

**Algonquin-Lake in the Hills
Fire Protection District
Lake-in the Hills, Illinois
Comprehensive Annual Financial Report
For The Year Ended April 30, 2015**

**Submitted by:
Finance Department**

Algonquin-Lake in the Hills Fire Protection District
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ALGONQUIN-LAKE IN THE HILLS FIRE PROTECTION DISTRICT



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Lake in the Hills, IL 60156
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October 19, 2015

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, 2015 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 2014 Census population of 30,410 for the Village represents a 0.01% 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 ('12 through '14), the District's equalized assessed valuation has decreased by 14% due to the continued decline in home prices.

The District's annual assessed valuation (EAV) has decreased in the last year. Since 2010, the tax rates have been as follows:

Tax Year	EAV	Tax Rate
2010	1,297,988,001	0.638
2011	1,166,278,667	0.721
2012	1,040,958,344	0.827
2013	937,567,915	0.936
2014	896,929,970	0.999

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 \$253,700. The average household contained an average of 2.89 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 2015 Budget for Operations remained fairly static for the year. The District's property taxes and charges for services increased 1.4% and 43.6% or \$105,614 and \$364,684. The District also received a Federal Emergency Management Agency (FEMA) grant for \$348,025 for self-contained breathing apparatus (SCBA), tanks, masks and a fit test machine. The District transferred and closed its radio frequency fire alarm fund to the Village of Algonquin on December 1, 2014.

MAJOR INITIATIVES/HAPPENINGS FOR THE YEAR (CONTINUED)

Due to this loss of revenue, the District will need to monitor budgetary controls and in fiscal 2015 the District's expenditures were 12% under budget. Additionally, in 2015 the District was able to transfer monies into the capital and other funds in the amount of \$1,397,350.

FUTURE INITIATIVES/FUTURE DIRECTION

In 2016, the RFFA closure is complete, although continued expenses from SEECOM need to be absorbed by Corporate and Ambulance Funds. Union salary increases, healthcare, and pension funding remain paramount in addition to funding the current vehicle replacement plan.

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 \$10,000 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.

FINANCIAL INFORMATION (CONTINUED)

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

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 87% 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 \$896,929,970 or a 4.3% decrease from prior year.

Allocation of the property tax levy for 2014 and the preceding three tax years are as follows (amounts for each \$100 of assessed value):

	2014	2013	2012	2011
Purpose				
General Fund	0.3894	0.3921	0.3976	0.3097
Insurance Fund	0.0706	0.0450	0.0413	0.0367
Audit Fund	0.0011	0.0011	0.0005	0.0004
Ambulance Fund	0.3894	0.3921	0.2987	0.2976
Social Security Fund	0.0076	0.0000	0.0000	0.0000
Medicare Fund	0.0098	0.0000	0.0000	0.0000
Pension Fund	0.1307	0.1061	0.0886	0.0768
Total Tax Rate	0.9986	0.9364	0.8267	0.7212

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

Fund balance increased by \$118,680 for a total of \$3,229,473 as of April 30, 2015. Of this amount, \$955,240 is unrestricted for continuing operations.

FINANCIAL INFORMATION (CONTINUED)

Capital Assets Additions - As of April 30, 2015 the capital assets of the Algonquin-Lake in the Hills Fire Protection District amounted to \$9,388,432. The major category of increase results from equipment purchases related the SCBA grant.

Independent Audit - Chapter 50, Section 310/2 of the Illinois Revised Statues 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, 2015. 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,


Peter Van Dorpe
Fire Chief


James R. Howard, CPA
Finance



Government Finance Officers Association

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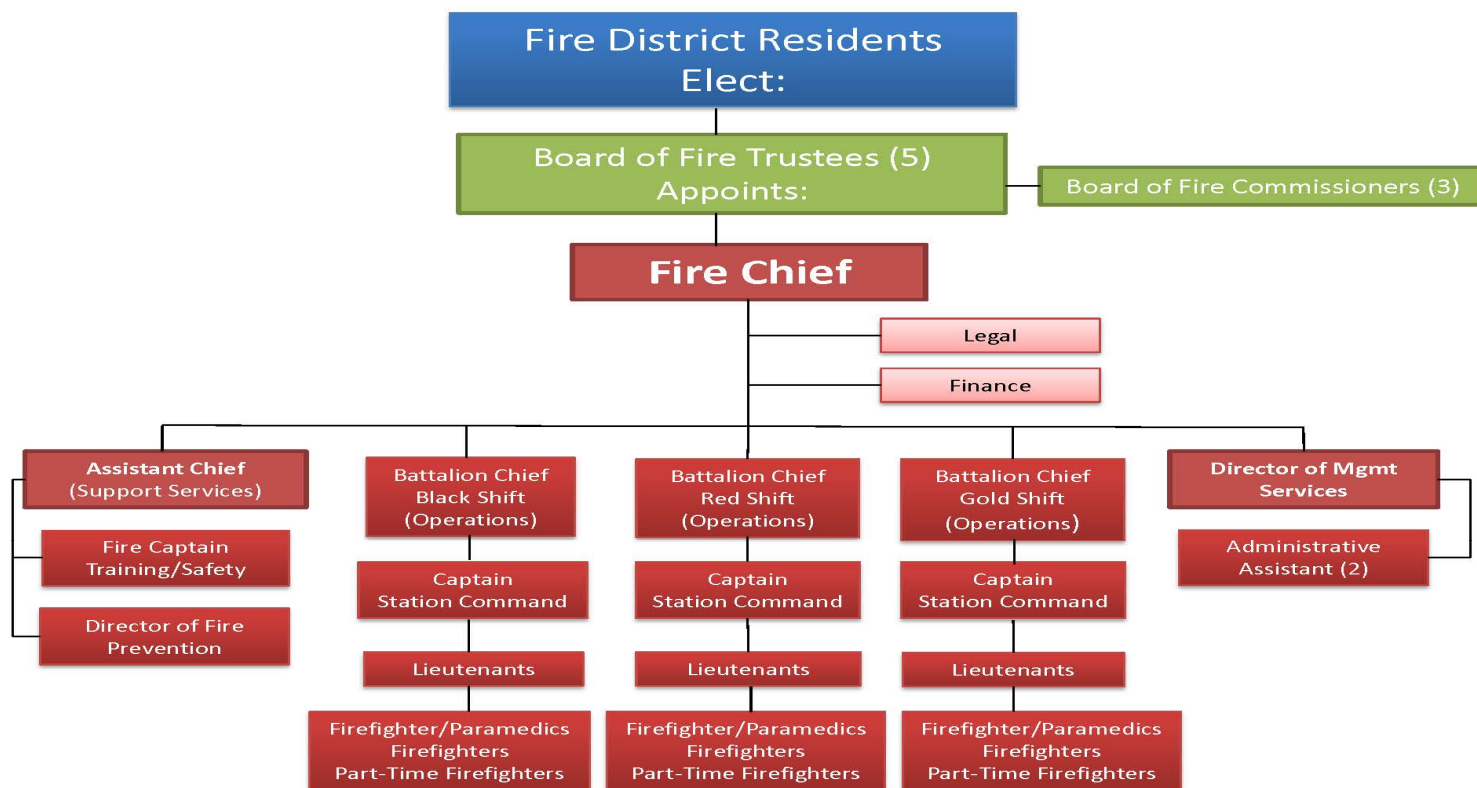
**Algonquin Lake in the Hills
Fire Protection District
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2014

Executive Director/CEO

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



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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, 2015, 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, 2015, 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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and certain pension disclosures 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.

Other Information

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 statements and schedules for the year ended April 30, 2015 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 statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended April 30, 2015 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 statements and schedules are fairly stated in all material respects in relation to the basic financial

The "Letter of Transmittal," "Supplementary Information," and "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

Kuntze & Associates, P.C.
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**ALGONQUIN LAKE IN THE HILLS FIRE PROTECTION DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED APRIL 30, 2015**

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, 2015. 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 (\$3,675,311) and \$3,713,728 as of April 30, 2015 and 2014, respectively. This increase in liabilities from the prior year is due to the early implementation of GASB 68 to include net firefighters pension liability of \$8.7 million. A prior period adjustment was also included for \$7.6M to account for District's IMRF Plan Year Adjustment, Net IMRF Deferred Outflows, Net IMRF Pension Liability, Net Firefighters' Pension Liability, and Firefighters' Pension Deferred Inflows as of April 30, 2014. The District's net position increased \$212,215 in fiscal year 2015. The majority of this increase is due an increase of property taxes in addition to reduced expenditures from the closing of the District's radio frequency fire alarm (RFFA) service. After December 1, 2014, 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 position 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.

**ALGONQUIN LAKE IN THE HILLS FIRE PROTECTION DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED APRIL 30, 2015**

Government-Wide Financial Analysis (Continued)

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.

**ALGONQUIN LAKE IN THE HILLS FIRE PROTECTION DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED APRIL 30, 2015**

Fund Financial Statements (Continued)

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 Illinois Municipal Retirement Fund and Firefighters' Pension Fund. 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 46 through 54 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, liabilities and deferred inflows exceeded assets and deferred outflows by \$(3,675,311) for the year ended April 30, 2015 due to implementation of GASB 68 as mentioned above. A portion of the District's net assets reflects its investment in capital assets of \$2,718,432. 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 \$1,397,350 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.

**ALGONQUIN LAKE IN THE HILLS FIRE PROTECTION DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED APRIL 30, 2015**

Financial Analysis (Continued)

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets and Deferred Outflows						
Current and Other Assets	\$ 11,594,830	\$ 11,286,668	\$ 0	\$ 156,460	\$ 11,594,830	\$ 11,443,128
Capital Assets, net of accumulated depreciation	9,388,432	9,561,816	0	10,308	9,388,432	9,572,124
Total Assets and Deferred Outflows	20,983,262	20,848,484	0	166,768	20,983,262	21,015,252
Liabilities and Deferred Inflows						
Current Liabilities and Deferred Inflows	9,007,432	8,798,300	0	116,488	9,007,432	8,914,788
Non-Current Liabilities	15,651,141	8,386,736	0	0	15,651,141	8,386,736
Total Liabilities and Deferred Inflows	24,658,573	17,185,036	0	116,488	24,658,573	17,301,524
Net Position						
Net Investment in Capital Assets	2,718,432	2,441,816	0	10,308	2,718,432	2,452,124
Restricted Amounts	1,246,308	1,467,662	0	0	1,246,308	1,467,662
Unrestricted Amounts	(7,640,051)	(246,030)	0	39,972	(7,640,051)	(206,058)
Total Net Assets	<u>\$ (3,675,311)</u>	<u>\$ 3,663,448</u>	<u>\$ 0</u>	<u>\$ 50,280</u>	<u>\$ (3,675,311)</u>	<u>\$ 3,713,728</u>

Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ 1,200,832	\$ 836,148	\$ 245	\$ 207,315	\$ 1,201,077	\$ 1,043,463
Operating Grants & Contributions	318,251	130,121	0	0	318,251	130,121
General Revenues						
Property Taxes	7,926,824	7,820,930	0	0	7,926,824	7,820,930
Replacement Taxes	32,081	32,881	0	0	32,081	32,881
Interest Income	5,503	4,879	8	141	5,511	5,020
Miscellaneous	17,731	11,844	31	564	17,762	12,408
Transfers	(160,209)	0	160,209	0	0	0
Total Revenues	9,341,013	8,836,803	160,493	208,020	9,501,506	9,044,823
Expenses						
Program Expenses						
Public Safety	8,639,048	8,524,617	0	0	8,639,048	8,524,617
Interest on Long-Term Debt	303,970	326,820	0	0	303,970	326,820
Change in Net Pension Liability	135,500	0	0	0	135,500	0
Radio Frequency Fire Alarm Service	0	0	210,773	519,929	210,773	519,929
Total Expenses	9,078,518	8,851,437	210,773	519,929	9,289,291	9,371,366
Change in Net Position	262,495	(14,634)	(50,280)	(311,909)	212,215	(326,543)
Net Position						
Beginning of Year, as Originally Stated	3,663,448	3,678,082	50,280	362,189	3,713,728	4,040,271
Prior Period Adjustment	(7,601,254)	0	0	0	(7,601,254)	0
Beginning of Year, as Restated	(3,937,806)	3,678,082	50,280	362,189	(3,887,526)	4,040,271
End of Year	<u>\$ (3,675,311)</u>	<u>\$ 3,663,448</u>	<u>\$ 0</u>	<u>\$ 50,280</u>	<u>\$ (3,675,311)</u>	<u>\$ 3,713,728</u>

**ALGONQUIN LAKE IN THE HILLS FIRE PROTECTION DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED APRIL 30, 2015**

Budgetary Highlights

During the 2015 Budget year, the District did not revise the annual operating budget.

The Corporate Fund is reported as a major fund and accounts for the routine operations of the District. Actual revenues in this major governmental fund was \$3,711,785 which underperformed budget estimates by 0.45%. Additionally, actual expenditures were \$3,609,337 which outperformed budget estimates by 3.22%.

The Corporate fund has an operational excess of revenues over expenditures of \$102,448 due to operational cost containment. The total Corporate fund balance decreased to \$955,240 from \$1,082,897 the previous year on account of internal transfers to capital funds.

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	
	2015	2014	2015	2014	2015	2014
Land	\$ 1,416,856	\$ 1,416,856	\$ 0	\$ 0	\$ 1,416,856	\$ 1,416,856
Building & Improvements	7,329,674	7,299,636	0	0	7,329,674	7,299,636
Apparatus & Vehicles	4,068,918	4,109,664	0	0	4,068,918	4,109,664
Equipment	1,027,665	706,202	0	82,464	1,027,665	788,666
Cosst of Capital Assets	13,843,113	13,532,358	0	82,464	13,843,113	13,614,822
Less Accumulated Depreciation	(4,454,681)	(3,970,542)	0	(72,156)	(4,454,681)	(4,042,698)
Net Capital Assets	<u>\$ 9,388,432</u>	<u>\$ 9,561,816</u>	<u>\$ 0</u>	<u>\$ 10,308</u>	<u>\$ 9,388,432</u>	<u>\$ 9,572,124</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 83% 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, 2015

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash	\$ 3,185,759	\$ 0	\$ 3,185,759
Property Taxes Receivable	8,045,429	0	8,045,429
Ambulance Fees Receivable, Net of Allowance	262,362	0	262,362
Other Accounts Receivable	24,664	0	24,664
Prepaid Expenses	35,228	0	35,228
Capital Assets			
Capital Assets Not Being Depreciated	1,416,856	0	1,416,856
Other Capital Assets, Net of Depreciation	7,971,576	0	7,971,576
Total Capital Assets	9,388,432	0	9,388,432
TOTAL ASSETS	20,941,874	0	20,941,874
DEFERRED OUTFLOWS			
IMRF Plan Year Adjustment	12,120	0	12,120
Net IMRF Deferred Outflows	29,268	0	29,268
TOTAL DEFERRED OUTFLOWS	41,388	0	41,388
LIABILITIES			
Accounts Payable	41,934	0	41,934
Accrued Interest Payable	99,290	0	99,290
Accrued Liabilities	236,606	0	236,606
Due Within One Year			
Bonds Payable	450,000	0	450,000
Accrued Vacation and Sick Leave	37,594	0	37,594
Due in More Than One Year			
Bonds Payable	6,220,000	0	6,220,000
Accrued Vacation and Sick Leave	594,076	0	594,076
Net IMRF Pension Liability	131,517	0	131,517
Net Firefighters' Pension Liability	8,705,548	0	8,705,548
TOTAL LIABILITIES	16,516,565	0	16,516,565
DEFERRED INFLOWS			
Deferred Property Taxes	8,045,429	0	8,045,429
Firefighters' Pension Deferred Inflows	96,579	0	96,579
TOTAL DEFERRED INFLOWS	8,142,008	0	8,142,008
NET POSITION			
Net Investment in Capital Assets	2,718,432	0	2,718,432
Restricted Amounts			
Ambulance	1,185,104	0	1,185,104
Pension Tax Levy	22,270	0	22,270
Insurance	37,346	0	37,346
Audit	1,588	0	1,588
Unrestricted Amounts	(7,640,051)	0	(7,640,051)
TOTAL NET POSITION	\$ (3,675,311)	\$ 0	\$ (3,675,311)

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Statement of Activities
For The Year Ended April 30, 2015

		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	\$ 8,639,048	\$ 1,200,832	\$ 318,251	\$ (7,119,965)	\$ 0	\$ (7,119,965)
Interest on Long-Term Debt	303,970	0	0	(303,970)	0	(303,970)
Change in Net Pension Liability	135,500	0	0	(135,500)	0	(135,500)
Total Governmental Activities	9,078,518	1,200,832	318,251	(7,559,435)	0	(7,559,435)
Business Type Activities						
Radio Frequency Fire Alarm Service	210,773	245	0	0	(210,528)	(210,528)
Total Business Type Activities	210,773	245	0	0	(210,528)	(210,528)
TOTAL	\$ 9,289,291	\$ 1,201,077	\$ 318,251	(7,559,435)	(210,528)	(7,769,963)
GENERAL REVENUES AND TRANSFERS						
General Revenues						
Property taxes levied for general purposes				7,926,824	0	7,926,824
Replacement taxes for general purposes				32,081	0	32,081
Interest Income				5,503	8	5,511
Miscellaneous				17,731	31	17,762
Transfers				(160,209)	160,209	0
TOTAL GENERAL REVENUES AND TRANSFERS				7,821,930	160,248	7,982,178
CHANGE IN NET POSITION				262,495	(50,280)	212,215
NET POSITION,						
BEGINNING OF YEAR				3,663,448	50,280	3,713,728
PRIOR PERIOD ADJUSTMENT				(7,601,254)	0	(7,601,254)
BEGINNING OF YEAR, RESTATED				(3,937,806)	50,280	(3,887,526)
END OF YEAR				\$ (3,675,311)	\$ 0	\$ (3,675,311)

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Governmental Funds
Balance Sheet
April 30, 2015

	General	Ambulance	Pension Tax Levy	Capital	Other Governmental Funds	Total
ASSETS						
Cash	\$ 1,063,444	\$ 1,044,313	\$ 22,270	\$ 616,798	\$ 438,934	\$ 3,185,759
Property Taxes Receivable	3,524,166	3,524,167	191,139	0	805,957	8,045,429
Ambulance Fees Receivable, Net of Allowance	0	262,362	0	0	0	262,362
Other Accounts Receivable	24,664	0	0	0	0	24,664
Prepaid Expenditures	0	0	0	0	35,228	35,228
TOTAL ASSETS	<u>4,612,274</u>	<u>4,830,842</u>	<u>213,409</u>	<u>616,798</u>	<u>1,280,119</u>	<u>11,553,442</u>
TOTAL DEFERRED						
OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND						
DEFERRED OUTFLOWS	<u>4,612,274</u>	<u>4,830,842</u>	<u>213,409</u>	<u>616,798</u>	<u>1,280,119</u>	<u>11,553,442</u>
LIABILITIES						
Accounts Payable	11,744	6,089	0	24,101	0	41,934
Accrued Liabilities	121,124	115,482	0	0	0	236,606
TOTAL LIABILITIES	<u>132,868</u>	<u>121,571</u>	<u>0</u>	<u>24,101</u>	<u>0</u>	<u>278,540</u>
DEFERRED INFLOWS						
Deferred Property Taxes	3,524,166	3,524,167	191,139	0	805,957	8,045,429
TOTAL DEFERRED INFLOWS	<u>3,524,166</u>	<u>3,524,167</u>	<u>191,139</u>	<u>0</u>	<u>805,957</u>	<u>8,045,429</u>
FUND BALANCES						
Fund Balances						
Non-spendable	0	0	0	0	35,228	35,228
Restricted	0	1,185,104	22,270	0	38,934	1,246,308
Assigned	0	0	0	592,697	400,000	992,697
Unassigned	955,240	0	0	0	0	955,240
TOTAL FUND BALANCES	<u>955,240</u>	<u>1,185,104</u>	<u>22,270</u>	<u>592,697</u>	<u>474,162</u>	<u>3,229,473</u>
TOTAL LIABILITIES,						
DEFERRED INFLOWS,						
AND FUND BALANCES	<u>\$ 4,612,274</u>	<u>\$ 4,830,842</u>	<u>\$ 213,409</u>	<u>\$ 616,798</u>	<u>\$ 1,280,119</u>	

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.	9,388,432
IMRF Plan Year Adjustment is not reported as deferred outflows in the fund financial statements	12,120
Net IMRF Deferred Outflows are not reported as deferred outflows in the fund financial statements.	29,268
Accrued Interest Payable is not reported as a liability in the fund financial statements.	(99,290)
Accrued Vacation and Sick Leave are not reported as a liability in the fund financial statements.	(631,670)
Bonds Payable are not reported as a liability in the fund financial statements.	(6,670,000)
Net IMRF Pension Liability is not recorded in the fund financial statements.	(131,517)
Net Firefighters' Pension Liability is not reported as a liability in the fund financial statements.	(8,705,548)
Firefighters' Pension Deferred Inflows are not reported as deferred inflows in the fund financial statements.	(96,579)

NET POSITION OF GOVERNMENTAL FUNDS \$ (3,675,311)

