

LOCKPORT TOWNSHIP
FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2014

Lockport Township Fire Protection District
Lockport, Illinois
Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i - iii
FINANCIAL SECTION	
Independent Auditor's Report	1 - 2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management's Discussion and Analysis	MD&A 1 - 5
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Governmental Funds	
Balance Sheet	5
Reconciliation of Fund Balance of Governmental Funds to the Governmental Activities in the Statement of Net Assets	6
Statement of Revenues, Expenditures and Changes in Fund Balances	7
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	8

Lockport Township Fire Protection District
Lockport, Illinois
Table of Contents

	<u>Page</u>
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (continued)	
Fiduciary Funds	
Statement of Fiduciary Net Position	9
Statement of Changes in Fiduciary Net Position	10
Notes to Financial Statements	11 - 37
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	38
Ambulance Fund	39 - 40
Schedule of Funding Progress	
Illinois Municipal Retirement Fund	41
Firefighters' Pension Fund	42
Other Postemployment Benefit Plan	43
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	44
Firefighters' Pension Fund	45
Other Postemployment Benefit Plan	46
Notes to Required Supplementary Information	47

Lockport Township Fire Protection District
Lockport, Illinois
Table of Contents

	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
MAJOR GOVERNMENTAL FUNDS	
<u>General Fund</u>	
Combining Balance Sheet – By Subfund	48
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – By Subfund	49
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Corporate Fund	50 - 52
OPEB Fund	53
Fire Pension Levy Fund	54
<u>Vehicle Fund</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	55
NONMAJOR GOVERNMENTAL FUNDS	
Combining Balance Sheet	56
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	57
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Audit Fund	58
Tort Liability Fund	59
Social Security Fund	60
Capital Projects Fund	61

INTRODUCTORY SECTION



September 8, 2014

To the Citizens and Members of the
Boards of Trustees and Fire Commissioners
Lockport Township Fire Protection District
Lockport, Crest Hill and Romeoville, Illinois

We are pleased to present to you, Management's Discussion and Analysis of the Lockport Township Fire Protection District and the audit of financial statements for the year ending April 30, 2014. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the District, ultimately the Fire Chief. To the best of my knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to fairly present the financial position and results of operations of the District. All information necessary to enable the interested reader to gain an understanding of the District's financial condition and activities have been included.

David Skoryi
Fire Chief

John Kure
Deputy Chief

**District
Administrative Center**
19623 Renwick Road
Crest Hill, Illinois 60403
815.838.3287
Fax: 815.838.9141

Company One
828 East Ninth Street
Lockport, Illinois 60441

Company Two
1601 Root Street
Crest Hill, Illinois 60403

Company Three
390 North Weber Road
Romeoville, Illinois 60446

Company Four
17400 Bruce Road
Lockport, Illinois 60441

Company Five
332 O'Hare Drive
Romeoville, Illinois 60446

Company Six
19623 Renwick Road
Crest Hill, Illinois 60403

On the Web
www.lockportfire.org

The Lockport Township Fire Protection District(LTFPD) lies wholly within Will County approximately 30 miles southwest of the City of Chicago along the growing I-355 corridor. LTFPD provides a full range of services to its residents. These include fire suppression services, emergency medical services, underwater rescue and recovery, hazardous material response, fire prevention and public education, fire risk analysis, juvenile fire setters, special rescue and community events. In addition to general operations, the District exercises oversight of the Firefighters' Pension Fund, therefore these activities are included in the reporting entity.

LTFPD operates under an elected Board of Trustees form of government. The Board of Trustees is comprised of five members who are responsible, among other things, for determining policies, passing resolutions and ordinances and adopting the annual budget. The Fire Chief and Deputy Chief are appointed and are responsible for the daily operation and management to the District.

The annual budget serves as the District's foundation for financial planning and control. All teams/functions/stations of the District are required to submit their budget requests to the Finance Director each year. The budget requests are a starting point for developing a proposed budget. The Fire Chief, Deputy Chief and Finance Director estimate the District's anticipated revenues and will meet with each responsible party for the submitted budgets and come up with a proposed budget. A proposed budget is then presented to the Board of Trustees. A copy of the proposed budget is also available to the public at this time. The Board of Trustees is required to hold a public hearing on the proposed budget and to adopt the final Budget.

