governmental functions of the District are financed. The District's expendable financial resources are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. A brief explanation of the District's governmental fund follows:

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required, legally or administratively, to be accounted for in another fund.

Ambulance Fund

The Ambulance Fund is used to account for the proceeds of specific revenue sources that are restricted to the providing of ambulance services.

Pension Tax Levy Fund

The Pension Tax Levy Fund is used to account for real estate taxes, personal property replacement taxes, and other revenues designated to be used to fund the District's contribution to the Firefighters' Pension Fund.

Capital Fund

The Capital Fund is used to account for the proceeds of specific revenue sources that are committed to the purchase of and debt retirement on capital items.

Vehicle Fund

The vehicle Fund is used to account for the proceeds of specific revenue sources that are committed to the purchase of vehicles.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Governmental Fund Types (Governmental Activities) (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than Ambulance, Pension Tax Levy, or Capital projects.

Funds included in this fund category are:

Insurance
Audit

Proprietary Funds Types (Business-Type Activities)

The proprietary fund type is used to account for activities which are similar to those often found in the private sector, where the determination of net income is necessary or useful to sound financial administration. A brief explanation of the District's proprietary fund follows:

Radio Frequency Fire Alarm Fund

The Radio Frequency Fire Alarm fund is used to account for all revenues and expenses generated from the transmission of any activated alarm via the Radio Frequency Fire Alarm system.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. Fiduciary funds are not reflected in the governmental-wide financial statements because the resources are not available to support the District's own programs. A brief explanation of the District's fiduciary fund follows:

Firefighters' Pension Fund (Not included in the government-wide statements)

The Firefighters' Pension Fund is used to account for assets held in a trustee capacity. The assets are not available to support District programs. The Firefighters' Pension Fund issues a publically available financial report that includes financial statements and required supplementary information. The report can be obtained by contacting the Algonquin-Lake in the Hills Fire Protection District at 1020 West Algonquin Road, Lake in the Hills, Illinois 60156.

Foreign Fire Insurance Tax Fund (Not included in the government-wide statements)

The Foreign Fire Insurance Tax Fund is used to account for assets held by the District in a trustee capacity.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

MAJOR FUND

The District reports the following major governmental funds:

- General Fund
- Ambulance Fund
- Pension Tax Levy Fund
- Capital Fund

The District reports the following major business-type activity fund:

- Radio Fire Frequency Alarm Fund

NON-MAJOR FUNDS

The District reports the following non-major governmental funds:

- Insurance
- Audit
- Vehicle

D. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental activities and business-type activities are presented 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 the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available to finance the District's operations. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes and charges for services are the primary revenue sources susceptible to accrual. The District considers property taxes available if they are due and collected within the year end. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

The District reports deferred revenues on its Governmental Funds Balance Sheet. For governmental fund financial statements, deferred revenues occur when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

The Radio Frequency Fire Alarm Fund, a Proprietary Fund Type, is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned and its expenses are recognized when they are incurred.

The Firefighters' Pension Fund and the Foreign Fire Tax Insurance Fund, Fiduciary Fund Types, are accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan. Fund revenues are recognized when they are earned and expenses are recognized when they are incurred.

E. Measurement Focus

On the government-wide Statement of Net Position and Statement of Activities, both governmental activities and business-type activities are presented using the flow of economic resources measurement focus, which means all assets, deferred outflows, liabilities (whether current or non-current), and deferred inflows are included on the Statement of Net Position and the operating statements present increases and decreases in net position.

The measurement focus of all governmental and proprietary funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources, are included as liabilities in the government-wide and proprietary fund financial statements, but are excluded from the governmental funds financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

F. Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. The District follows these procedures in establishing a budget:

1. The Fire Chief prepares a tentative budget for all funds of the District.
2. The budget document is submitted to the Board of Trustees for review.
3. The Budget and Appropriation Ordinance must be enacted into law prior to the end of the first quarter of the fiscal year (July 31).
4. All unspent budgetary amounts lapse at year-end.
5. Expenditures legally may not exceed the total appropriations at the fund level. No amendments to the budget at this level are allowed without Board approval. Expenditures may not legally exceed appropriations at the fund level.
6. Notice is given and public meetings are conducted to obtain taxpayer comments.

The budget is prepared for all funds on the same basis as the basic financial statements. The budget is prepared in accordance with the Illinois Fire District Code and is derived from the combined annual budget and appropriation ordinance of the District. All budgets are prepared based on the annual fiscal year of the District. All budgetary funds are controlled by an integrated budgetary accounting system in accordance with the various legal requirements which govern the District. The operating budget does not exceed the appropriations for the year.

H. Budget Basis of Accounting

Budgetary information for individual funds is prepared on the same basis as the general purpose financial statements. The budget is prepared in accordance with the Illinois Fire District Code and is derived from the combined annual budget and appropriation ordinance of the District. Working budgets are prepared for all governmental fund types and prepared based on the annual fiscal year of the District. Budgetary funds are controlled by an integrated budgetary accounting system in accordance, where applicable, with various legal requirements governing the District.

I. Cash and Cash Equivalents

For purpose of reporting cash flows, cash and cash equivalents are defined as cash on hand, amounts held at financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. Investments with an original maturity of three months or less are considered short-term for these purposes.

J. Interfund Receivables and Payables

Amounts due to and due from other funds may arise during the course of the District's operations because of numerous transactions between funds to finance operations, provide services, construct assets, and service debt. Interfund receivables and payables between funds within governmental activities are eliminated in the government-wide financial statements. At April 30, 2014, the District does not report interfund receivables or payables.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Receivables

Receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for governmental activities include ambulance fees and property taxes. There are no receivables for business-type activities. The District carries its receivables at cost less an allowance for doubtful accounts. On a periodic basis, the District evaluates its accounts receivable and establishes the amount of its allowance for doubtful accounts based on a history of past write-offs and collections. The allowance for doubtful accounts amounts to \$47,008 for ambulance fees receivable and \$0 for other receivables.

L. Prepaid Expenses/Expenditures

Payments are made to vendors for services that will benefit periods beyond April 30, 2014 are recorded as prepaid expenses/expenditures.

M. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated. The District policy is to capitalize assets that have an original cost of \$10,000 or greater.

Prior to May 1, 2004, capital assets of governmental funds were accounted for in the general fixed assets account group and were not recorded directly as a part of any individual fund's financial statements. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government wide financial statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is currently encouraged, but not required.

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 of depreciation. The range of estimated useful lives by type of asset is as follows:

Building & Improvements	10 to 40 years
Apparatus & Vehicles	7 to 20 years
Equipment	5 to 15 years

Capital assets in the proprietary fund type are capitalized at historical cost in the fund in which they are utilized. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives by type of asset are as follows:

RFFA Equipment	10 years
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Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Capital Assets (Continued)

FUND FINANCIAL STATEMENTS

In the fund financial statements, assets used in governmental and proprietary fund operations are accounted for as capital outlays in the fund from which the expenditure was made.

The costs of normal maintenance and repairs that do not add value to the value of the asset or materially extend asset lives are not included as capital assets or capitalized in the governmental or proprietary funds.

N. Accrued Vacation and Sick Leave

It is District policy to permit employees to accumulate earned, but unused vacation, personal, and sick days. Vacation leave and personal time off are expected to be taken by the end of the calendar year following the year earned and may not be carried forward between calendar years. Accumulated sick leave may be carried forward between calendar years. Accumulated vacation and a portion of accumulated sick leave are paid upon termination of employment. The portion of the liability related to sick leave is recorded as long-term on the Statement of Net Position.

O. Long-Term Liabilities

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized when paid.

P. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied each year and are payable in two installments, generally due in June and September of the following year. McHenry County and Kane County bill and collect all property taxes and remit them to the District. The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which, in general, limits the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

The District recognizes property taxes on a levy year basis. The uncollected portion of the 2013 levy has been recorded as a receivable at April 30, 2014.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Equity Classifications

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Equity is classified as Net Position and displayed in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation and related debt, if applicable.
- Restricted Amounts – consists of amounts with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted Amounts – consists of all other amounts that do not meet the definition of restricted or invested in capital assets.

FUND FINANCIAL STATEMENTS

Governmental fund equity is classified as fund balance. The components of fund balance are:

- Non-spendable – consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.
- Restricted – consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either; a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed – consists of resources constrained (issuance of an ordinance) to specific purposes by a government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- Assigned – amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by (a) the Board of Commissioners itself or (b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specified purpose.
- Unassigned – consists of the residual net resources of a fund that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

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

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Equity Classifications (Continued)

Fund	General	Ambulance	Pension Tax Levy	Capital	Non-Major Funds	Total
Non-spendable						
Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,342	\$ 33,342
Restricted						
Ambulance	0	1,370,612	0	0	0	1,370,612
Pension Tax Levy	0	0	34,443	0	0	34,443
Insurance	0	0	0	0	26,772	26,772
Audit	0	0	0	0	2,493	2,493
Assigned	0	0	0	560,234	0	560,234
Unassigned	1,082,897	0	0	0	0	1,082,897
	<u>\$ 1,082,897</u>	<u>\$ 1,370,612</u>	<u>\$ 34,443</u>	<u>\$ 560,234</u>	<u>\$ 62,607</u>	<u>\$ 3,110,793</u>

R. Transfers

During the normal course of Fire operations, transfers between funds arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. Typical expenses in the category are general administrative and maintenance expenses. Transfers during the year ended April 30, 2014 are as follows:

Fund	Transfers In	Transfers Out
General	\$ 0	\$ 412,537
Ambulance	0	329,131
Capital	735,638	0
Audit	6,030	0
	<u>\$ 741,668</u>	<u>\$ 741,668</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Bank Deposits and Investments

At April 30, 2014, the carrying amount of the District's deposits was \$3,268,075 not including a petty cash fund of \$150 and the bank balance was \$3,317,074. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

A. Bank Deposits and Investments (Continued)

The following table categorizes the District's cash and cash equivalents according to levels of custodial credit risk.