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, 2015

	General	Ambulance	Pension Tax Levy	Capital	Other Governmental Funds	Total
REVENUES						
Property Taxes	\$ 3,668,761	\$ 3,668,952	\$ 157,774	\$ 0	\$ 431,337	\$ 7,926,824
Replacement Tax	0	0	32,081	0	0	32,081
Interest	198	196	0	5,109	0	5,503
Charges for Services	40,039	1,078,668	0	82,125	0	1,200,832
Grants	0	0	0	318,251	0	318,251
Miscellaneous	2,787	7,823	0	7,121	0	17,731
TOTAL REVENUES	<u>3,711,785</u>	<u>4,755,639</u>	<u>189,855</u>	<u>412,606</u>	<u>431,337</u>	<u>9,501,222</u>
EXPENDITURES						
Fire and Ambulance	3,609,337	3,773,902	0	0	0	7,383,239
Pension	0	0	202,028	0	0	202,028
Insurance	0	0	0	0	450,402	450,402
Audit	0	0	0	0	12,250	12,250
Debt Service						
Bond Principal	0	0	0	450,000	0	450,000
Bond Interest	0	0	0	313,620	0	313,620
Capital Outlay	0	0	0	410,794	0	410,794
TOTAL EXPENDITURES	<u>3,609,337</u>	<u>3,773,902</u>	<u>202,028</u>	<u>1,174,414</u>	<u>462,652</u>	<u>9,222,333</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>102,448</u>	<u>981,737</u>	<u>(12,173)</u>	<u>(761,808)</u>	<u>(31,315)</u>	<u>278,889</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	0	0	0	794,271	442,870	1,237,141
Transfers Out	(230,105)	(1,167,245)	0	0	0	(1,397,350)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(230,105)</u>	<u>(1,167,245)</u>	<u>0</u>	<u>794,271</u>	<u>442,870</u>	<u>(160,209)</u>
NET CHANGE IN FUND BALANCE	<u>(127,657)</u>	<u>(185,508)</u>	<u>(12,173)</u>	<u>32,463</u>	<u>411,555</u>	<u>118,680</u>
FUND BALANCES, BEGINNING 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>
END OF YEAR	<u>\$ 955,240</u>	<u>\$ 1,185,104</u>	<u>\$ 22,270</u>	<u>\$ 592,697</u>	<u>\$ 474,162</u>	<u>\$ 3,229,473</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, 2015

Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 118,680
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.	(524,885)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	351,501
Accrued interest on bonds is not considered an expenditure in the fund financial statements.	9,650
The annual change in accrued vacation and sick leave is not recorded in the fund financial statements.	(6,951)
Payments of debt principal are treated as an expenditure in the fund financial statements.	450,000
The change in Net IMRF Pension Liability is not considered an expenditure in the fund financial statements.	(31,809)
The change in Net Firefighters' Pension Liability is not considered an expenditure in the fund financial statements.	<u>(103,691)</u>
Change in Net Assets of Governmental Activities (Statement of Activities)	<u><u>\$ 262,495</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, 2015

	Radio Frequency Fire Alarm
TOTAL ASSETS	<u>\$ 0</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>0</u>
TOTAL LIABILITIES	<u>0</u>
TOTAL DEFERRED INFLOWS	<u>0</u>
TOTAL NET POSITION	<u><u>\$ 0</u></u>

Algonquin-Lake in the Hills Fire Protection District
Proprietary Fund
Statement of Revenues, Expenses, and Change in Fund Net Position
For The Year Ended April 30, 2015

	Radio Frequency Fire Alarm
OPERATING REVENUES	
Charges for Services	\$ 245
Interest	8
Miscellaneous	31
TOTAL OPERATING REVENUES	<u>284</u>
DIRECT OPERATING EXPENSES	
Operations & Supplies	
Administrative Expenses	275
Communications Expenses	28,352
Professional Services	171,838
Depreciation	4,123
TOTAL DIRECT OPERATING EXPENSES	<u>204,588</u>
OPERATING LOSS	(204,304)
NON-OPERATING ITEMS	
Loss on Disposal of Equipment	(6,185)
Transfers In	160,209
TOTAL NON-OPERATING ITEMS	<u>154,024</u>
CHANGE IN FUND NET POSITION	(50,280)
NET POSITION	
BEGINNING OF YEAR	<u>50,280</u>
END OF YEAR	<u><u>\$ 0</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, 2015

	Radio Frequency Fire Alarm
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Public	\$ 276
Interest Received	8
Cash Paid to Vendors	(316,953)
Cash Paid to Employees for Services	0
Interest Paid	0
Income Taxes Paid	0
NET CASH USED IN OPERATING ACTIVITIES	<u>(316,669)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers In	<u>160,209</u>
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>160,209</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(156,460)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>156,460</u>
END OF YEAR	<u><u>\$ 0</u></u>

Algonquin-Lake in the Hills Fire Protection District
Proprietary Fund
Statement of Cash Flows (Continued)
For the Year Ended April 30, 2015

	<u>Radio Frequency Fire Alarm</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating Loss	\$ (204,304)
Adjustment to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation	4,123
Changes In Certain Assets and Liabilities:	
Accounts Payable	<u>(116,488)</u>
Total Adjustments	<u>(112,365)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u><u>\$ (316,669)</u></u>

Algonquin-Lake in the Hills Fire Protection District
Fiduciary Funds
Statement of Fiduciary Net Position
April 30, 2015

	Firefighters' Pension Fund	Foreign Fire Insurance Tax Fund
ASSETS		
Cash and Cash Equivalents	\$ 10,000	\$ 96,931
Receivables and Prepaid Expenses		
Accrued Interest Receivable	71,426	0
Prepaid Expenses	5,151	0
Total Receivables and Prepaid Expenses	<u>76,577</u>	<u>0</u>
Investments, at Fair Value		
Money Market Mutual Funds	43,872	0
U.S. Government Obligations	1,108,254	0
U.S. Agency Obligations	5,635,204	0
Corporate Obligations	1,039,012	0
State and Local Obligations	1,181,237	0
U.S. Agency Mortgage Pools	95,388	0
Mutual Funds	9,546,598	0
Total Investments	<u>18,649,565</u>	<u>0</u>
TOTAL ASSETS	<u>18,736,142</u>	<u>96,931</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>
LIABILITIES		
Accounts Payable	22,682	0
TOTAL LIABILITIES	<u>22,682</u>	<u>0</u>
TOTAL DEFERRED INFLOWS	<u>0</u>	<u>0</u>
NET POSITION		
Restricted for Pension Benefits	18,713,460	0
Restricted for Foreign Fire Insurance Tax	0	96,931
TOTAL NET POSITION	<u>\$ 18,713,460</u>	<u>\$ 96,931</u>

See Accompanying Notes to the Financial Statements

Algonquin-Lake in the Hills Fire Protection District
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For The Year Ended April 30, 2015

	Firefighters' Pension Fund	Foreign Fire Insurance Tax Fund
ADDITIONS		
Contributions		
Employer	\$ 1,038,605	\$ 0
Plan Members	376,984	0
Total Contributions	1,415,589	0
Investment Income		
Net Appreciation in Fair Value of Investments	627,593	0
Interest and Dividends	732,599	0
Total Investment Income	1,360,192	0
Less: Investment Fees	54,539	0
Net Investment Income	1,305,653	0
Foreign Fire Insurance Tax	0	44,631
TOTAL ADDITIONS	2,721,242	44,631
DEDUCTIONS		
Service Benefits	300,705	0
Disability Benefits	243,663	0
Survivor Benefits	13,911	0
Administrative Expenses	48,497	0
Foreign Fire Insurance Tax	0	31,443
TOTAL DEDUCTIONS	606,776	31,443
NET CHANGE IN NET POSITION	2,114,466	13,188
NET POSITION		
BEGINNING OF YEAR	16,598,994	83,743
END OF YEAR	\$ 18,713,460	\$ 96,931

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, 2015

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. Accounting Standards Implemented

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, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Accounting Standards Implemented (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.

As of May 1, 2014, the District has implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" which is an amendment of GASB Statement No. 27. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

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 good 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.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

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.

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 real estate taxes, ambulance service fees, and other revenues that are restricted, committed, or assigned 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.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Governmental Fund Types (Governmental Activities) (Continued)

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 restricted, committed, or assigned to the purchase of vehicles.

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
- Social Security
- Medicare

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:

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

Fiduciary Fund Types (Continued)

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 Board (FFIB) receives and accounts for revenues received from the 2% tax on fire insurance policies sold by foreign (out of state) insurance companies, and to use such funds for the maintenance, use, and benefit of the Department. In accordance with Illinois Compiled Statutes, the Illinois Municipal League (IML) collects the 2% foreign fire insurance tax from the out of state insurance companies that conduct business in Algonquin and Lake in the Hills. This money is collected and paid annually to the Foreign Fire Insurance Board Treasurer.

The FFIB consists of the following six members of the fire department: five members will be elected by the certified members of the fire department and the sixth position will be the Fire Chief. All Board members have the power to vote.

All purchasing proposals must meet the mission of the Board: For the Maintenance, Use, and Benefit of the Fire Department.

MAJOR FUND

The District reports the following major governmental funds:

- General Fund, which accounts for the District's primary operating activities as related to its fire prevention services.
- Ambulance Fund, which accounts for the District's primary operating activities as related to its ambulance services.
- Pension Tax Levy Fund, which accounts for revenues designed for the District's contribution to the Firefighters' Pension Fund.
- Capital Fund, which accounts for capital purchases and improvements.

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

- Radio Fire Frequency Alarm Fund

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

NON-MAJOR FUNDS

The District reports the following non-major governmental funds:

- Insurance
- Audit
- Social Security
- Medicare
- 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, when the liability is due, 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 through the last day of the fiscal year end. The District does not recognize property tax collections within 60 days after year end in the current fiscal year. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

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.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

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.

In the fund financial statements, the measurement focus of the proprietary funds is the flow of economic resources; the same as is used in the government-wide statements. However, the measurement focus of all governmental 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, 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 fund financial statements. Compensated absences are reported in the fund financial statements only if they have matured (i.e., unusable reimbursable leave still outstanding following an employee's resignation or retirement). 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, 2015

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, 2015, 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, 2015

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 \$60,000 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, 2015 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 used in governmental fund operations or proprietary fund operations, and whether they 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.

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, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Capital Assets (Continued)

FUND FINANCIAL STATEMENTS

In the fund financial statements, assets used in governmental 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 proprietary funds. Capital assets used in proprietary fund operations are accounted for the same in the fund financial statements as they are in the government-wide statements.

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.

<u>Accrued Vacation and Sick Leave</u>	<u>Balance at May 1, 2014</u>	<u>Change</u>	<u>Balance at April 30, 2015</u>
Current Portion	\$ 63,485	\$ (25,891)	\$ 37,594
Long-Term Portion	561,234	32,842	594,076

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 2014 levy has been recorded as a receivable at April 30, 2015.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

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 Trustees 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, 2015

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	\$ 35,228	\$ 35,228
Restricted						
Ambulance	0	1,185,104	0	0	0	1,185,104
Pension Tax Levy	0	0	22,270	0	0	22,270
Insurance	0	0	0	0	37,346	37,346
Audit	0	0	0	0	1,588	1,588
Assigned						
Capital	0	0	0	592,697	0	592,697
Vehicle	0	0	0	0	400,000	400,000
Unassigned	955,240	0	0	0	0	955,240
	<u>\$ 955,240</u>	<u>\$ 1,185,104</u>	<u>\$ 22,270</u>	<u>\$ 592,697</u>	<u>\$ 474,162</u>	<u>\$ 3,229,473</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, 2015 are as follows:

Fund	Transfers In	Transfers Out
General	\$ 0	\$ (230,105)
Ambulance	0	(1,167,245)
Capital	794,271	0
Insurance	41,570	0
Audit	1,300	0
Vehicle	400,000	0
RFFA	160,209	0
	<u>\$ 1,397,350</u>	<u>\$ (1,397,350)</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Bank Deposits and Investments

At April 30, 2015, the carrying amount of the District's deposits was \$3,185,609 not including a petty cash fund of \$150 and the bank balance was \$3,470,918. 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, 2015

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.