The budget is prepared by fund, but the format of the budget provides for a program budget with line item supplemental backup. Management is authorized to transfer budgeted amounts between departments within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund.

During the past few years many governmental entities have been facing challenging times as the cost of providing services is increasing and the available revenue resources are limited. At \$1.52 billion, the District's assessed valuation decreased 8.4% in 2012 due to the slowdown in the real estate market. Fortunately, the District has followed a consistent policy of maintaining strong fund balances in all funds as well as funding retirement and post-retirement benefit obligations. The result of these actions has allowed the District to minimize the future burden of these obligations as well as continue to provide a high level of service during these challenging times.

Commercial expansion planned in the City of Lockport throughout the I-355 corridor, most notably at the 159th Street interchange, will most certainly be a catalyst to more economic development in the future of not only the Fire District, but the Lockport/Homer area in general. Along with growth comes the need for public services. Quite often the need exceeds the ability to provide. Years of planning continue to prove to be an excellent investment as the District remains poised to step up to the next level in order to provide the services our customers demand and deserve. In order to meet the continued demand, the District continues to review our "Standards of Coverage". District staff continues to update and expand this report to address the changing needs of the fire district. This document outlines the level of service needed for the rapidly expanding residential, commercial and industrial areas of the District.

Generally accepted accounting principles require that the property tax revenues be matched with the expenditures that we finance on the fund financial statements. The 2013-2014 budget anticipates that the 2012 property tax levy will be used to finance the 2013-2014 expenditures and as a result, the property tax levy is recognized as revenue within the Statement of Revenues, Expenditures and Changes in Fund Balances. As in private enterprise where all accounts receivable are not necessarily collected, not all taxes receivable for any given year are collected. Based on past experience, an allowance for estimated collection losses has been recorded to reduce the property taxes receivable to estimate amounts collectable.

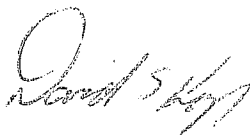
With the new manner in which we report the value of our capital assets, we provide the reader with these few notes on how capital assets are addressed in this annual report:

- General capital assets are capitalized in the Statement of Net Assets. All purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical record exists.
- The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.
- Capital assets are depreciated over the estimated useful life of the asset in the Statement of Net Assets and Statement of Activities.
- In the Fund Financial Statements, general capital assets are recorded as expenditures and depreciation is not considered applicable.

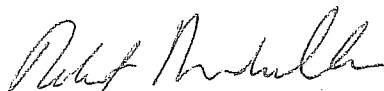
In conclusion, the Lockport Township Fire Protection District is poised to take on a more complicated future. We continue to grow in both facilities as well as personnel. The increase in staff is represented not only in numbers, but also in experience, knowledge and dedication. The accomplishments of staff continue to place the Fire District at the forefront of prosperity and efficiency.

There is much to accomplish and it is the responsibility of this office as well as the elected and appointed officials of the District to assure our constituency of our continued financial strength and ability to provide the highest level of customer service. This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives as well as instill confidence in our financial ability to provide the service they deserve. If you have any questions about this report or need additional information, contact us at the District Administrative Center at 815-838-3287.

Respectfully submitted,



David Skoryi
Fire Chief



Robert Mondrella
Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Lockport Township Fire Protection District
Lockport, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Lockport Township Fire Protection District (the District) as of and for the year ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of April 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

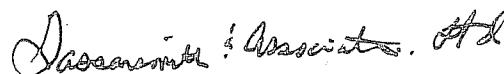
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1 through 5 and pages 38 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects, in relation to the basic financial statements as a whole.



Gassensmith & Associates, Ltd.
Certified Public Accountants

Joliet, Illinois
September 8, 2014

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Management's Discussion and Analysis – Unaudited
April 30, 2014

Required Supplementary Information: This Management's Discussion and Analysis and the General Fund Budgetary Comparison Schedule represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the district-wide statements, fund financial statements and notes (referred to as "the basic financial statements").