Category:	<u>Bank Balances</u>	<u>Carrying Amount</u>
Deposits covered by depository insurance or collateralized, with securities held by the District or by its agent in the District's name.	\$ 2,423,246	\$ 2,423,246
Deposits which are collateralized, with securities held by the pledging financial institution's trust department or agent in the District's name.	0	0
Deposits which are collateralized with securities held by the pledging financial institution, by its trust department, or by its agent, but not in the District's name. This category also includes uncollateralized deposits, of which there are \$671.	<u>893,828</u>	<u>844,829</u>
Total Bank Deposits	<u>\$ 3,317,074</u>	<u>\$ 3,268,075</u>

B. Policies for Investments

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity, and yield. Illinois Compiled Statutes allow 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 securities guaranteed by the U.S. government, repurchase agreements, short-term commercial paper within the three highest classifications, and Illinois Funds.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Policies for Investments (Continued)

The investments in the Firefighters' Pension Fund include investments in money market mutual funds and mutual funds. The investments of this fund that are in security form include U.S. Treasury, Federal Agency Obligations, and State & Local Obligations which are held in the Charles Schwab Institutional account. Charles Schwab accounts are protected by SIPC up to \$500,000. In addition, Charles Schwab purchased from certain syndicates of Lloyd's of London and various underwriters additional coverage "Excess of SIPC." This coverage is limited to a combined return to any customer from a trustee, SIPC, Lloyd's, and other insurers of \$150 million, including up to \$1,150,000 in cash.

C. Investment Credit Risk

The Firefighters' Pension Fund is required to disclose credit risk associated with its debt securities, excluding U.S. government obligations or investments which are explicitly guaranteed by the full faith and credit of the federal government. Following is an illustration of credit quality with the level of investment displayed as a percentage of total investments in debt securities.

Category	AAA	AA+	AA	AA-	A+	A	A-	BBB	Not Rated
U.S. Agency Obligations	\$ 0	\$ 4,182,978	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Corporate Obligations	\$ 100,021	\$ 179,809	\$ 50,178		\$ 124,499	\$ 226,355	\$ 229,179	\$ 30,145	0
State & Local Obligations	0	278,587	221,190	101,391	0	103,943	0	0	283,846
U.S. Agency Mortgage Pools	0	0	0	0	0	0	0	0	136,153
Total	\$ 100,021	\$ 4,641,374	\$ 271,368	\$ 101,391	\$ 124,499	\$ 330,298	\$ 229,179	\$ 30,145	\$ 419,999
Percentage of Debt Portfolio	1.60%	74.29%	4.34%	1.62%	1.99%	5.29%	3.67%	0.48%	6.72%

D. Concentration of Credit Risk

More than 5% of the Firefighters' Pension Fund's debt investments are in the following:

Entity	Percentage
Federal Farm Credit Bank	7%
Federal Home Loan Bank	15%

E. Interest Rate Risk

As of April 30, 2014, the Firefighters' Pension Fund's debt investments had the following maturities.

Category	Fair Value	< 1 Year	1 - 5 Years	6 - 10 Years	> 10 Years
U.S. Governmental Obligations	\$ 1,370,990	\$ 202,438	\$ 621,112	\$ 547,440	\$ 0
U.S. Agency Obligations	4,182,978	130,371	2,043,019	2,009,588	0
Corporate Obligations	940,186	105,462	834,724	0	
State & Local Obligations	988,957	111,422	359,213	394,373	123,949
U.S. Agency Mortgage Pools	136,153	0	87	248	135,818
Total	\$ 7,619,264	\$ 549,693	\$ 3,858,155	\$ 2,951,649	\$ 259,767

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

E. Interest Rate Risk (Continued)

According to the Firefighters' Pension Fund's investment policy, "The average maturity/duration of the portfolio will be managed based upon the current existing interest rate environment. Under most circumstances, the average monthly maturity and duration of the portfolio will be maintained at approximately five years and will range from two to seven years. This type of strategy will often result in increasing maturity/duration of the portfolio when interest rates are rising and decreasing maturity/duration of the portfolio when interest rates are declining. The investment manager may change the duration of the portfolio as market conditions permit."

NOTE 3 - CAPITAL ASSETS

A summary of the changes in capital assets for the year follows. Total depreciation expense for the year charged for governmental activities was \$504,631. Depreciation expense charged for business-type activities was \$43,847.

	Balance at May 1, 2013	Additions	Retirements	Balance at April 30, 2014
Governmental Activities				
Capital Assets, Not Subject to Depreciation				
Land	\$ 1,416,856	\$ 0	\$ 0	\$ 1,416,856
Capital Assets Subject to Depreciation				
Buildings & Improvements	7,287,521	12,115	0	7,299,636
Apparatus & Vehicles	4,109,664	0	0	4,109,664
Equipment	638,227	67,975	0	706,202
	<u>12,035,412</u>	<u>80,090</u>	<u>0</u>	<u>12,115,502</u>
Less Accumulated Depreciation				
Buildings & Improvements	(1,954,301)	(186,869)	0	(2,141,170)
Apparatus & Vehicles	(1,307,114)	(252,395)	0	(1,559,509)
Equipment	(204,496)	(65,367)	0	(269,863)
	<u>(3,465,911)</u>	<u>(504,631)</u>	<u>0</u>	<u>(3,970,542)</u>
Net Capital Assets - Governmental Activities	<u>\$ 9,986,357</u>	<u>\$ (424,541)</u>	<u>\$ 0</u>	<u>\$ 9,561,816</u>
Business-Type Activities				
Capital Assets Subject to Depreciation				
Equipment	\$ 600,762	\$ 11,375	\$ (529,673)	\$ 82,464
Less Accumulated Depreciation				
Equipment	(387,610)	(43,847)	359,301	(72,156)
Net Capital Assets - Business-Type Activities	<u>\$ 213,152</u>	<u>\$ (32,472)</u>	<u>\$ (170,372)</u>	<u>\$ 10,308</u>

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 4 – DEBT COMMITMENTS

A summary of changes in long-term debt for the year ended April 30, 2014 is as follows:

Type	Balance at May 1, 2013	Advances	Repayments	Balance at April 30, 2014	Amount Due Within One Year
General Obligation Bonds					
Series 2002	\$ 1,125,000	\$ 0	\$ 0	\$ 1,125,000	\$ 0
Series 2010	6,435,000	0	(440,000)	5,995,000	450,000
Total	<u>7,560,000</u>	<u>0</u>	<u>(440,000)</u>	<u>7,120,000</u>	<u>450,000</u>

Debt commitments at April 30, 2014 are comprised of the following:

General Obligation Bonds, Series 2002 - \$1,125,000 original principal; dated April 17, 2002; with balloon principal payments due in 2024 and 2025; interest payable semi-annually on January 1 and July 1 at rates ranging from 4.90% to 6.40%.

General Obligation Bonds, Series 2010 - \$7,745,000 original principal; dated May 18, 2010; due in annual installments through January 1, 2028; interest payable semi-annually on January 1 and July 1 at rates ranging from 3.00% to 4.30%.

Future payments of long-term debt at April 30, 2014 consist of the following:

Fiscal Year	Principal	Interest	Total
2015	450,000	313,620	763,620
2016	450,000	297,870	747,870
2017	475,000	279,870	754,870
2018	500,000	260,870	760,870
2019	500,000	240,870	740,870
2020 - 2024	1,885,000	913,150	2,798,150
2025 - 2028	2,860,000	260,660	3,120,660
	<u>\$ 7,120,000</u>	<u>\$ 2,566,910</u>	<u>\$ 9,686,910</u>

NOTE 5 – DEFERRED COMPENSATION PLAN

The District offers its employees deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits eligible District employees to contribute a portion of their earnings to a retirement fund established by the District. The deferred compensation is not available to employees until their termination, retirement, death, or unforeseeable emergency.

Plan assets are held in a trust for the exclusive benefits of participants and their beneficiaries. Under provisions of Governmental Accounting Standards Board Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the assets and liabilities of the deferred compensation plan are not included in the accompanying basic financial statements as assets and liabilities of the District.

NOTE 6 – DEFICIT FUND BALANCES

At April 30, 2014, none of the funds has a deficit fund balance.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 7 – EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

At April 30, 2014, none of the funds had an excess of actual expenditures over legally enacted budgeted amounts for the year.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; net income losses, and natural disasters. In order to protect against such losses, the District has joined the Illinois Public Risk Fund. The fund currently operates as a common risk management and insurance program for local governmental entities in the State of Illinois. The District pays annual premiums to the fund for its worker's compensation and employer liability insurance coverage. The employer liability insurance coverage amounts are as follows:

Bodily Injury by Accident	\$2,500,000 each accident
Bodily Injury by Disease	\$2,500,000 policy limit
Bodily Injury by Disease	\$2,500,000 each employee

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND

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

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2013 was 12.02 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2013 was \$22,608.