	<u>Bank Balances</u>	<u>Carrying Amount</u>
Category:		
Deposits covered by depository insurance or collateralized, with securities held by the District or by its agent in the District's name.	\$ 2,423,572	\$ 1,956,844
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 \$1,851.	<u>1,047,346</u>	<u>1,228,765</u>
Total Bank Deposits	<u>\$ 3,470,918</u>	<u>\$ 3,185,609</u>

At April 30, 2015, the carrying amount of the Firefighters' Pension Fund's deposits was \$10,000.

At April 30, 2015, the carrying amount of the Foreign Fire Insurance Tax Fund's deposits was \$96,931.

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.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Policies for Investments (Continued)

The Firefighters' Pension Fund's investment policy requires the following investment allocations:

	<u>Normal Allocation</u>	<u>Range of Allocation</u>
<u>Fixed Income</u>		
U.S. Treasury Bills/Notes/Bonds	30%	0-100%
U.S. Government Agency Securities (non-MBS)	35%	0-70%
U.S. Government Agency Securities - Callable	20%	0-30%
U.S. Government Agency Securities (MBS)	5%	0-10%
Taxable Municipal Securities	10%	0-20%
Certificates of Deposit	0%	0-20%
Investment Grade Corporate Bonds	0%	0-30%
<u>Equities</u>		
U.S. Large Company Stocks	70%	40-100%
U.S. Small Company Stocks	20%	0-40%
International Stocks	10%	0-20%

C. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Firefighters' Pension Fund's investment policy, the Firefighters' Pension Fund will remain sufficiently liquid to enable the Firefighters' Pension Fund to meet all operating requirements which might be reasonably anticipated. The following table categorizes the investments held by the Firefighters' Pension Fund according to risk level.

<u>Category</u>	<u>Fair Value</u>	<u>< 1 Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>> 10 Years</u>
U.S. Governmental Obligations	\$ 1,108,254	\$ 0	\$ 694,336	\$ 413,918	\$ 0
U.S. Agency Obligations	5,635,204	100,954	1,199,043	3,929,450	405,757
Corporate Obligations	1,039,012	225,558	710,062	103,392	0
State & Local Obligations	1,181,237	50,383	361,922	520,420	248,512
U.S. Agency Mortgage Pools	95,388	0	33	0	95,355
Total	<u>\$ 9,059,095</u>	<u>\$ 376,895</u>	<u>\$ 2,965,396</u>	<u>\$ 4,967,180</u>	<u>\$ 749,624</u>

D. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Firefighters' Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Firefighters' Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in securities of U.S. government agencies were all rated triple A by Moody's Investors Services or Standard and Poor's. In August 2011, U.S. Treasury and government agency security ratings were downgraded by Standard & Poor's rating agency to AA+.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

D. Credit Risk (Continued)

S&P Rating	U.S. Agency Obligations	Corporate Obligations	State & Local Obligations	U.S. Agency Mortgage Pools	Total	Percentage of Debt Portfolio
AAA	\$ 0	\$ 100,579	\$ 61,446	\$ 0	\$ 162,025	2.04%
AA+	5,635,204	180,227	345,253	0	6,160,684	77.48%
AA	0	102,519	294,009	0	396,528	4.99%
AA-	0	75,185	0	0	75,185	0.95%
A+	0	202,201	80,161	0	282,362	3.55%
A	0	176,856	50,383	0	227,239	2.86%
A-	0	101,147	0	0	101,147	1.27%
BBB+	0	100,298	0	0	100,298	1.26%
Not Rated	0	0	349,985	95,388	445,373	5.60%
	<u>\$ 5,635,204</u>	<u>\$ 1,039,012</u>	<u>\$ 1,181,237</u>	<u>\$ 95,388</u>	<u>\$ 7,950,841</u>	<u>100.00%</u>

E. Custodial Credit Risk

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the Firefighters' Pension Fund deposits may not be returned to it. At April 30, 2015, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Firefighters' Pension Fund's investment policy requires pledging of collateral of all balances in excess of federal depository insurance.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Firefighters' Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Illinois Funds, money market mutual funds, and equity mutual funds are not subject to custodial credit risk. In accordance with the Firefighters' Pension Fund's investment policy, the Firefighters' Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Firefighters' Pension Fund, to act as a custodian for its securities and collateral.

F. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Firefighters' Pension Fund' investment in a single issuer. The Firefighters' Pension Fund does not have a formal written policy with regards to custodial credit risk for investments. Agency investments represent a large portion of the portfolio; however the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

The following investments have balances that represent over 5% of Net Position:

<u>Entity</u>	<u>Percentage</u>
Federal Farm Credit Bank	9%
Federal Home Loan Bank	18%

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

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 \$524,885. Depreciation expense charged for business-type activities was \$4,123.

	Balance at May 1, 2014	Additions	Retirements	Balance at April 30, 2015
Governmental Activities				
Capital Assets, Not Subject to Depreciation				
Land	\$ 1,416,856	\$ 0	\$ 0	\$ 1,416,856
Capital Assets Subject to Depreciation				
Buildings & Improvements	7,299,636	30,038	0	7,329,674
Apparatus & Vehicles	4,109,664	0	(40,746)	4,068,918
Equipment	706,202	321,463	0	1,027,665
	<u>12,115,502</u>	<u>351,501</u>	<u>(40,746)</u>	<u>12,426,257</u>
Less Accumulated Depreciation				
Buildings & Improvements	(2,141,170)	(188,424)	0	(2,329,594)
Apparatus & Vehicles	(1,559,509)	(250,239)	40,746	(1,769,002)
Equipment	(269,863)	(86,222)	0	(356,085)
	<u>(3,970,542)</u>	<u>(524,885)</u>	<u>40,746</u>	<u>(4,454,681)</u>
Net Capital Assets - Governmental Activities	<u>\$ 9,561,816</u>	<u>\$ (173,384)</u>	<u>\$ 0</u>	<u>\$ 9,388,432</u>
	Balance at May 1, 2014	Additions	Retirements	Balance at April 30, 2015
Business-Type Activities				
Capital Assets Subject to Depreciation				
Equipment	\$ 82,464	\$ 0	\$ (82,464)	\$ 0
Less Accumulated Depreciation				
Equipment	(72,156)	(4,123)	76,279	0
Net Capital Assets - Business-Type Activities	<u>\$ 10,308</u>	<u>\$ (4,123)</u>	<u>\$ (6,185)</u>	<u>\$ 0</u>

NOTE 4 – DEBT COMMITMENTS

A summary of changes in long-term debt for the year ended April 30, 2015 is as follows:

Type	Balance at May 1, 2014	Advances	Repayments	Balance at April 30, 2015	Amount Due Within One Year
General Obligation Bonds					
Series 2002	\$ 1,125,000	\$ 0	\$ 0	\$ 1,125,000	\$ 0
Series 2010	5,995,000	0	(450,000)	5,545,000	450,000
Total	<u>7,120,000</u>	<u>0</u>	<u>(450,000)</u>	<u>6,670,000</u>	<u>450,000</u>

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 4 – DEBT COMMITMENTS (CONTINUED)

Debt commitments at April 30, 2015 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, 2015 consist of the following:

Fiscal Year	Principal	Interest	Total
2016	450,000	297,870	747,870
2017	475,000	279,870	754,870
2018	500,000	60,870	560,870
2019	500,000	240,870	740,870
2020	525,000	220,870	745,870
2021 - 2025	1,360,000	803,510	2,163,510
2026 - 2028	2,860,000	149,430	3,009,430
	<u>\$ 6,670,000</u>	<u>\$ 2,053,290</u>	<u>\$ 8,723,290</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 BALANCES

At April 30, 2015, none of the individual funds has a deficit fund balance. The total net position of governmental activities has a deficit balance of \$3,675,311.

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

At April 30, 2015, the following funds had an excess of actual expenditures over legally enacted budgeted and appropriated amounts for the year.

Fund	Actual Expenditures	Budgeted Expenditures	Appropriations
Radio Fire Frequency Alarm	\$ 204,588	\$ 193,200	\$ 193,200
Audit	12,250	11,250	11,250

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

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

A. 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.

In accordance with GASB Statement No. 50 "Pension Disclosures – An Amendment of GASB Statements No. 25 and No. 27", the following information is provided.

B. 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 2014 was 13.08 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.

C. Annual Pension Cost

The required contribution for calendar year 2014 was \$37,009.

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/15	\$ 35,924	100%	\$ 0
4/30/14	28,174	100%	0
4/30/13	17,507	100%	0

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

C. Annual Pension Cost (Continued)

The required contribution for 2014 was determined as part of the December 31, 2012, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, 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, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

D. Funding Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 63.29 percent funded. The actuarial accrued liability for benefits was \$465,038, and the actuarial value of assets was \$294,344, resulting in an underfunded actuarial accrued liability (UAAL) of \$170,694. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$282,943 and the ratio of the UAAL to the covered payroll was 60 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.

E. Implementation of GASB 68

As of May 1, 2014, the District has implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" which is an amendment of GASB Statement No. 27. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Executive Summary

Actuarial Valuation Date	December 31, 2014
Measurement Date of the Net Pension Liability	December 31, 2014
Fiscal Year End	April 30, 2015

Membership

Number of	
- Retirees and Beneficiaries	3
- Inactive, Non-Retired Members	3
- Active Members	4
- Total	<u>10</u>

Covered Valuation Payroll	<u>\$ 282,943</u>
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Net Pension Liability

Total Pension Liability/(Asset)	\$ 748,903
Plan Fiduciary Net Position	<u>617,386</u>
Net Pension Liability/(Asset)	<u>\$ 131,517</u>

Plan Fiduciary Net Position as a Percentage

of Total Pension Liability	82.44%
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Net Pension Liability as a Percentage

of Covered Valuation Payroll	46.48%
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Development of the Single Discount Rate as of December 31, 2014

Long-Term Expected Rate of Investment Return	7.50%
Long-Term Municipal Bond Rate	3.56%
Last year December 31 in the 2015 to 2114 projection period for which projected benefit payments are fully funded	2077
Resulting Single Discount Rate based on the above development	7.47%

Single Discount Rate calculated using December 31, 2013

Measurement Date	7.48%
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Total Pension Expense/(Income)	<u>\$ 29,315</u>
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Deferred Outflows and Deferred Inflows of Resources by Source
(to be recognized in Future Pension Expenses)

	Outflows of Resources	Inflows of Resources
1. Difference between expected and actual experience	\$ 1,227	\$ 0
2. Assumption Changes	21,536	0
3. Net Difference between projected and actual earnings on pension plan investments	6,505	0
4. Total	<u>\$ 29,268</u>	<u>\$ 0</u>

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

CURRENT PERIOD

Calendar Year Ended December 31, 2014

A. Total pension liability	
1. Service cost	\$ 33,102
2. Interest on the total pension liability	49,524
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the total pension liability	1,626
5. Changes of assumptions	28,550
6. Benefit payments, including refunds of employee contributions	(18,879)
7. Net change in total pension liability	93,923
8. Total pension liability— beginning	654,980
9. Total pension liability – ending	748,903
B. Plan fiduciary net position	
1. Contributions – employer	35,255
2. Contributions – employee	12,732
3. Net investment income	34,242
4. Benefit payments, including refunds of employee contributions	(18,879)
5. Other (net transfer)	7,245
6. Net change in plan fiduciary net position	70,595
7. Plan fiduciary net position – beginning	546,791
8. Plan fiduciary net position – ending	617,386
C. Net pension liability/(asset)	131,517
D. Plan fiduciary net position as a percentage of the total pension liability	82.44%
E. Covered Valuation Payroll	282,943
F. Net pension liability as a percentage of covered valuation payroll	46.48%

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
 USED IN THE CALCULATION OF THE TOTAL PENSION LIABILITY

Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:

Actuarial Cost Method	Entry-Age Normal
Asset Valuation Method	Market Value of Assets
Inflation	3.50%
Price Inflation	2.75%
Salary Increases	3.75% to 14.5%, including inflation
Investment Rate of Return	7.47%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). the IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). the IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information: There were no benefit changes during the year.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: Actuarially determined contribution rates are calculated as of December 31st of each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:

Actuarial Cost Method	Aggregate Entry-Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies : 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 29-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years s elected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 24 years for most employers (two employers were financed over 33 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.0% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives , the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information: There were no benefit changes during the year.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The single discount rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.56%; and the resulting single discount rate is 7.47%.

**SENSITIVITY OF NET PENSION LIABILITY/(ASSET) TO THE
SINGLE DISCOUNT RATE ASSUMPTION**

	1% Decrease 6.47%	Current Single Discount Rate Assumption 7.47%	1% Increase 8.47%
Total Pension Liability	\$ 828,433	\$ 748,903	\$ 682,442
Plan Fiduciary Net Position	617,386	617,386	617,386
Net Pension Liability/(Asset)	<u>\$ 211,047</u>	<u>\$ 131,517</u>	<u>\$ 65,056</u>

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 10 – FIREFIGHTERS’ PENSION FUND

The District participates in the Firefighters’ Pension Employer Retirement System (FPERS). The Firefighters’ Pension Fund is a single-employer defined benefit plan. The Firefighters’ Pension Fund covers the full time fire personnel of the District. The Firefighters’ Pension Fund provides retirement, disability, and death benefits as well as automatic cost of living adjustments, to plan members and their beneficiaries. The Firefighters’ Pension Fund issues a separate report that includes financial statements, note disclosures, and required supplementary information. The report may be obtained by contacting the District. Plan members are required to contribute 9.455% of their annual covered payroll. The District is required to contribute at an actuarially determined rate. The defined benefits and contribution requirements of the plan members and the District are governed by Illinois State Statutes and may only be amended by Illinois legislature. Administrative costs are financed through investment earnings. At April 30, 2015, the date of the latest actuarial valuation, the Firefighters’ Pension Fund membership consisted of the following:

Inactive Plan Members of Beneficiaries Currently	
Receiving Benefits	18
Inactive Plan Members Entitled to But Not Yet	
Receiving Benefits	0
Active Plan Members	43
Total	<u>61</u>
Payroll of Active Plan Members	\$ 3,769,792

The Firefighters’ Pension Fund provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$105,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% of ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after 60 and receive a reduced benefit.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters’ Pension Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. For the year ended April 30, 2015, the District’s contribution was 27.6% of covered payroll. The District is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2040, the District’s contributions must accumulate to the point where the past service cost for the Firefighters’ Pension fund is 90% funded.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 10 – FIREFIGHTERS’ PENSION FUND (CONTINUED)

Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
1. Differences Between Expected and Actual Experience	\$ 0	\$ 0
2. Changes of Assumptions	0	0
3. Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	96,579
4. Contributions Subsequent to the Measurement Date*	0	0
5. Total	<u>\$ 0</u>	<u>\$ 96,579</u>

*Contributions subsequent to the measurement date may be recognized as a reduction to the NPL. The amount is not known as of the date of this report.

Sensitivity of the Discount Rate

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer Net Pension Liability	\$ 13,022,449	\$ 8,705,550	\$ 5,183,230

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 network. The Village of Algonquin is a separate governmental entity. 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. Effective September 24, 2014, the District terminated operations of the Radio Fire Frequency Alarm Network. There are no remaining transactions associated with the Radio Fire Frequency Alarm Network.

As of May 1, 2014, the District has implemented GASB Statement No. 69 "Government Combinations and Disposals of Government Operations." The objective of this Statement is to provide accounting and financial reporting guidance for disposals of government operations that have been transferred or sold.

Algonquin-Lake in the Hills Fire Protection District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2015

NOTE 13 – PRIOR PERIOD ADJUSTMENT

A \$7,601,254 prior period adjustment was necessary in the government-wide financial statements to record the District's IMRF Plan Year Adjustment, Net IMRF Deferred Outflows, Net IMRF Pension Liability, Net Firefighters' Pension Liability, and Firefighters' Pension Deferred Inflow as of April 30, 2014 to comply with the requirements of GASB Statement No. 68 "Accounting and Financial Reporting for Pensions."

NOTE 14 – SUBSEQUENT EVENTS

The date to which events occurring after April 30, 2015, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is October 19, 2015, 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, 2015

In accordance with GASB Statement No. 50, "Pension Disclosures - An Amendment of GASB Statements No. 25 and No. 27," the schedule of funding progress 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.

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)
12/31/2014	\$ 294,344	\$ 465,038	\$ 170,694	63.29%	\$ 282,943	60.33%
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%

On a market value basis, the actuarial valuation of assets as of December 31, 2014 is \$350,756. On a market basis, the funded ratio would be 75.43%.

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.

In accordance with GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - An Amendment of GASB Statements No. 27," the financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- λ Sources of changes in the net pension liability;
- λ Information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll, and
- λ Comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy.

Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2015

Multiyear Schedule of Employer Contributions
Illinois Municipal Retirement Fund (IMRF)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered- Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 35,255 *	\$ 35,255	\$ 0	\$ 282,943	12.46%

*Estimate based on contribution rate of 12.46% and covered valuation payroll of \$282,943.

GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented in this schedule.

**Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2015**

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Plan Year Ending April 30,	2015
Total Pension Liability	
Service Cost	\$ 33,102
Interest on the Total Pension Liability	49,524
Benefit Changes	0
Differences Between Expected and Actual Experience	1,626
Assumption Changes	28,550
Benefit Payments and Refunds	(18,879)
Net Change in Total Pension Liability	93,923
Total Pension Liability— Beginning	654,980
Total Pension Liability – Ending (a)	<u>\$ 748,903</u>
Plan Fiduciary Net Position	
Employer Contributions	\$ 35,255
Employee Contributions	12,732
Pension Plan Net Investment Income	34,242
Benefit Payments and Refunds	(18,879)
Other	7,245
Net Change in Plan Fiduciary Net Position	70,595
Plan Fiduciary Net Position	
Beginning	546,791
Ending (b)	<u>\$ 617,386</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	<u>\$ 131,517</u>
Plan Fiduciary Net Position as	
a Percentage of Total Pension Liability	82.44%
Covered Valuation Payroll	282,943
Net Pension Liability as a Percentage	
of Covered Valuation Payroll	46.48%

GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented in this schedule.

Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2015

Multiyear Schedule of Employer Contributions
Firefighters' Pension Employer Retirement System

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarial Determined Contribution	Contribution (Excess)/ Deficiency	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 1,120,837	\$ 1,038,605	\$ 82,232	\$ 3,769,792	27.6%

Actuarial Assumptions (Economic)

Valuation Date	May 1, 2015
Discount Rate used for the Total Pension Liability	7.00%
Long-Term Expected Rate of Return on Plan Assets	7.00%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.62%
Projected Salary Increases	4.50 - 11.50%
Projected Increase in Total Payroll	4.50%
Consumer Price Index (Utilities)	3.00%
Inflation Rate Included	3.00%

Actuarial Assumptions (Demographic)

Valuation Date	May 1, 2015
Mortality Table	L&A 2012 Illinois Firefighters' 100%
Retirement Rates	L&A 2012 Illinois Firefighters' 100% Capped at Age 60
Disability Rates	L&A 2012 Illinois Firefighters' 125%
Termination Rates	L&A 2012 Illinois Firefighters' 125%
Percent Married	80.00%

GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented in this schedule.

**Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2015**

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Firefighters' Pension Employer Retirement System

Plan Year Ending April 30,

2015

Total Pension Liability

Service Cost	\$	1,057,753
Interest		1,742,830
Change of Benefit Terms		0
Differences Between Expected and Actual Experience		0
Changes in Assumptions		0
Benefit Payments and Refunds		(558,279)
Net change in total pension liability		2,242,304
Total pension liability— beginning		25,176,706
Total pension liability – ending	\$	27,419,010

Plan Fiduciary Net Position

Contributions - Employer	\$	1,038,605
Contributions - Member		376,984
Net Investment Income		1,305,653
Benefit Payments and Refunds		(558,279)
Administrative Expense		(48,497)
Other		0
Net Change in Plan Fiduciary Net Position		2,114,466
Plan Fiduciary Net Position Beginning		16,598,994
Ending	\$	18,713,460
Employer Net Pension Liability	\$	8,705,550

**Plan Fiduciary Net Position as
a Percentage of the Total**

Pension Liability 68.25%

Covered-Employee Payroll 3,769,792

**Employer Net Pension Liability
as a Percentage of**

Covered Employee-Payroll 230.93%

GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented in this schedule.

**Algonquin-Lake in the Hills Fire Protection District
Required Supplementary Information (Continued)
For The Year Ended April 30, 2015**

Schedule of Investment Returns
Firefighters' Pension Employer Retirement System

	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.62%

GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented in this schedule.