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 22,608	100%	\$ 0
12/31/12	19,188	100%	0
12/31/11	17,209	100%	0

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 71.57 percent funded. The actuarial accrued liability for benefits was \$564,096, and the actuarial value of assets was \$403,751, resulting in an underfunded actuarial accrued liability (UAAL) of \$160,345. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$188,087 and the ratio of the UAAL to the covered payroll was 85 percent.

The schedule of funding progress, presented as required supplemental information (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.

NOTE 10 – PENSION FUND

The Firefighters' Pension Plan is a single employer defined benefit pension plan that covers the full time fire personnel of the District. The defined benefits and employer and employee contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois Legislature. The pension fund is reported in the fund financial statements as a fiduciary fund.

The Firefighters' Pension Plan provides retirement, death, and disability benefits. Effective January 1, 2011, ILCS differentiates benefits between Tier 1 employees (those hired prior to January 1, 2011) and Tier 2 employees (those hired on or after January 1, 2011).

Covered employees are required to contribute 9.455% of their base salary to the plan. The District is required to finance the plan and the administrative costs as actuarially determined by an enrolled actuary.

Annual Required Contribution	\$ 1,120,837
Interest on Net Pension Obligation	67,300
Adjustment to Annual Required Contribution	(50,942)
Annual Pension Cost	1,137,195
Contributions Made	(943,136)
Increase in Net Pension Obligation	194,059
Net Pension Obligation	
Beginning of Year	961,443
End of Year	\$ 1,155,502

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 10 – PENSION FUND (CONTINUED)

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
4/30/2014	\$ 1,137,195	82.94%	\$ 1,155,502
4/30/2013	\$ 936,863	96.24%	\$ 961,443
4/30/2012	937,298	99.83%	926,201

Actuarial methods and assumptions are as follows:

<u>Valuation Date</u>	<u>May 1, 2013</u>
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funded in Year 2040
Asset Valuation Method	5-Year Smoothed Market Value
Investment Rate of Return	7.00%
Projected Salary Increases	4.50%-11.50%
Aggregate Payroll Increases	4.50%
Inflation Rate Included	3.00%

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 are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 11 – POST-EMPLOYMENT HEALTH PLAN

By resolution on December 13, 2006, the District adopted the Post-Employment Health Plans for Public Employees and Collectively Bargained Public Employees of the Algonquin-Lake in the Hills Fire Protection District. Nationwide Retirement Solutions administers the Plan as a defined contribution plan. The plan was established as a good attendance incentive. Employees, whose sick leave usage qualifies, shall receive good attendance incentive payments into their PEHP account based on the number of sick leave hours used during the preceding calendar year. Employee benefits are in individual accounts and employees are responsible for administrative fees only when eligible to participate.

NOTE 12 – RADIO FREQUENCY FIRE ALARM FUND TRANSITION

Effective December 1, 2013, the District signed an intergovernmental agreement with the Village of Algonquin in Illinois to transfer ownership, operational management, and oversight of the District's radio frequency fire alarm monitoring system. After the effective date, the District is no longer entitled to any revenue earned by the services provided. The District still incurred expenses after the effective date to ensure the proper transmission of the service. The District will not be reimbursed for the additional expenses incurred.

NOTE 13 – SUBSEQUENT EVENTS

The date to which events occurring after April 30, 2014, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is October 1, 2014, the date the financial statements were available to be issued.

Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information
For The Year Ended April 30, 2014

Algonquin/Lake in the Hills Fire Protection District
EMPLOYER NUMBER: 09584R
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress
Illinois Municipal Retirement Fund (IMRF)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2013	\$ 403,751	\$ 564,096	\$ 160,345	71.57%	\$ 188,087	85.25%
12/31/2012	345,748	461,801	116,053	74.87%	159,501	72.76%
12/31/2011	300,839	413,381	112,542	72.78%	170,889	65.86%

On a market value basis, the actuarial valuation of assets as of December 31, 2013 is \$456,249. On a market basis, the funded ratio would be 80.88%.

The actuarial value of assets and accrued liabilities cover active and inactive members who have service credit with Algonquin-Lake in the Hills Fire Protection District. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

**Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2014**

**REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress
Firefighters' Pension Fund**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
5/1/2013	\$ 14,537,621	\$ 21,650,993	\$ 7,113,372	67.15%	\$ 3,654,778	194.63%
5/1/2012	12,806,909	16,916,970	4,110,061	75.70%	3,424,018	120.04%
5/1/2011	11,249,232	15,843,095	4,593,863	71.00%	3,417,408	134.43%
5/1/2010	9,417,428	14,107,242	4,689,814	66.76%	3,190,443	147.00%
5/1/2009	7,419,823	12,189,421	4,769,598	60.87%	3,286,831	145.11%
5/1/2008	7,683,273	10,872,816	3,189,543	70.66%	3,130,415	101.89%

The information presented in the schedule above was determined as a part of the actuarial valuations at the date indicated.

Additional information as of the latest actuarial valuation date is as follows:

Valuation Date	May 1, 2013
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funded in Year 2040
Asset Valuation Method	5-Year Smoothed Market Value
Investment Rate of Return	7.00%
Projected Salary Increases	4.50%-11.50%
Aggregate Payroll Increases	4.50%
Inflation Rate Included	3.00%

**Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2014**

**REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Employer Contributions
Firefighters' Pension Fund
April 30, 2013**

<u>Fiscal Year</u>	<u>Annual Required</u>	<u>Percentage Contributed</u>
4/30/2014	\$ 1,120,837	84.15%
4/30/2013	\$ 919,853	98.02%
4/30/2012	921,493	101.55%
4/30/2011	927,373	103.97%
4/30/2010	964,157	84.66%
4/30/2009	846,678	85.66%

The information presented in the schedule above was determined as a part of the actuarial valuations at the date indicated.

Algonquin-Lake in the Hills Fire Protection District
General Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 4,097,904	\$ 4,097,904	\$ 4,131,519	\$ 33,615
Foreign Fire Insurance Tax	37,000	37,000	0	(37,000)
Interest Earned	2,000	2,000	1,438	(562)
Charges for Services	29,100	29,100	47,935	18,835
Miscellaneous	9,470	9,470	4,594	(4,876)
TOTAL REVENUES	4,175,474	4,175,474	4,185,486	10,012
EXPENDITURES				
Personnel Services				
Salaries and Wages	2,775,866	2,842,366	2,801,983	40,383
Unemployment Taxes	6,054	6,054	6,147	(93)
Employer's FICA	62,618	62,618	69,199	(6,581)
Other Payroll	46,465	34,965	37,524	(2,559)
Life Insurance	3,273	3,273	3,813	(540)
Hospital / Medical Insurance	448,863	403,863	375,347	28,516
Operations & Supplies				
Administrative	14,975	14,975	16,996	(2,021)
Buildings & Grounds	40,231	40,231	36,968	3,263
Commission	5,897	5,897	7,635	(1,738)
Communications / IT	29,215	29,215	25,175	4,040
Fire Prevention / Pub Ed	14,135	14,135	5,501	8,634
Protective Clothing & Equipment	34,355	34,355	27,314	7,041
Employee Wellness	12,699	12,699	10,049	2,650
Professional Services	52,921	47,921	28,274	19,647
Special Teams	10,742	10,742	8,386	2,356
Training	41,575	41,575	19,653	21,922
Travel & Conference	14,366	14,366	12,338	2,028
Utilities	55,797	55,797	60,281	(4,484)
Vehicle & Equipment	178,390	173,390	156,278	17,112
TOTAL EXPENDITURES	3,848,437	3,848,437	3,708,861	139,576
EXCESS OF REVENUES OVER EXPENDITURES	327,037	327,037	476,625	149,588
OTHER FINANCING SOURCES				
Transfers Out	(324,537)	(324,537)	(412,537)	(88,000)
TOTAL OTHER FINANCING SOURCES	(324,537)	(324,537)	(412,537)	(88,000)
NET CHANGE IN FUND BALANCE	\$ 2,500	\$ 2,500	64,088	\$ 61,588
FUND BALANCES, BEGINNING OF YEAR			1,018,809	
END OF YEAR			\$ 1,082,897	

Required Supplementary Information

Algonquin-Lake in the Hills Fire Protection District
Ambulance Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 3,069,986	\$ 3,069,986	\$ 3,102,765	\$ 32,779
Interest Earned	2,500	2,500	1,590	(910)
Charges for Services	900,000	900,000	770,930	(129,070)
Miscellaneous	7,390	7,390	7,250	(140)
TOTAL REVENUES	3,979,876	3,979,876	3,882,535	(97,341)
EXPENDITURES				
Personnel Services				
Salaries and Wages	2,649,394	2,720,894	2,692,329	28,565
Unemployment Taxes	6,699	6,699	6,078	621
Employer's FICA	72,670	72,670	67,810	4,860
Other Payroll	42,673	31,173	15,480	15,693
Life Insurance	3,272	3,272	654	2,618
Hospital / Medical Insurance	448,862	403,862	390,165	13,697
Operations & Supplies				
Administrative	14,526	14,526	12,558	1,968
Buildings & Grounds	40,231	40,231	31,717	8,514
Commission	6,346	6,346	7,276	(930)
Communications / IT	28,180	28,180	18,388	9,792
EMS / CPR	51,095	51,095	32,916	18,179
Protective Clothing & Equipment	33,930	33,930	12,145	21,785
Employee Wellness	12,699	12,699	9,330	3,369
Professional Services	108,421	103,421	74,104	29,317
Special Teams	450	450	88	362
Travel & Conference	7,780	7,780	1,635	6,145
Utilities	55,797	55,797	55,056	741
Vehicle & Equipment	70,220	60,220	75,231	(15,011)
TOTAL EXPENDITURES	3,653,245	3,653,245	3,502,960	150,285
EXCESS OF REVENUES OVER EXPENDITURES	326,631	326,631	379,575	52,944
OTHER FINANCING SOURCES				
Transfers Out	(329,131)	(329,131)	(329,131)	0
TOTAL OTHER FINANCING SOURCES	(329,131)	(329,131)	(329,131)	0
NET CHANGE IN FUND BALANCE	\$ (2,500)	\$ (2,500)	50,444	\$ 52,944
FUND BALANCES,				
BEGINNING OF YEAR			<u>1,320,168</u>	
END OF YEAR			<u>\$ 1,370,612</u>	