Algonquin-Lake in the Hills Fire Protection District
General Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 3,683,393	\$ 3,683,393	\$ 3,668,761	\$ (14,632)
Foreign Fire Insurance Tax	38,000	38,000	0	(38,000)
Interest Earned	1,400	1,400	198	(1,202)
Charges for Services	3,100	3,100	40,039	36,939
Miscellaneous	3,625	3,625	2,787	(838)
TOTAL REVENUES	3,729,518	3,729,518	3,711,785	(17,733)
EXPENDITURES				
Personnel Services				
Salaries and Wages	2,766,491	2,808,991	2,727,587	81,404
Unemployment Taxes	6,053	6,053	5,305	748
Employer's FICA	70,009	70,009	64,830	5,179
Other Payroll	24,974	24,974	26,962	(1,988)
Life Insurance	3,250	3,250	2,679	571
Hospital / Medical Insurance	422,050	397,050	410,564	(13,514)
Operations & Supplies				
Administrative	12,341	12,341	10,045	2,296
Buildings & Grounds	47,400	49,900	53,275	(3,375)
Commission	10,305	10,305	11,140	(835)
Communications / IT	8,900	8,900	5,488	3,412
Fire Prevention / Pub Ed	6,901	6,901	1,534	5,367
Protective Clothing & Equipment	32,720	32,720	27,259	5,461
Professional Services	56,195	53,695	55,603	(1,908)
Special Teams	6,242	6,242	3,905	2,337
Training	15,595	15,595	6,950	8,645
Travel & Conference	11,875	11,875	7,335	4,540
Utilities	52,552	52,552	56,520	(3,968)
Vehicle & Equipment	175,665	158,165	132,356	25,809
TOTAL EXPENDITURES	3,729,518	3,729,518	3,609,337	120,181
EXCESS OF REVENUES OVER EXPENDITURES	0	0	102,448	102,448
OTHER FINANCING USES				
Transfers Out	0	0	(230,105)	(230,105)
TOTAL OTHER FINANCING USES	0	0	(230,105)	(230,105)
NET CHANGE IN FUND BALANCE	\$ 0	\$ 0	(127,657)	\$ (127,657)
FUND BALANCES, BEGINNING OF YEAR			1,082,897	
END OF YEAR			\$ 955,240	

Algonquin-Lake in the Hills Fire Protection District
Ambulance Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 3,683,393	\$ 3,683,393	\$ 3,668,952	\$ (14,441)
Interest Earned	1,400	1,400	196	(1,204)
Charges for Services	1,082,162	1,082,162	1,078,668	(3,494)
Miscellaneous	7,000	7,000	7,823	823
TOTAL REVENUES	4,773,955	4,773,955	4,755,639	(18,316)
EXPENDITURES				
Personnel Services				
Salaries and Wages	2,781,057	2,826,057	2,734,612	91,445
Unemployment Taxes	6,736	6,736	5,305	1,431
Employer's FICA	75,513	75,513	64,828	10,685
Other Payroll	24,976	24,976	26,962	(1,986)
Life Insurance	3,250	3,250	2,679	571
Hospital / Medical Insurance	422,050	397,050	409,549	(12,499)
Operations & Supplies				
Administrative & Commodity	63,890	63,890	61,517	2,373
Buildings & Grounds	47,399	49,899	46,403	3,496
Commission	10,305	10,305	10,014	291
Communications / IT	129,405	129,405	127,039	2,366
EMS / CPR	47,655	47,655	33,676	13,979
Fire Prevention / Pub Ed	6,899	6,899	156	6,743
Protective Clothing & Equipment	32,720	32,720	26,761	5,959
Employee Wellness	31,600	31,600	25,100	6,500
Professional Services	54,645	52,145	54,916	(2,771)
Special Teams	7,840	7,840	5,407	2,433
Training	15,695	15,695	16,368	(673)
Travel & Conference	12,265	12,265	6,310	5,955
Utilities	52,550	52,550	55,560	(3,010)
Vehicle & Equipment	110,364	90,364	60,740	29,624
TOTAL EXPENDITURES	3,936,814	3,936,814	3,773,902	162,912
EXCESS OF REVENUES OVER EXPENDITURES	837,141	837,141	981,737	144,596
OTHER FINANCING USES				
Transfers Out	(837,141)	(837,141)	(1,167,245)	(330,104)
TOTAL OTHER FINANCING USES	(837,141)	(837,141)	(1,167,245)	(330,104)
NET CHANGE IN FUND BALANCE	\$ 0	\$ 0	(185,508)	\$ (185,508)
FUND BALANCES, BEGINNING OF YEAR			1,370,612	
END OF YEAR			\$ 1,185,104	

Algonquin-Lake in the Hills Fire Protection District
Pension Tax Levy Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 986,007	\$ 986,007	\$ 157,774	\$ (828,233)
Replacement Tax	20,000	20,000	32,081	12,081
TOTAL REVENUES	<u>1,006,007</u>	<u>1,006,007</u>	<u>189,855</u>	<u>(816,152)</u>
EXPENDITURES				
Payments to Pension Fund	<u>1,006,007</u>	<u>1,006,007</u>	<u>202,028</u>	<u>803,979</u>
TOTAL EXPENDITURES	<u>1,006,007</u>	<u>1,006,007</u>	<u>202,028</u>	<u>803,979</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	<u>(12,173)</u>	<u>\$ (12,173)</u>
FUND BALANCES,				
BEGINNING OF YEAR			<u>34,443</u>	
END OF YEAR			<u>\$ 22,270</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, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Interest Earned	\$ 500	\$ 500	\$ 5,109	\$ 4,609
Charges for Services	12,500	12,500	82,125	69,625
Grants	379,574	379,574	318,251	(61,323)
Miscellaneous	5,000	5,000	7,121	2,121
TOTAL REVENUES	397,574	397,574	412,606	15,032
EXPENDITURES				
Debt				
Principal	450,000	450,000	450,000	0
Interest	328,020	328,020	313,620	14,400
Capital				
Buildings / Lands	22,000	22,000	39,668	(17,668)
Office / Communications Equipment	43,800	43,800	36,853	6,947
EMS Equipment	348,025	348,025	334,273	13,752
TOTAL EXPENDITURES	1,191,845	1,191,845	1,174,414	17,431
DEFICIENCY OF REVENUES OVER EXPENDITURES	(794,271)	(794,271)	(761,808)	32,463
OTHER FINANCING SOURCES				
Transfers In	794,271	794,271	794,271	0
TOTAL OTHER FINANCING SOURCES	794,271	794,271	794,271	0
NET CHANGE IN FUND BALANCE	\$ 0	\$ 0	32,463	\$ 32,463
FUND BALANCES, BEGINNING OF YEAR			560,234	
END OF YEAR			\$ 592,697	

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, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
OPERATING REVENUES				
Charges for Services	\$ 0	\$ 0	\$ 245	\$ 245
Interest Earned	0	0	8	8
Miscellaneous	0	0	31	31
TOTAL OPERATING REVENUES	<u>0</u>	<u>0</u>	<u>284</u>	<u>284</u>
DIRECT OPERATING EXPENSES				
Operations & Supplies				
Administrative	1,000	1,000	275	725
Communications	0	0	28,352	(28,352)
Professional Services	192,200	192,200	171,838	20,362
Depreciation	0	0	4,123	(4,123)
TOTAL DIRECT OPERATING EXPENSES	<u>193,200</u>	<u>193,200</u>	<u>204,588</u>	<u>(11,388)</u>
OPERATING LOSS	(193,200)	(193,200)	(204,304)	(11,104)
NON-OPERATING ITEMS				
Loss on Disposal of Equipment	0	0	(6,185)	(6,185)
Transfers In	0	0	160,209	160,209
TOTAL NON-OPERATING ITEMS	<u>0</u>	<u>0</u>	<u>154,024</u>	<u>154,024</u>
NET CHANGE IN FUND NET POSITION	<u>\$ (193,200)</u>	<u>\$ (193,200)</u>	(50,280)	<u>\$ 142,920</u>
FUND NET POSITION,				
BEGINNING OF YEAR			<u>50,280</u>	
END OF YEAR			<u>\$ 0</u>	

Algonquin-Lake in the Hills Fire Protection District
Non-Major Governmental Funds
Combining Balance Sheet
April 30, 2015

	Special Revenue Funds				Capital Projects	
	Insurance	Audit	Social Security	Medicare	Vehicle	Total
ASSETS						
Cash	\$ 37,346	\$ 1,588	\$ 0	\$ 0	\$ 400,000	\$ 438,934
Property Taxes Receivable	638,483	10,315	68,757	88,402	0	805,957
Prepaid Expenditures	35,228	0	0	0	0	35,228
TOTAL ASSETS	<u>711,057</u>	<u>11,903</u>	<u>68,757</u>	<u>88,402</u>	<u>400,000</u>	<u>1,280,119</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND AND DEFERRED OUTFLOWS	<u><u>711,057</u></u>	<u><u>11,903</u></u>	<u><u>68,757</u></u>	<u><u>88,402</u></u>	<u><u>400,000</u></u>	<u><u>1,280,119</u></u>
LIABILITIES						
Accounts Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
DEFERRED INFLOWS						
Deferred Property Taxes	<u>638,483</u>	<u>10,315</u>	<u>68,757</u>	<u>88,402</u>	<u>0</u>	<u>805,957</u>
TOTAL DEFERRED INFLOWS	<u>638,483</u>	<u>10,315</u>	<u>68,757</u>	<u>88,402</u>	<u>0</u>	<u>805,957</u>
FUND BALANCES						
Fund Balances						
Non-spendable	35,228	0	0	0	0	35,228
Restricted	37,346	1,588	0	0	0	38,934
Assigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>400,000</u>	<u>400,000</u>
TOTAL FUND BALANCES	<u>72,574</u>	<u>1,588</u>	<u>0</u>	<u>0</u>	<u>400,000</u>	<u>474,162</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u><u>\$ 711,057</u></u>	<u><u>\$ 11,903</u></u>	<u><u>\$ 68,757</u></u>	<u><u>\$ 88,402</u></u>	<u><u>\$ 400,000</u></u>	<u><u>\$ 1,280,119</u></u>

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, 2015

	Special Revenue Funds				Capital Projects	
	Insurance	Audit	Social Security	Medicare	Vehicle	Total
REVENUES						
Property Taxes	\$ 421,292	\$ 10,045	\$ 0	\$ 0	\$ 0	\$ 431,337
TOTAL REVENUES	<u>421,292</u>	<u>10,045</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>431,337</u>
EXPENDITURES						
Insurance	450,402	0	0	0	0	450,402
Audit	0	12,250	0	0	0	12,250
TOTAL EXPENDITURES	<u>450,402</u>	<u>12,250</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>462,652</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>(29,110)</u>	<u>(2,205)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(31,315)</u>
OTHER FINANCING SOURCES						
Transfers In	41,570	1,300	0	0	400,000	442,870
TOTAL OTHER FINANCING SOURCES	<u>41,570</u>	<u>1,300</u>	<u>0</u>	<u>0</u>	<u>400,000</u>	<u>442,870</u>
NET CHANGE IN FUND BALANCE	12,460	(905)	0	0	400,000	411,555
FUND BALANCES, BEGINNING OF YEAR	<u>60,114</u>	<u>2,493</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>62,607</u>
END OF YEAR	<u>\$ 72,574</u>	<u>\$ 1,588</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 400,000</u>	<u>\$ 474,162</u>

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, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 417,430	\$ 417,430	\$ 421,292	\$ 3,862
TOTAL REVENUES	<u>417,430</u>	<u>417,430</u>	<u>421,292</u>	<u>3,862</u>
EXPENDITURES				
Workers Compensation	375,500	375,500	368,521	6,979
General Liability	75,000	75,000	74,404	596
Accident & Sickness	8,500	8,500	7,477	1,023
TOTAL EXPENDITURES	<u>459,000</u>	<u>459,000</u>	<u>450,402</u>	<u>8,598</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(41,570)</u>	<u>(41,570)</u>	<u>(29,110)</u>	<u>12,460</u>
OTHER FINANCING SOURCES				
Transfers In	41,570	41,570	41,570	0
TOTAL EXPENDITURES	<u>41,570</u>	<u>41,570</u>	<u>41,570</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	12,460	<u>\$ 12,460</u>
FUND BALANCES, BEGINNING OF YEAR			<u>60,114</u>	
END OF YEAR			<u>\$ 72,574</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, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
REVENUES				
Property Taxes	\$ 9,950	\$ 9,950	\$ 10,045	\$ 95
TOTAL REVENUES	<u>9,950</u>	<u>9,950</u>	<u>10,045</u>	<u>95</u>
EXPENDITURES				
Audit	<u>11,250</u>	<u>11,250</u>	<u>12,250</u>	<u>(1,000)</u>
TOTAL EXPENDITURES	<u>11,250</u>	<u>11,250</u>	<u>12,250</u>	<u>(1,000)</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>(1,300)</u>	<u>(1,300)</u>	<u>(2,205)</u>	<u>\$ (905)</u>
OTHER FINANCING SOURCES				
Transfers In	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	<u>(905)</u>	<u>\$ (905)</u>
FUND BALANCES, BEGINNING OF YEAR			<u>2,493</u>	
END OF YEAR			<u>\$ 1,588</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, 2015

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL EXPENDITURES	0	0	0	0
EXCESS OF REVENUES OVER EXPENDITURES	0	0	0	0
OTHER FINANCING SOURCES				
Transfers In	0	0	400,000	400,000
TOTAL OTHER FINANCING SOURCES	0	0	400,000	400,000
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	400,000	<u>\$ 400,000</u>
FUND BALANCES, BEGINNING OF YEAR			0	
END OF YEAR			<u>\$ 400,000</u>	

Algonquin-Lake in the Hills Fire Protection District
Debt Service Requirements
General Obligation Bonds, Series 2002
April 30, 2015

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
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>\$ 685,760</u>	<u>\$ 1,810,760</u>		<u>\$ 342,880</u>		<u>\$ 342,880</u>

Algonquin-Lake in the Hills Fire Protection District
Debt Service Requirements
General Obligation Bonds, Series 2010
April 30, 2015

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
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>\$ 5,545,000</u>	<u>\$ 1,567,530</u>	<u>\$ 7,112,530</u>		<u>\$ 783,765</u>		<u>\$ 783,765</u>

STATISTICAL SECTION (UNAUDITED)

Pages

Financial Trend Data

64 - 73

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

74 - 78

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

Debt Capacity Data

79 - 82

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

83

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

84 - 85

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 Position by Component
Last Nine Years
April 30, 2015

Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total
<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
2015^^	2,718,432	1,246,308	(7,640,051)	(3,675,311)
<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
2015	0	0	0	0
<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
2015^^	2,718,432	1,246,308	(7,640,051)	(3,675,311)

^^ Fiscal Year 2015 has been restated for to comply with the requirements of GASB Statement No. 68 "Accounting and Financial Reporting for Pensions."

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 Nine Years
April 30, 2015

<u>EXPENSES</u>				
Governmental Activities				
<u>Fiscal Year</u>	<u>Public Safety</u>	<u>Interest on Long-Term Debt</u>	<u>Change in Net Pension Liability</u>	<u>Subtotal</u>
2007	\$ 7,302,276	(a)	\$ 0	\$ 7,302,276
2008	8,050,250	(a)	0	8,050,250
2009	8,752,364	(a)	0	8,752,364
2010	9,072,228	(a)	0	9,072,228
2011	9,606,867	(a)	0	9,606,867
2012	9,289,204	(a)	0	9,289,204
2013	9,113,243	335,020	0	9,448,263
2014	8,524,617	326,820	0	8,851,437
2015	8,639,048	303,970	135,500	9,078,518
<u>PROGRAM REVENUES</u>				
Governmental Activities				
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Subtotal</u>
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
2015	1,200,832	318,251		1,519,083
<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)
2015				(7,559,435)

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 Nine Years (Continued)
April 30, 2015

<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
2015				210,773

<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
2015	245	0		245

<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)
2015				(210,528)

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 Position
Last Ten Years
April 30, 2015

GENERAL REVENUES AND TRANSFERS

Governmental Activities						
Fiscal Year	Property Taxes	Replacement Taxes	Interest Income	Miscellaneous	Transfers	Subtotal
2006	\$ 6,343,902	\$ 29,771	\$ 123,425	\$ 47,658	\$ 0	\$ 6,544,756
2007	6,954,602	31,266	217,704	25,593	0	7,229,165
2008	7,260,507	35,659	216,152	27,383	0	7,539,701
2009	7,604,634	32,651	67,742	36,737	0	7,741,764
2010	7,992,978	28,901	15,714	112,994	0	8,150,587
2011	8,067,024	32,125	24,327	63,542	0	8,187,018
2012	8,333,180	28,980	20,437	(34,045)	0	8,348,552
2013	8,357,885	28,732	10,624	16,257	0	8,413,498
2014	7,820,930	32,881	4,879	11,844	0	7,870,534
2015	7,926,824	32,081	5,503	17,731	(160,209)	7,821,930

TOTAL CHANGE IN NET POSITION

Governmental Activities	
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)
2015	(262,495)

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Government-Wide Revenue and Other Changes in Net Position
Last Ten Years (Continued)
April 30, 2015

GENERAL REVENUES AND TRANSFERS

<u>Business Type Activities</u>						
<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Replacement Taxes</u>	<u>Interest Income</u>	<u>Miscellaneous</u>	<u>Transfers</u>	<u>Subtotal</u>
2006	\$ 0	\$ 0	\$ 1,648	\$ 0	\$ 0	\$ 1,648
2007	0	0	8,032	0	0	8,032
2008	0	0	7,859	0	0	7,859
2009	0	0	2,760	0	0	2,760
2010	0	0	345	0	0	345
2011	0	0	409	0	0	409
2012	0	0	388	0	0	388
2013	0	0	434	3,613	0	4,047
2014	0	0	141	564	0	705
2015	0	0	8	31	160,209	160,248

TOTAL CHANGE IN NET POSITION

<u>Business Type Activities</u>	
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)
2015	(50,280)

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 Nine Years
April 30, 2015

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
2015	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
2015	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
2015	n/a	n/a	n/a	n/a	n/a	n/a

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 Nine Years (Continued)
April 30, 2015

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
2015	0	0	0	955,240	955,240	0	1,185,104	0	0	1,185,104

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
2015	0	22,270	0	0	22,270	0	0	592,697	0	592,697

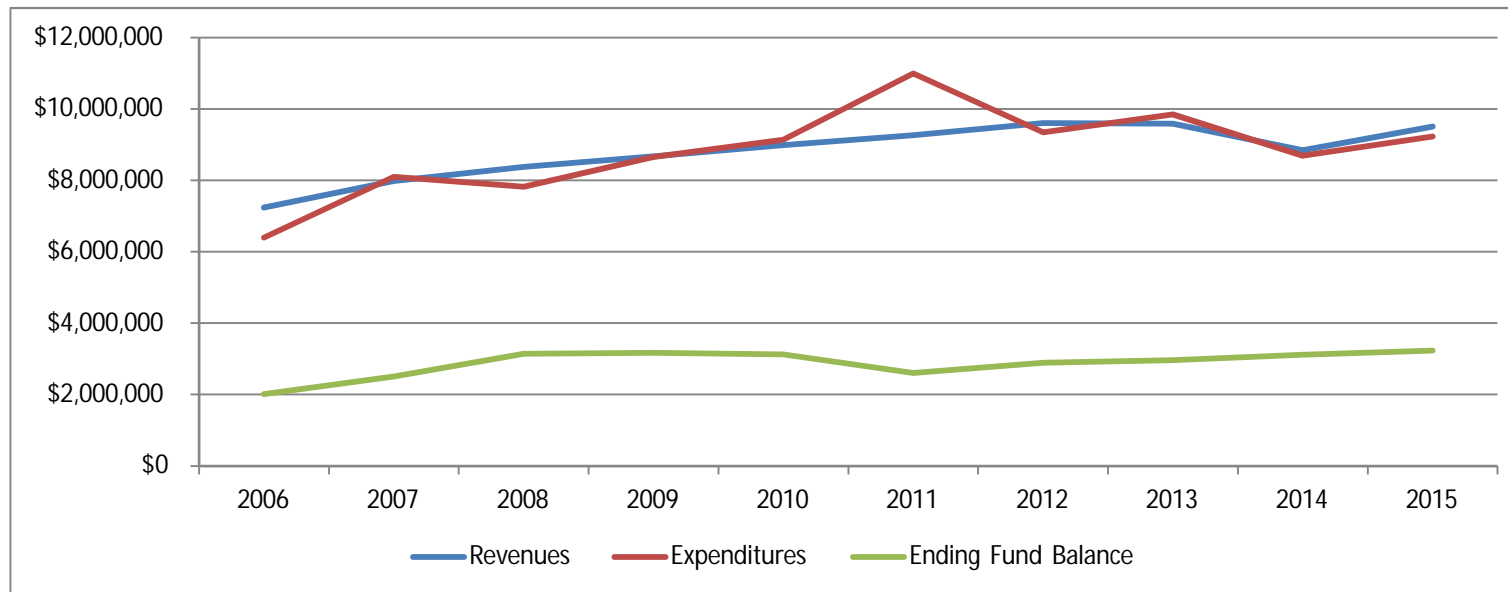
Fiscal Year	Other Governmental Funds					Total				
	Non-spendable	Restricted	Assigned	Unassigned	Total	Non-spendable	Restricted	Assigned	Unassigned	Total
2007	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2008	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2010	n/a	n/a	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
2015	35,228	38,934	400,000	0	474,162	35,228	1,246,308	992,697	955,240	3,229,473

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, 2015

Fiscal Year	Revenues	Expenditures	Other Financing Sources (Uses)	Prior Period Adjustment	Net Change in Fund Balance	Beginning Fund Balance	Ending Fund Balance
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	330,413	73,038	2,891,018	2,964,056
2014	8,836,803	8,690,066	0	0	146,737	2,964,056	3,110,793
2015	9,501,222	9,222,333	(160,209)	0	118,680	3,110,793	3,229,473



Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Govenmental Funds Revenue
Last Ten Years
April 30, 2015

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Taxes										
Property Taxes	\$ 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	\$ 7,926,824
Replacement										
Taxes	29,771	31,266	35,659	32,651	28,901	32,125	28,980	28,732	32,881	32,081
Foreign Fire										
Insurance	24,220	22,410	23,199	24,615	37,014	36,330	39,049	0	0	0
Charges for										
Services	694,070	740,214	816,011	933,992	845,512	1,033,568	1,098,891	945,451	836,148	1,200,832
Grants &										
Contributions	0	0	0	0	48,889	50,681	105,935	219,692	130,121	318,251
Interest Income	123,425	217,704	216,152	67,742	15,714	24,327	20,437	10,624	4,879	5,503
Miscellaneous	47,658	40,193	50,835	30,469	53,025	51,852	11,711	22,840	11,844	17,731
Total Revenues	\$ 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	\$ 9,501,222