Algonquin-Lake in the Hills Fire Protection District
Pension Tax Levy Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 913,018	\$ 913,018	\$ 151,691	\$ (761,327)
Replacement Tax	20,000	20,000	32,881	12,881
Interest Earned	20	20	0	(20)
TOTAL REVENUES	<u>933,038</u>	<u>933,038</u>	<u>184,572</u>	<u>(748,466)</u>
EXPENDITURES				
Payments to Pension Fund	933,038	933,038	165,022	768,016
TOTAL EXPENDITURES	<u>933,038</u>	<u>933,038</u>	<u>165,022</u>	<u>768,016</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	19,550	<u>\$ 19,550</u>
FUND BALANCES,				
BEGINNING OF YEAR			<u>14,893</u>	
END OF YEAR			<u>\$ 34,443</u>	

Algonquin-Lake in the Hills Fire Protection District
Capital Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Interest Earned	\$ 7,500	\$ 7,500	\$ 1,851	\$ (5,649)
Charges for Services	40,000	40,000	17,283	(22,717)
Grants	406,149	406,149	130,121	(276,028)
Miscellaneous	15,500	15,500	0	(15,500)
TOTAL REVENUES	<u>469,149</u>	<u>469,149</u>	<u>149,255</u>	<u>(319,894)</u>
EXPENDITURES				
Debt				
Principal	440,000	440,000	440,000	0
Interest	326,820	326,820	326,820	0
Capital				
Buildings / Lands	41,000	41,000	24,465	16,535
FF / Rescue Equipment	490,500	490,500	88,078	402,422
Other	0	0	19,016	(19,016)
TOTAL EXPENDITURES	<u>1,298,320</u>	<u>1,298,320</u>	<u>898,379</u>	<u>399,941</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(829,171)</u>	<u>(829,171)</u>	<u>(749,124)</u>	<u>80,047</u>
OTHER FINANCING SOURCES				
Transfers In	616,638	616,638	735,638	119,000
TOTAL OTHER FINANCING SOURCES	<u>616,638</u>	<u>616,638</u>	<u>735,638</u>	<u>119,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (212,533)</u>	<u>\$ (212,533)</u>	<u>(13,486)</u>	<u>\$ 199,047</u>
FUND BALANCES, BEGINNING OF YEAR			<u>573,720</u>	
END OF YEAR			<u>\$ 560,234</u>	

Algonquin-Lake in the Hills Fire Protection District
Radio Frequency Fire Alarm Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
OPERATING REVENUES				
Charges for Services	\$ 404,747	\$ 404,747	\$ 207,315	\$ (197,432)
Interest Earned	400	400	141	(259)
Miscellaneous	2,000	2,000	564	(1,436)
TOTAL OPERATING REVENUES	<u>407,147</u>	<u>407,147</u>	<u>208,020</u>	<u>(199,127)</u>
DIRECT OPERATING EXPENSES				
Personnel Services				
Salaries and Wages	38,810	38,810	22,414	16,396
Operations & Supplies				
Administrative	2,050	2,050	642	1,408
Communications	44,346	44,346	14,103	30,243
Professional Services	291,040	291,040	268,551	22,489
Utilities	1,550	1,550	0	1,550
Capital				
Communication Equipment	8,750	8,750	0	8,750
Depreciation	58,000	58,000	43,847	14,153
TOTAL DIRECT OPERATING EXPENSES	<u>444,546</u>	<u>444,546</u>	<u>349,557</u>	<u>94,989</u>
OPERATING LOSS	(37,399)	(37,399)	(141,537)	(104,138)
NON-OPERATING EXPENSE				
Loss on Disposal of Equipment	0	0	(170,372)	(170,372)
TOTAL NON-OPERATING EXPENSE	<u>0</u>	<u>0</u>	<u>(170,372)</u>	<u>(170,372)</u>
NET CHANGE IN FUND NET POSITION	<u>\$ (37,399)</u>	<u>\$ (37,399)</u>	(311,909)	<u>\$ (274,510)</u>
FUND NET POSITION,				
BEGINNING OF YEAR			<u>362,189</u>	
END OF YEAR			<u>\$ 50,280</u>	

Algonquin-Lake in the Hills Fire Protection District
Non-Major Governmental Funds
Combining Balance Sheet
April 30, 2014

	<u>Insurance</u>	<u>Audit</u>	<u>Vehicle</u>	<u>Total</u>
ASSETS				
Cash	\$ 27,602	\$ 2,493	\$ 0	\$ 30,095
Property Taxes Receivable	421,540	10,051	0	431,591
Prepaid Expenditures	33,342	0	0	33,342
TOTAL ASSETS	<u>482,484</u>	<u>12,544</u>	<u>0</u>	<u>495,028</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND AND DEFERRED OUTFLOWS	<u>482,484</u>	<u>12,544</u>	<u>0</u>	<u>495,028</u>
LIABILITIES				
Accounts Payable	830	0	0	830
TOTAL LIABILITIES	<u>830</u>	<u>0</u>	<u>0</u>	<u>830</u>
DEFERRED INFLOWS				
Deferred Property Taxes	421,540	10,051	0	431,591
TOTAL DEFERRED INFLOWS	<u>421,540</u>	<u>10,051</u>	<u>0</u>	<u>431,591</u>
FUND BALANCES				
Fund Balances				
Non-spendable	33,342	0	0	33,342
Restricted	26,772	2,493	0	29,265
TOTAL FUND BALANCES	<u>60,114</u>	<u>2,493</u>	<u>0</u>	<u>62,607</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 482,484</u>	<u>\$ 12,544</u>	<u>\$ 0</u>	<u>\$ 495,028</u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Year Ended April 30, 2014

	<u>Insurance</u>	<u>Audit</u>	<u>Vehicle</u>	<u>Total</u>
REVENUES				
Property Taxes	\$ 430,246	\$ 4,709	\$ 0	\$ 434,955
TOTAL REVENUES	<u>430,246</u>	<u>4,709</u>	<u>0</u>	<u>434,955</u>
EXPENDITURES				
Insurance	404,095	0	0	404,095
Audit	0	10,749	0	10,749
TOTAL EXPENDITURES	<u>404,095</u>	<u>10,749</u>	<u>0</u>	<u>414,844</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>26,151</u>	<u>(6,040)</u>	<u>0</u>	<u>20,111</u>
OTHER FINANCING SOURCES				
Transfers In	0	6,030	0	6,030
TOTAL OTHER FINANCING SOURCES	<u>0</u>	<u>6,030</u>	<u>0</u>	<u>6,030</u>
NET CHANGE IN FUND BALANCE	26,151	(10)	0	26,141
FUND BALANCES,				
BEGINNING OF YEAR	<u>33,963</u>	<u>2,503</u>	<u>0</u>	<u>36,466</u>
END OF YEAR	<u>\$ 60,114</u>	<u>\$ 2,493</u>	<u>\$ 0</u>	<u>\$ 62,607</u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Insurance Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 425,700	\$ 425,700	\$ 430,246	\$ 4,546
TOTAL REVENUES	<u>425,700</u>	<u>425,700</u>	<u>430,246</u>	<u>4,546</u>
EXPENDITURES				
Workers Compensation	352,500	352,500	321,102	31,398
Vehicle Liability	14,200	14,200	0	14,200
General Liability	50,500	50,500	74,699	(24,199)
Accident & Sickness	8,500	8,500	8,294	206
TOTAL EXPENDITURES	<u>425,700</u>	<u>425,700</u>	<u>404,095</u>	<u>21,605</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	26,151	<u>\$ 26,151</u>
FUND BALANCES,				
BEGINNING OF YEAR			<u>33,963</u>	
END OF YEAR			<u>\$ 60,114</u>	

Algonquin-Lake in the Hills Fire Protection District
Audit Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 4,700	\$ 4,700	\$ 4,709	\$ 9
Interest Earned	20	20	0	(20)
TOTAL REVENUES	<u>4,720</u>	<u>4,720</u>	<u>4,709</u>	<u>(11)</u>
EXPENDITURES				
Audit	10,750	10,750	10,749	1
TOTAL EXPENDITURES	<u>10,750</u>	<u>10,750</u>	<u>10,749</u>	<u>1</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>(6,030)</u>	<u>(6,030)</u>	<u>(6,040)</u>	<u>\$ (10)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	6,030	6,030	6,030	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,030</u>	<u>6,030</u>	<u>6,030</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	(10)	<u>\$ (10)</u>
FUND BALANCES, BEGINNING OF YEAR			<u>2,503</u>	
END OF YEAR			<u>\$ 2,493</u>	

Algonquin-Lake in the Hills Fire Protection District
Vehicle Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Vehicle / Apparatus	237,025	237,025	0	237,025
TOTAL EXPENDITURES	237,025	237,025	0	237,025
NET CHANGE IN FUND BALANCE	<u>\$ (237,025)</u>	<u>\$ (237,025)</u>	0	<u>\$ 237,025</u>
FUND BALANCES, BEGINNING OF YEAR			0	
END OF YEAR			<u>\$ 0</u>	

Algonquin-Lake in the Hills Fire Protection District
Debt Service Requirements
General Obligation Bonds, Series 2002
April 30, 2014

Date of Issue: April 17, 2002
Authorized Issue: \$7,595,000
Interest Rates: 4.90% - 6.40%
Interest Dates: January 1 and July 1
Principal Maturity Date: January 1, 2025

Fiscal Year	Requirements			Interest Due On			
	Principal Payments	Interest	Total	July 1	Amount	January 1	Amount
2015	\$ 0	\$ 72,000	\$ 72,000	2014	\$ 36,000	2015	\$ 36,000
2016	0	72,000	72,000	2015	36,000	2016	36,000
2017	0	72,000	72,000	2016	36,000	2017	36,000
2018	0	72,000	72,000	2017	36,000	2018	36,000
2019	0	72,000	72,000	2018	36,000	2019	36,000
2020	0	72,000	72,000	2019	36,000	2020	36,000
2021	0	72,000	72,000	2020	36,000	2021	36,000
2022	0	72,000	72,000	2021	36,000	2022	36,000
2023	0	72,000	72,000	2022	36,000	2023	36,000
2024	535,000	72,000	607,000	2023	36,000	2024	36,000
2025	590,000	37,760	627,760	2024	18,880	2025	18,880
	<u>\$ 1,125,000</u>	<u>\$ 757,760</u>	<u>\$ 1,882,760</u>		<u>\$ 378,880</u>		<u>\$ 378,880</u>

Algonquin-Lake in the Hills Fire Protection District
Debt Service Requirements
General Obligation Bonds, Series 2010
April 30, 2014

Date of Issue: May 18, 2010
Authorized Issue: \$7,745,000
Interest Rates: 3.00% - 4.30%
Interest Dates: January 1 and July 1
Principal Maturity Date: January 1, 2028

Fiscal Year	Requirements			Interest Due On			
	Principal Payments	Interest	Total	July 1	Amount	January 1	Amount
2015	\$ 450,000	\$ 241,620	\$ 691,620	2014	\$ 120,810	2015	\$ 120,810
2016	450,000	225,870	675,870	2015	112,935	2016	112,935
2017	475,000	207,870	682,870	2016	103,935	2017	103,935
2018	500,000	188,870	688,870	2017	94,435	2018	94,435
2019	500,000	168,870	668,870	2018	84,435	2019	84,435
2020	525,000	148,870	673,870	2019	74,435	2020	74,435
2021	435,000	127,870	562,870	2020	63,935	2021	63,935
2022	450,000	110,470	560,470	2021	55,235	2022	55,235
2023	475,000	92,470	567,470	2022	46,235	2023	46,235
2024	0	73,470	73,470	2023	36,735	2024	36,735
2025	0	73,470	73,470	2024	36,735	2025	36,735
2026	555,000	73,470	628,470	2025	36,735	2026	36,735
2027	580,000	50,160	630,160	2026	25,080	2027	25,080
2028	600,000	25,800	625,800	2027	12,900	2028	12,900
	<u>\$ 5,995,000</u>	<u>\$ 1,809,150</u>	<u>\$ 7,804,150</u>		<u>\$ 904,575</u>		<u>\$ 904,575</u>

STATISTICAL SECTION (UNAUDITED)

Pages

Financial Trend Data

52 - 59

These schedules contain trend information to help the reader understand how the District's financial performance and well-being has changed over time.

Revenue Capacity Data

60 - 66

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity Data

67 - 70

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

71

This schedule offers demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Income

72 - 73

These schedules contain service and asset data to help the reader understand how the information in the District's financial report relates to the services the district provides and the activities it performs.

Algonquin-Lake in the Hills Fire Protection District
Government-Wide Net Assets by Component
Last Eight Years
April 30, 2014

<u>Fiscal Year</u>	<u>Invested in Capital Assets Net of Related Debt</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
<u>Government Activities</u>				
2007	\$ 1,339,084	\$ 288,823	\$ 1,233,282	\$ 2,861,189
2008	1,227,943	379,426	1,592,882	3,200,251
2009	1,391,869	870,234	863,835	3,125,938
2010	1,664,291	31,854	1,402,553	3,098,698
2011	1,910,612	32,343	820,143	2,763,098
2012	2,012,807	32,385	982,080	3,027,272
2013	2,426,357	1,371,527	(119,802)	3,678,082
2014	2,441,816	1,467,662	(246,030)	3,663,448
<u>Business Activities</u>				
2007	124,054	0	63,943	187,997
2008	170,227	0	102,834	273,061
2009	225,350	0	130,636	355,986
2010	274,691	0	114,579	389,270
2011	290,919	0	95,852	386,771
2012	274,247	0	106,077	380,324
2013	213,152	0	149,037	362,189
2014	10,308	0	39,972	50,280
<u>Total</u>				
2007	1,463,138	288,823	1,297,225	3,049,186
2008	1,398,170	379,426	1,695,716	3,473,312
2009	1,617,219	870,234	994,471	3,481,924
2010	1,938,982	31,854	1,517,132	3,487,968
2011	2,201,531	32,343	915,995	3,149,869
2012	2,287,054	32,385	1,088,157	3,407,596
2013	2,639,509	1,371,527	29,235	4,040,271
2014	2,452,124	1,467,662	(206,058)	3,713,728

Data Source

Fire district records

Data not available in above format prior to 2007.

Algonquin-Lake in the Hills Fire Protection District
Government-Wide Expenses, Program Revenues, and Net Expense
Last Eight Years
April 30, 2014

<u>EXPENSES</u>				
Governmental Activities				
Fiscal Year	Public Safety	Interest on Long-Term Debt	Subtotal	
2007	\$ 7,302,276	(a)	\$	7,302,276
2008	8,050,250	(a)		8,050,250
2009	8,752,364	(a)		8,752,364
2010	9,072,228	(a)		9,072,228
2011	9,606,867	(a)		9,606,867
2012	9,289,204	(a)		9,289,204
2013	9,113,243	335,020		9,448,263
2014	8,524,617	326,820		8,851,437
<u>PROGRAM REVENUES</u>				
Governmental Activities				
	Charges for Services	Operating Grants and Contributions	Subtotal	
2007	\$ 740,214	\$ 14,600	\$	754,814
2008	816,011	33,600		849,611
2009	933,992	2,295		936,287
2010	845,512	48,889		894,401
2011	1,033,568	50,681		1,084,249
2012	1,098,891	105,935		1,204,826
2013	945,451	219,692		1,165,143
2014	836,148	130,121		966,269
<u>TOTAL NET EXPENSE</u>				
Governmental Activities				
2007			\$	(6,547,462)
2008				(7,200,639)
2009				(7,816,077)
2010				(8,177,827)
2011				(8,522,618)
2012				(8,084,378)
2013				(8,283,120)
2014				(7,885,168)

Data Source

Fire district records

Data not available in above format prior to 2007

(a) - Data not readily available for the indicated years

Algonquin-Lake in the Hills Fire Protection District
Government-Wide Expenses, Program Revenues, and Net Expense
Last Eight Years (Continued)
April 30, 2014

<u>EXPENSES</u>				
<u>Fiscal Year</u>	<u>Business Type Activities</u>		<u>Radio Fire Frequency Alarm Services</u>	
2007			\$	142,131
2008				199,037
2009				213,583
2010				264,995
2011				333,811
2012				393,565
2013				429,418
2014				519,929

<u>PROGRAM REVENUES</u>				
	<u>Business Type Activities</u>			
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Subtotal</u>	
2007	\$ 266,500	\$ 0	\$	266,500
2008	276,242	0		276,242
2009	293,748	0		293,748
2010	297,934	0		297,934
2011	330,903	0		330,903
2012	386,730	0		386,730
2013	407,236	0		407,236
2014	207,315	0		207,315

<u>TOTAL NET EXPENSE</u>				
<u>Business Type Activities</u>				
2007			\$	124,369
2008				77,205
2009				80,165
2010				32,939
2011				(2,908)
2012				(6,835)
2013				(22,182)
2014				(312,614)

Data Source

Fire district records

Data not available in above format prior to 2007

Algonquin-Lake in the Hills Fire Protection District
Government-Wide Revenue and Other Changes in Net Assets
Last Ten Years
April 30, 2014

GENERAL REVENUES AND TRANSFERS

Governmental Activities

Fiscal Year	Property Taxes	Replacement Taxes	Interest Income	Miscellaneous	Subtotal
2005	\$ 5,596,029	\$ 23,188	\$ 39,911	\$ 35,708	\$ 5,694,836
2006	6,343,902	29,771	123,425	47,658	6,544,756
2007	6,954,602	31,266	217,704	25,593	7,229,165
2008	7,260,507	35,659	216,152	27,383	7,539,701
2009	7,604,634	32,651	67,742	36,737	7,741,764
2010	7,992,978	28,901	15,714	112,994	8,150,587
2011	8,067,024	32,125	24,327	63,542	8,187,018
2012	8,333,180	28,980	20,437	(34,045)	8,348,552
2013	8,357,885	28,732	10,624	16,257	8,413,498
2014	7,820,930	32,881	4,879	11,844	7,870,534