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

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Governmental Funds Expenditures
Last Ten Years
April 30, 2015

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government (1)	\$ 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	\$ 4,071,989
Ambulance	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	3,773,902
Pension	0	0	0	0	0	0	935,737	908,331	165,022	202,028
Capital Outlay	0	0	0	0	(a)	(a)	(a)	510,685	80,090	351,501
Other Capital	0	0	0	0	(a)	(a)	(a)	15,616	51,469	59,293
Debt Service										
Principal	0	0	0	0	(a)	(a)	(a)	410,000	440,000	450,000
Interest	0	0	0	0	(a)	(a)	(a)	339,120	326,820	313,620
Combined Capital & Debt Service (a)	0	0	0	0	1,101,659	2,798,269	1,067,430	0	0	0
Total Expenditures	\$ 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	\$ 9,222,333

Ratio of Debt Service Expenditures to Total Non Capital Outlay Expenditures

Debt Service Total	0	0	0	0	(a)	(a)	(a)	749,120	766,820	763,620
Non Capital Total	6,397,909	8,101,344	7,815,064	8,654,603	(a)	(a)	(a)	9,322,298	8,558,507	8,811,539
	0.0000	0.0000	0.0000	0.0000	(a)	(a)	(a)	0.0804	0.0896	0.0867

(1) - Includes General, Insurance, Audit, Social Security, Medicare, 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, 2015

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Year (a)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Tax Levy	\$ 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	\$ 8,957,487
Tax Collections	6,932,192	7,237,308	7,580,019	7,955,964	8,030,694	8,294,131	8,357,813	8,592,258	8,763,435	n/a
Percentage of Taxes Collected	100.02%	99.89%	99.85%	99.80%	99.90%	99.74%	99.76%	99.77%	99.94%	n/a

Data Source

McHenry County Clerk's Office

Kane County Clerk's Office

(a) - 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, 2015

Tax Levy Year	Taxable Real Property		Percentage of Equalized Assessed Value to Estimated Actual Value (a)	Total Direct Tax Rate
	Equalized Assessed Valuation	Estimated Actual Value		
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	0.936
2014	896,929,970	2,690,789,910	33.3	0.999

(a) - 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 2004 - 2013

Tax Rates Per \$100 Equalized Assessed Valuation

Levy Years	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Fire District Rates										
Algonquin-Lake in the Hills Fire Protection District	0.612	0.594	0.582	0.566	0.578	0.586	0.638	0.721	0.827	0.936
Overlapping Rates										
Fire Districts (4)	1.508	1.485	1.566	1.541	1.552	1.561	1.709	1.755	2.683	3.852
Village	0.477	0.464	0.464	0.470	0.485	0.484	0.523	0.564	0.621	0.678
Kane County	0.347	0.337	0.345	0.332	0.334	0.340	0.373	0.399	0.434	0.462
Kane County Forest Preserve	0.143	0.191	0.175	0.197	0.193	0.200	0.220	0.261	0.271	0.304
McHenry County	0.735	0.728	0.706	0.687	0.701	0.716	0.793	0.888	0.996	1.096
McHenry County Conservation	0.158	0.149	0.143	0.174	0.173	0.178	0.196	0.219	0.248	0.275
Park Districts (3)	0.758	0.731	0.712	0.686	0.658	0.696	0.824	0.867	0.765	1.077
Public Libraries (4)	0.710	0.668	0.870	0.846	0.844	0.869	0.992	1.027	1.152	1.231
Road & Bridge (4)	0.244	0.234	0.228	0.221	0.224	0.228	0.255	0.279	0.394	0.439
Schools (4)	8.977	9.063	8.797	8.533	8.489	8.735	9.961	10.451	12.042	13.149
Townships (4)	0.290	0.275	0.241	0.253	0.252	0.262	0.298	0.323	0.417	0.432

Data Source

McHenry County Clerk's Office

Data not yet available in above format for 2014.

Algonquin-Lake in the Hills Fire Protection District
Principal Taxpayers
April 30, 2015

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of District Taxable Assessed Valuation
Costco Wholesale Corp.	\$ 2,817,232	1	0.31%	\$ 4,335,800	2	0.61%
LBUBS 2005C5 Randall Road LLC	2,388,549	2	0.27%	0	(a)	0.00%
Lowe's Home Centers Inc	2,377,120	3	0.27%	3,811,021	3	0.53%
Chicago Title Land Trust	2,109,377	4	0.24%	0	(a)	0.00%
Amalgmated Trust Savings Bank	2,035,358	5	0.23%	2,950,595	5	0.41%
AMH 2014 Borrower LLC	1,581,972	6	0.18%	2,577,769	6	0.36%
Realty Income Prop. LLC	1,525,113	7	0.17%	0	(a)	0.00%
1st Midwest Bank Trust	1,442,410	8	0.16%	0	(a)	0.00%
Federal National Mortgage Association	1,401,894	9	0.16%	0	(a)	0.00%
Barr Harris Bank	1,287,594	10	0.14%	2,236,215	8	0.31%
MJ Realty Investments	0	(a)	0.00%	5,202,151	1	0.73%
Material Service Corp	0	(a)	0.00%	3,534,877	4	0.50%
Boulder Ridge CC	0	(a)	0.00%	2,474,253	7	0.35%
Lake in the Hills Venture LLP	0	(a)	0.00%	1,898,982	9	0.27%
McHenry State Bank	0	(a)	0.00%	1,858,878	10	0.26%
	\$ 18,966,619		2.11%	\$ 30,880,541		4.33%

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, 2015

Taxpayer	2013			2005		
	Number of Employees	Rank	Percent of Total Village Population	Number of Employees	Rank	Percent of Total Village Population
School District #300	397	1	2.57%	0	(a)	0.00%
Walmart	268	2	1.73%	0	(a)	0.00%
Target Manufacturing Inc.	200	3	1.29%	50	8	0.33%
Village of Algonquin	159	4	1.03%	140	2	0.94%
Home Depot	145	5	0.94%	0	(a)	0.00%
Kenmode Tool and Engineering, Inc.	135	6	0.87%	125	4	0.84%
Wauconda Tool and Engineering, Inc.	120	7	0.78%	135	3	0.90%
Aggregate Industries	100	8	0.65%	0	(a)	0.00%
Kohls	95	9	0.61%	0	(a)	0.00%
Duro-Life Corp.	62	10	0.40%	80	6	0.54%
Hanson Material Service Corp.	0	(a)	0.00%	100	5	0.67%
Algonquin State Bank	0	(a)	0.00%	50	8	0.33%
Crystal Die and Mold, Inc.	0	(a)	0.00%	160	1	1.07%
Shiffmayer Plastics Corp.	0	(a)	0.00%	75	7	0.50%
Michael Christopher Ltd.	0	(a)	0.00%	45	9	0.30%
Really Nifty Hot Rod Parts	0	(a)	0.00%	40	10	0.27%

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 2014 not currently available. Data from 2004 was not available; data from 2005 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, 2015**

	Governmental Activities Debt	Percentage Applicable to Village	Amount Applicable to Village
Direct			
Algonquin-Lake in the Hills Fire Protection District	\$ 6,670,000	100%	\$ 6,670,000
Subtotal	6,670,000		6,670,000
Overlapping			
Kane County	37,945,000	1.80%	683,010
McHenry County Conservation Debt	127,550,000	8.30%	10,586,650
Kane County Forest Preserve	190,305,866	1.80%	3,425,506
Dundee Township Park District	20,075,000	15.08%	3,027,310
Huntley Park District	10,880,000	9.62%	1,046,656
Dundee Township	6,910,000	15.12%	1,044,792
Algonquin Library	4,320,000	78.53%	3,392,496
Schools			
District No. 300	309,313,005	33.16%	102,568,192
District No. 158	96,503,595	10.03%	9,679,311
District No. 509	193,829,856	8.63%	16,727,517
Subtotal	997,632,322		152,181,439
Total	\$ 1,004,302,322		\$ 158,851,439

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, 2015

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Population	29,862	30,221	30,310	30,347	30,076	30,013	29,968	30,467	30,046	30,410
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	1,197,180,880
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	2,691,277,680
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	6,670,000
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	0.0056
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	0.0025
Debt Per Capita	261.70	253.63	247.28	240.88	236.40	278.88	265.95	248.14	236.97	219.34

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Debt Limit Information
Last Ten Years
April 30, 2015

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
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	\$897,092,560
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	51,582,822
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	6,670,000
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	44,912,822
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%	0.7%

Data Source

Fire district records

Algonquin-Lake in the Hills Fire Protection District
Debt Service Information
Last Ten Years
April 30, 2015

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Principal	\$ 0	\$ 0	\$ 0	\$ 0	(b)	(b)	(b)	\$ 410,000	\$ 440,000	\$ 450,000
Interest & Fees	0	0	0	0	(b)	(b)	(b)	339,120	326,820	313,620
Total Debt Service	<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>	<u>763,620</u>
Total General Governmental Expenditures (a)	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	9,222,333
Less Capital Outlay	<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>	<u>351,501</u>
Non Capital Governmental Expenditures	<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>	<u>\$ 8,870,832</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>(b)</u>	<u>(b)</u>	<u>(b)</u>	<u>8.02%</u>	<u>8.91%</u>	<u>8.61%</u>

(a) - Includes General, Ambulance, Pension Tax Levy, Capital, Insurance, Insurance, Audit, Social Security, Medicare, 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, 2015

Composite Socio Statistics for the Algonquin Fire Protection District

	2001	2014
Household Income (Family)		
Less than 15,000	2.7%	1.9%
15,000-24,999	3.3%	1.6%
25,000-34,999	5.3%	2.7%
35,000-49,999	11.9%	8.3%
50,000-74,999	22.3%	15.5%
75,000-99,999	21.0%	10.9%
100,000-149,999	22.8%	29.1%
150,000-199,999	6.7%	17.0%
200,000 or more	4.0%	12.9%
Median Family Income	84,437	103,442
Per Capita Personal Income	29,820	39,386
Percent Homes (Owner Occupied)	93.7%	87.6%
Median Home Value (Owner Occupied)	195,100	253,700
Population	23,276	30,410
Unemployment Rate	2.10%	7.60%

Data Source

U.S. Department of Commerce, Census Bureau
 Data not available in above format for year 2005

Algonquin-Lake in the Hills Fire Protection District
Fire District Information
April 30, 2015

	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	n/a	85
Total Incidents	<u>4079</u>	<u>3,852</u>

Data Source

Fire district records

Data not readily available for 2014 and 2005.

Algonquin-Lake in the Hills Fire Protection District
Fire District Facility Locations and Full-Time Employees
April 30, 2015

Fire Station	Address	2005	2014
		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
		14	14

Data Source

Fire district records