TOTAL CHANGE IN NET ASSETS

Governmental Activities

2005	\$ 340,660
2006	541,345
2007	681,703
2008	339,062
2009	(74,313)
2010	(27,240)
2011	(335,600)
2012	264,174
2013	130,378
2014	(14,634)

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Government-Wide Revenue and Other Changes in Net Assets
Last Ten Years (Continued)
April 30, 2014

<u>GENERAL REVENUES AND TRANSFERS</u>					
Business Type Activities					
<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Replacement Taxes</u>	<u>Interest Income</u>	<u>Miscellaneous</u>	<u>Subtotal</u>
2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2006	0	0	1,648	0	1,648
2007	0	0	8,032	0	8,032
2008	0	0	7,859	0	7,859
2009	0	0	2,760	0	2,760
2010	0	0	345	0	345
2011	0	0	409	0	409
2012	0	0	388	0	388
2013	0	0	434	3,613	4,047
2014	0	0	141	564	705
<u>TOTAL CHANGE IN NET ASSETS</u>					
Business Type Activities					
2005				\$	0
2006					55,596
2007					132,401
2008					85,064
2009					82,925
2010					33,284
2011					(2,499)
2012					(6,447)
2013					(18,135)
2014					(311,909)

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Fund Balances and Other Governmental Funds
Major Funds and Other Governmental Funds
Last Eight Years
April 30, 2014

MAJOR FUNDS								
Fiscal Year	General			Ambulance				
	Reserved	Unreserved	Total	Reserved	Unreserved	Total		
2007	\$ 278,871	\$ 459,602	\$ 738,473	\$ 9,952	\$ 1,641,629	\$ 1,651,581		
2008	365,519	570,679	936,198	13,907	2,105,630	2,119,537		
2009	15,755	966,742	982,497	15,755	1,254,388	1,270,143		
2010	15,927	762,644	778,571	15,927	1,340,551	1,356,478		
2011	0	725,433	725,433	0	1,536,540	1,536,540		
2012	n/a	n/a	n/a	n/a	n/a	n/a		
2013	n/a	n/a	n/a	n/a	n/a	n/a		
2014	n/a	n/a	n/a	n/a	n/a	n/a		

Fiscal Year	Pension Tax Levy			Capital				
	Reserved	Unreserved	Total	Reserved	Unreserved	Total		
2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
2008	0	0	0	0	0	0		
2009	0	0	0	0	0	0		
2010	0	0	0	0	832,943	832,943		
2011	0	0	0	32,343	135,890	168,233		
2012	n/a	n/a	n/a	n/a	n/a	n/a		
2013	n/a	n/a	n/a	n/a	n/a	n/a		
2014	n/a	n/a	n/a	n/a	n/a	n/a		

Fiscal Year	Other Governmental Funds			Total				
	Reserved	Unreserved	Total	Reserved	Unreserved	Total		
2007	\$ 0	\$ 117,326	\$ 117,326	\$ 288,823	\$ 2,218,557	\$ 2,507,380		
2008	0	83,246	83,246	379,426	2,759,555	3,138,981		
2009	838,724	73,466	912,190	870,234	2,294,596	3,164,830		
2010	0	151,343	151,343	31,854	3,087,481	3,119,335		
2011	0	176,106	176,106	32,343	2,573,969	2,606,312		
2012	n/a	n/a	n/a	n/a	n/a	n/a		
2013	n/a	n/a	n/a	n/a	n/a	n/a		
2014	n/a	n/a	n/a	n/a	n/a	n/a		

Data Source

Fire district records

(a) - Data not readily available for the indicated years

Algonquin-Lake in the Hills Fire Protection District
Fund Balances and Other Governmental Funds
Major Funds and Other Governmental Funds
Last Eight Years (Continued)
April 30, 2014

MAJOR FUNDS										
Fiscal Year	General					Ambulance				
	Non-spendable	Restricted	Assigned	Unassigned	Total	Non-spendable	Restricted	Assigned	Unassigned	Total
2007	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2008	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2010	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2011	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2012	\$ 0	\$ 0	\$ 0	\$ 904,956	\$ 904,956	\$ 0	\$ 1,477,803	\$ 0	\$ 0	\$ 1,477,803
2013	0	0	0	1,018,809	1,018,809	0	1,320,168	0	0	1,320,168
2014	0	0	0	1,082,897	1,082,897	0	1,370,612	0	0	1,370,612

Fiscal Year	Pension Tax Levy					Capital				
	Non-spendable	Restricted	Assigned	Unassigned	Total	Non-spendable	Restricted	Assigned	Unassigned	Total
2007	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2008	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2010	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2011	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,385	\$ 345,254	\$ 0	\$ 377,639
2013	0	14,893	0	0	14,893	0	0	573,720	0	573,720
2014	0	34,443	0	0	34,443	0	0	560,234	0	560,234

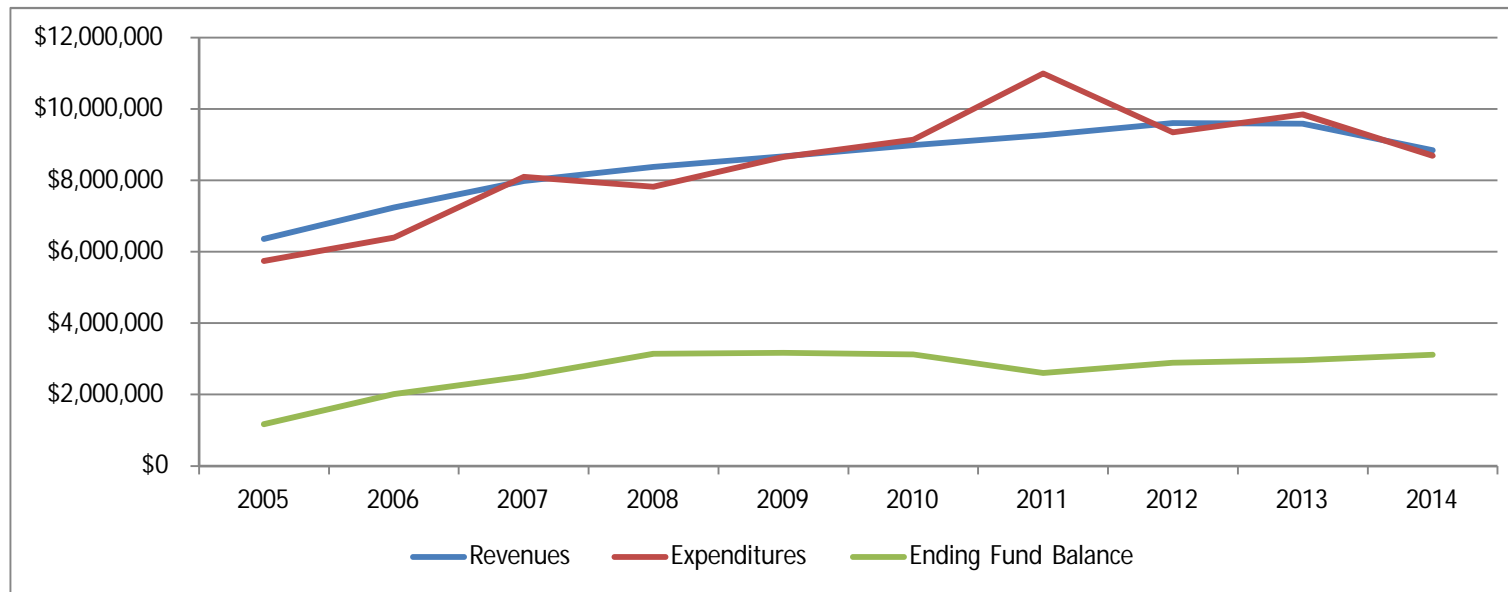
Fiscal Year	Other Governmental Funds					Total				
	Non-spendable	Restricted	Assigned	Unassigned	Total	Non-spendable	Restricted	Assigned	Unassigned	Total
2007	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2008	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2010	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2011	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2012	\$ 0	\$ 130,620	\$ 0	\$ 0	\$ 130,620	\$ 0	\$ 1,640,808	\$ 345,254	\$ 904,956	\$ 2,891,018
2013	33,102	3,364	0	0	36,466	33,102	1,338,425	573,720	1,018,809	2,964,056
2014	33,342	29,265	0	0	62,607	33,342	1,434,320	560,234	1,082,897	3,110,793

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Summary of Changes in Total Governmental Fund Balances
With Beginning and Ending Total Fund Balances
Last Ten Years
April 30, 2014

Fiscal Year	Revenues	Expenditures	Other Financing Sources (Uses)	Prior Period Adjustment	Net Change in Fund Balance	Beginning Fund Balance	Ending Fund Balance
2005	\$ 6,357,544	\$ 5,743,770	\$ 0	\$ 0	\$ 613,774	\$ 557,943	\$ 1,171,717
2006	7,238,826	6,397,909	0	0	840,917	1,171,717	2,012,634
2007	7,983,979	8,101,344	612,111	0	494,746	2,012,634	2,507,380
2008	8,379,164	7,815,064	67,500	0	631,600	2,507,381	3,138,981
2009	8,669,488	8,654,603	10,964	0	25,849	3,138,981	3,164,830
2010	8,985,019	9,132,840	102,326	0	(45,495)	3,164,830	3,119,335
2011	9,259,577	10,988,673	1,216,073	0	(513,023)	3,119,335	2,606,312
2012	9,599,134	9,346,478	32,050	0	284,706	2,606,312	2,891,018
2013	9,585,224	9,848,599	6,000	397,986	(257,375)	2,823,445	2,964,056
2014	8,836,803	8,690,066	0	0	146,737	2,964,056	3,110,793



Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Govenmental Funds Revenue
Last Ten Years
April 30, 2014

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Taxes										
Property Taxes	\$ 5,596,029	\$ 6,319,682	\$ 6,932,192	\$ 7,237,308	\$ 7,580,019	\$ 7,955,964	\$ 8,030,694	\$ 8,294,131	\$ 8,357,885	\$ 7,820,930
Replacement Taxes	23,188	29,771	31,266	35,659	32,651	28,901	32,125	28,980	28,732	32,881
Foreign Fire Insurance	0	24,220	22,410	23,199	24,615	37,014	36,330	39,049	0	0
Charges for Services	662,709	694,070	740,214	816,011	933,992	845,512	1,033,568	1,098,891	945,451	836,148
Grants & Contributions	0	0	0	0	0	48,889	50,681	105,935	219,692	130,121
Interest Income	39,911	123,425	217,704	216,152	67,742	15,714	24,327	20,437	10,624	4,879
Miscellaneous	35,708	47,658	40,193	50,835	30,469	53,025	51,852	11,711	22,840	11,844
Total Revenues	\$ 6,357,544	\$ 7,238,826	\$ 7,983,979	\$ 8,379,164	\$ 8,669,488	\$ 8,985,019	\$ 9,259,577	\$ 9,599,134	\$ 9,585,224	\$ 8,836,803

Note: Includes General, Ambulance, Pension Tax Levy, Capital, Insurance, Audit, and Vehicle Funds.

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Governmental Funds Expenditures
Last Ten Years
April 30, 2014

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General										
Government (1)	\$ 2,974,241	\$ 3,624,233	\$ 4,906,887	\$ 4,251,348	\$ 4,437,295	\$ 4,301,714	\$ 4,343,504	\$ 3,388,868	\$ 3,548,472	\$ 4,123,705
Ambulance	2,769,529	2,773,676	3,194,457	3,563,716	4,217,308	3,729,467	3,846,900	3,954,443	4,116,375	3,502,960
Pension	0	0	0	0	0	0	0	935,737	908,331	165,022
Capital Outlay	0	0	0	0	0	(a)	(a)	(a)	510,685	80,090
Other Capital	0	0	0	0	0	(a)	(a)	(a)	15,616	51,469
Debt Service										
Principal	0	0	0	0	0	(a)	(a)	(a)	410,000	440,000
Interest	0	0	0	0	0	(a)	(a)	(a)	339,120	326,820
Combined Capital & Debt Service (a)	0	0	0	0	0	1,101,659	2,798,269	1,067,430	0	0
Total Expenditures	\$ 5,743,770	\$ 6,397,909	\$ 8,101,344	\$ 7,815,064	\$ 8,654,603	\$ 9,132,840	\$ 10,988,673	\$ 9,346,478	\$ 9,848,599	\$ 8,690,066

Ratio of Debt Service Expenditures to Total Non Capital Outlay Expenditures

Debt Service Total	0	0	0	0	0	(a)	(a)	(a)	749,120	766,820
Non Capital Total	5,743,770	6,397,909	8,101,344	7,815,064	8,654,603	(a)	(a)	(a)	9,322,298	8,558,507
	0.0000	0.0000	0.0000	0.0000	0.0000	(a)	(a)	(a)	0.0804	0.0896

(1) - Includes General, Insurance, Audit, and Vehicle Funds.

Data Source

Fire district records

(a) - Data not readily available for the indicated years

Algonquin-Lake in the Hills Fire Protection District
Property Tax Levies and Collections
Last Ten Years
April 30, 2014

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tax Year (b)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Tax Levy	(a)	\$ 6,930,652	\$ 7,245,349	\$ 7,591,258	\$ 7,971,819	\$ 8,038,614	\$ 8,316,031	\$ 8,378,335	\$ 8,612,244	\$ 8,768,590
Tax Collections	(a)	6,932,192	7,237,308	7,580,019	7,955,964	8,030,694	8,294,131	8,357,813	8,592,258	n/a
Percentage of Taxes Collected	(a)	100.02%	99.89%	99.85%	99.80%	99.90%	99.74%	99.76%	99.77%	n/a

Data Source

McHenry County Clerk's Office

Kane County Clerk's Office

(a) - Data not readily available for the indicated years

(b) - Represents year of levy

Algonquin-Lake in the Hills Fire Protection District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
April 30, 2014

Tax Levy Year	Taxable Real Property		Percentage of Equalized Assessed Value to Estimated Actual Value (b)	Total Direct Tax Rate
	Equalized Assessed Valuation	Estimated Actual Value		
2004	(a)	(a)	33.3	0.612
2005	1,160,151,129	3,480,453,387	33.3	0.594
2006	1,256,936,294	3,770,808,882	33.3	0.582
2007	1,343,064,537	4,029,193,611	33.3	0.566
2008	1,377,114,055	4,131,342,165	33.3	0.578
2009	1,372,833,784	4,118,501,352	33.3	0.586
2010	1,297,988,001	3,893,964,003	33.3	0.638
2011	1,166,278,667	3,498,836,001	33.3	0.721
2012	1,040,958,344	3,122,875,032	33.3	0.827
2013	937,567,915	2,812,703,745	33.3	0.955

(a) - Data not readily available for the indicated years.

(b) - Assessed value is set by the County Assessor on an annual basis. The assessment level is then adjusted by the state with a County Multiplier based on the factor needed to bring the average prior years' up to the 33-1/3% of market value. Every three years there is a tri-annual assessment when all property is assessed.

Algonquin-Lake in the Hills Fire Protection District
Property Tax Rates - Direct & Overlapping Governments
Tax Years 2003 - 2012

Tax Rates Per \$100 Equalized Assessed Valuation

Levy Years	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Fire District Rates										
Algonquin-Lake in the Hills Fire Protection District	0.593	0.612	0.594	0.582	0.566	0.578	0.586	0.638	0.721	0.827
Overlapping Rates										
Fire Districts (4)	1.503	1.508	1.485	1.566	1.541	1.552	1.561	1.709	1.755	2.683
Village	2.097	0.477	0.464	0.464	0.470	0.485	0.484	0.523	0.564	0.621
Kane County	0.358	0.347	0.337	0.345	0.332	0.334	0.340	0.373	0.399	0.434
Kane County Forest Preserve	0.127	0.143	0.191	0.175	0.197	0.193	0.200	0.220	0.261	0.271
McHenry County	0.715	0.735	0.728	0.706	0.687	0.701	0.716	0.793	0.888	0.996
McHenry County Conservation	0.166	0.158	0.149	0.143	0.174	0.173	0.178	0.196	0.219	0.248
Park Districts (3)	0.760	0.758	0.731	0.712	0.686	0.658	0.696	0.824	0.867	0.765
Public Libraries (4)	0.720	0.710	0.668	0.870	0.846	0.844	0.869	0.992	1.027	1.152
Road & Bridge (4)	0.259	0.244	0.234	0.228	0.221	0.224	0.228	0.255	0.279	0.394
Schools (4)	8.698	8.977	9.063	8.797	8.533	8.489	8.735	9.961	10.451	12.042
Townships (4)	0.305	0.290	0.275	0.241	0.253	0.252	0.262	0.298	0.323	0.417

Data Source

McHenry County Clerk's Office

Data not yet available in above format for 2013.

Algonquin-Lake in the Hills Fire Protection District
Principal Taxpayers
April 30, 2014

Taxpayer	2013			2004		
	Taxable Assessed Value	Rank	Percentage of District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of District Taxable Assessed Valuation
In Retail Fund Algonquin Commons LLC	\$ 31,423,219	1	3.35%	\$ 4,092,499	3	0.39%
Rubloff Oakridge Algonquin LLC	8,009,116	2	0.85%	0	(a)	0.00%
Algonquin Penney LLC	4,743,946	3	0.51%	0	(a)	0.00%
Wal-Mart Real Estate	4,640,081	4	0.49%	3,691,297	7	0.35%
Meijer Stores LTD Partnership	4,000,000	5	0.43%	5,184,463	2	0.50%
Target Corporation	3,824,873	6	0.41%	3,983,003	4	0.38%
LTF USA Real Estate LLC	3,477,235	7	0.37%	3,832,384	6	0.37%
Randall Holdings LLC	3,345,334	8	0.36%	0	(a)	0.00%
HD Development of MD Inc.	2,839,376	9	0.30%	3,092,940	8	0.30%
Jewel Food Stores Inc.	2,765,275	10	0.29%	0	(a)	0.00%
RPA Shopping Center Ph. 1 LLC	0	(a)	0.00%	3,050,000	9	0.29%
Woodscreek Shopping Center	0	(a)	0.00%	7,752,396	1	0.74%
River Point Shopping Center	0	(a)	0.00%	3,966,659	5	0.38%
Algonquin Towne Center	0	(a)	0.00%	2,849,662	10	0.27%
	\$ 69,068,455		7.37%	\$ 41,495,303		3.98%

Data Source

Village of Algonquin

(a) - Not ranked in the top ten for the indicated year.

Algonquin-Lake in the Hills Fire Protection District
Principal Employers
April 30, 2014

Taxpayer	2012			2001		
	Number of Employees	Rank	Percent of Total Village Population	Number of Employees	Rank	Percent of Total Village Population
School District #300	371	1	2.38%	285	2	2.15%
Village of Algonquin	159	2	1.02%	132	5	1.00%
Kenmode Tool and Engineering, Inc.	135	3	0.87%	125	6	0.94%
Wauconda Tool and Engineering, Inc.	120	4	0.77%	30	12	0.23%
Meyer Material Co.	100	5	0.64%	100	8	0.76%
Duro-Life Corp.	62	6	0.40%	95	9	0.72%
Target Manufacturing Inc.	50	7	0.32%	(a)	(a)	0.00%
Coldwell Banker Primus	50	7	0.32%	(a)	(a)	0.00%
Algonquin State Bank	40	8	0.26%	50	10	0.38%
G,W, Thiel, Inc.	40	8	0.26%	(a)	(a)	0.00%
Hanson Material Service Corp.	30	9	0.19%	(a)	(a)	0.00%
SubCon Mfg. Corp.	30	9	0.19%	(a)	(a)	0.00%
RE/MAX Unlimited Northwest	30	9	0.19%	(a)	(a)	0.00%
Shiffmayer Plastics Corp.	28	10	0.18%	200	3	1.51%
Mashall Wolf Automation, Inc.	(a)	(a)	0.00%	360	1	2.72%
Crystal Die and Mold, Inc.	(a)	(a)	0.00%	160	4	1.21%
Home Depot	(a)	(a)	0.00%	120	7	0.91%
Gregon Manufacturing	(a)	(a)	0.00%	40	11	0.30%

Notes

The Village of Algonquin changed the methodology for the valuation of full-time employees beginning with April 30, 2009, due to a changing workforce.

Information for 2013 not currently available. Data from 2003 was not available; data from 2001 used for comparison purposes.

Data Source

Village of Algonquin

(a) - Not ranked in the top ten for the indicated year.

Algonquin-Lake in the Hills Fire Protection District
Direct and Overlapping Governmental Activities Debt
April 30, 2014

	Governmental Activities Debt	Percentage Applicable to Village	Amount Applicable to Village
Direct			
Algonquin-Lake in the Hills Fire Protection District	\$ 7,120,000	100%	\$ 7,120,000
Subtotal	<u>7,120,000</u>		<u>7,120,000</u>
Overlapping			
Kane County	78,455,000	1.89%	1,482,800
McHenry County Conservation Debt	133,055,000	8.26%	10,990,343
Kane County Forest Preserve	208,735,866	1.89%	3,945,108
Dundee Township Park District	21,760,000	15.19%	3,305,344
Huntley Park District	11,921,000	9.58%	1,142,032
Dundee Township	8,415,000	15.21%	1,279,922
Algonquin Library	4,875,000	79.44%	3,872,700
Schools			
District No. 300	20,795,000	46.59%	9,688,391
District No. 158	8,240,000	9.97%	821,528
District No. 509	322,425,000	8.90%	28,695,825
Subtotal	<u>818,676,866</u>		<u>65,223,991</u>
Total	<u>\$ 825,796,866</u>		<u>\$ 72,343,991</u>

Notes

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of Algonquin-Lake in the Hills Fire Protection District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District'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.

Date Source

Village of Algonquin

Algonquin-Lake in the Hills Fire Protection District
Ratios of Outstanding Debt
Last Ten Years
April 30, 2014

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tax Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Population	29,862	30,221	30,310	30,347	30,076	30,013	29,968	30,467	30,046
Estimated Personal Income of Population	695,067,912	703,423,996	705,495,560	706,356,772	700,048,976	698,582,588	697,535,168	1,199,424,856	1,182,850,928
Estimated Actual Value of Property	3,480,453,387	3,770,808,882	4,029,193,611	4,131,342,165	4,118,501,352	3,893,964,003	3,498,836,001	3,122,875,032	2,812,703,745
Total Outstanding Debt	7,815,000	7,665,000	7,495,000	7,310,000	7,110,000	8,370,000	7,970,000	7,560,000	7,120,000
Debt as a Percentage of Personal Income of Population	0.0112	0.0109	0.0106	0.0103	0.0102	0.0120	0.0114	0.0063	0.0060
Debt as a Percentage of Estimated Actual Property Value	0.0022	0.0020	0.0019	0.0018	0.0017	0.0021	0.0023	0.0024	0.0025
Debt Per Capita	261.70	253.63	247.28	240.88	236.40	278.88	265.95	248.14	236.97

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Debt Limit Information
Last Ten Years
April 30, 2014

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tax Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Equalized Assessed Valuation (EAV)	\$ 1,160,151,129	\$ 1,256,936,294	\$ 1,343,064,537	\$ 1,377,114,055	\$ 1,372,833,784	\$ 1,297,988,001	\$ 1,166,278,667	\$ 1,040,958,344	\$ 937,567,915
Debt Limit 5.75% of EAV	66,708,690	72,273,837	77,226,211	79,184,058	78,937,943	74,634,310	67,061,023	59,855,105	53,910,155
Debt Outstanding Applicable to Limit	7,815,000	7,665,000	7,495,000	7,310,000	7,110,000	8,370,000	7,970,000	7,560,000	7,120,000
Legal Debt Margin	58,893,690	64,608,837	69,731,211	71,874,058	71,827,943	66,264,310	59,091,023	52,295,105	46,790,155
Legal Debt Margin as a Percentage of Debt Limit	0.7%	0.6%	0.6%	0.5%	0.5%	0.6%	0.7%	0.7%	0.8%

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Debt Service Information
Last Ten Years
April 30, 2014

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Principal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	(b)	(b)	(b)	\$ 410,000	\$ 440,000
Interest & Fees	0	0	0	0	0	(b)	(b)	(b)	339,120	326,820
Total Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,101,659</u>	<u>2,798,269</u>	<u>1,067,430</u>	<u>749,120</u>	<u>766,820</u>
Total General Governmental Expenditures (a)	5,743,770	6,397,909	8,101,344	7,815,064	8,654,603	9,132,840	10,988,673	9,346,478	9,848,599	8,690,066
Less Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(b)</u>	<u>(b)</u>	<u>(b)</u>	<u>510,685</u>	<u>80,090</u>
Non Capital Governmental Expenditures	<u>\$ 5,743,770</u>	<u>\$ 6,397,909</u>	<u>\$ 8,101,344</u>	<u>\$ 7,815,064</u>	<u>\$ 8,654,603</u>	<u>\$ 9,132,840</u>	<u>\$ 10,988,673</u>	<u>\$ 9,346,478</u>	<u>\$ 9,337,914</u>	<u>\$ 8,609,976</u>
Ratio of Debt Service Expenditures to Non Capital Governmental Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>(b)</u>	<u>(b)</u>	<u>(b)</u>	<u>8.02%</u>	<u>8.91%</u>

(a) - Includes General, Ambulance, Pension Tax Levy, Capital, Insurance, Insurance, Audit, and Vehicle funds.

(b) - Data not readily available for the indicated years.

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Demographic and Economic Information
April 30, 2013

Composite Socio Statistics for the Algonquin Fire Protection District

	2000	2013
Household Income (Family)		
Less than 15,000	2.70%	4.00%
15,000-24,999	3.30%	3.30%
25,000-34,999	5.30%	3.30%
35,000-49,999	11.90%	8.10%
50,000-74,999	22.30%	16.90%
75,000-99,999	21.00%	14.30%
100,000-149,999	22.80%	26.00%
150,000-199,999	6.70%	13.20%
200,000 or more	4.00%	11.00%
Median Family Income	84,437	112,442
Per Capita Personal Income	29,820	39,368
Percent Homes (Owner Occupied)	93.7%	78.8%
Median Home Value (Owner Occupied)	195,100	264,000
Population	23,276	30,467
Unemployment Rate	2.10%	6.00%

Data Source

U.S. Department of Commerce, Census Bureau

Data not available in above format for years 2001 to 2010

Algonquin-Lake in the Hills Fire Protection District
Fire District Information
April 30, 2013

	2004	2013
Date of Incorporation	1950	1950
Form of Government	Fire District	Fire District
Number of Fire Stations	3	3
Number of Fire Chiefs	1	1
Number of Assistant Chiefs	2	1
Number of Administration	13	6
Number of Battalion Chiefs	4	3
Number of Lieutenants/Captains	17	14
Number of Firefighter/Paramedic	55	43
Number of Private Contracted Firefighter/Paramedic	0	0
Number of Part-Time Personnel	n/a	18
Number of Ambulances	4	4
Number of Engines	3	5
Number of Trucks	1	1
Number of Support Vehicles	14	12
Number of Alarms By Type:		
Fire	586	371
EMS	2503	2,638
False Alarm	990	758
Confirmed Fires	(a)	85
Total Incidents	<u>4079</u>	<u>3,852</u>

Data Source

Fire district records

(a) - Data not readily available for the indicated years

Algonquin-Lake in the Hills Fire Protection District
Fire District Facility Locations and Full-Time Employees
April 30, 2013

		2004	2013
<u>Fire Station</u>	<u>Address</u>	Number of Full-Time Employees Per Shift Day	Number of Full-Time Employees Per Shift Day
Station #1	1020 W. Algonquin Rd	6	6
Station #2	2440 Harnish Dr	4	4
Station #3	1691 Cumberland Pkwy	4	4
		<u>14</u>	<u>14</u>

Data Source

Fire district records