Basis of Accounting

The governmental-wide financial statements have elected to report information about the District using accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Reporting Lockport Township Fire Protection District as Whole

Lockport Township Fire Protection District's Entity Presentation:

This annual report includes all activities for which Lockport Township Fire Protection District (the District) is fiscally responsible. These activities are defined as the District's reporting entity.

District-Wide Statements

The Statement of Net Position includes all of the District's assets, liabilities, deferred inflows of resources and how they have changed. The difference between the District's assets, liabilities, and deferred inflows of resources are another way to measure the District's overall financial position. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

- Over time, increases or decreased in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall financial condition of the District, additional non-financial factors, such as changes in the District's property tax base and the condition of buildings and other facilities should be considered.

In the governmental-wide financial statements, the District activities are categorized as government activities. The District's basic services are included here, such as fire protection and ambulance services and administration. Property taxes finance most of these activities.

The District-wide financial statements can be found on pages 3-4 of this report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Management's Discussion and Analysis – Unaudited
April 30, 2014

The Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories; governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet – modified accrual basis and in the governmental fund statement of revenues received, expenditures disbursed and changes in fund balances – modified accrual basis for the General Fund, Ambulance Fund and Vehicle Fund, which are considered to be major funds. Information from the District's other governmental funds is combined into a single column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report. The governmental fund financial statements can be found on pages 5 - 8 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The fiduciary fund statements can be found on pages 9 – 10 of this report.

Notes to Financial Statements

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

Other Information

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

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Management's Discussion and Analysis – Unaudited
April 30, 2014

General Fund Budgetary Analysis

The General Fund of the District was under budget by \$12,772 for the current fiscal year.

Condensed Financial Information:

Table 1

	Governmental Activities	
	<u>April 30, 2014</u>	<u>April 30, 2013</u>
Assets		
Current Assets	30,507,257	29,250,821
Capital Assets	<u>15,276,682</u>	<u>15,853,145</u>
Total Assets	<u><u>45,783,939</u></u>	<u><u>45,103,966</u></u>
Liabilities		
Current liabilities	997,622	1,037,783
Long-term liabilities	<u>11,546,257</u>	<u>12,102,615</u>
Total Liabilities	<u>12,543,879</u>	<u>13,140,398</u>
Deferred Inflows of Resources	<u>16,822,387</u>	<u>16,564,988</u>
Net Position		
Invested in capital assets, net of related debt	11,191,682	10,991,869
Restricted	110,195	100,382
Unrestricted	<u>5,115,796</u>	<u>4,882,198</u>
Total Net Position	<u><u>16,417,673</u></u>	<u><u>15,974,449</u></u>

As seen in table 2, total income stood at \$19,446,220 at the end of the fiscal year, of which \$1,537,909 was from fees and charges for services (mainly ambulance fees). Total expenditures at the end of the fiscal year stood at \$19,002,996, including current year depreciation and accrued interest payable, excluding capital outlay purchases and debt principal payments and prepaid expenses. Overall, the District appears to be in good financial condition.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Management's Discussion and Analysis – Unaudited
 April 30, 2014

Table 2
 Change in Net Position

	Governmental Activities	
	<u>April 30, 2014</u>	<u>April 30, 2013</u>
Revenues		
Program Revenues		
Charges for Services	1,537,909	1,836,262
Capital Grants & Contributions	83,484	513,881
General Revenues		
Taxes	17,354,846	16,762,009
Investment Income	14,787	17,345
Miscellaneous	<u>455,194</u>	<u>626,270</u>
Total Revenues	<u>19,446,220</u>	<u>19,755,767</u>
Program Activities		
Fire protection	10,563,590	10,121,188
Ambulance services	7,065,879	6,830,355
Intergovernmental	1,124,256	1,249,495
Unallocated interest expense	<u>249,271</u>	<u>219,808</u>
Total Expenditures	<u>19,002,996</u>	<u>18,420,846</u>
Change in Net Position	443,224	1,334,921
Beginning Net Position	<u>15,974,449</u>	<u>14,639,528</u>
Ending Net Position	<u><u>16,417,673</u></u>	<u><u>15,974,449</u></u>

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Management's Discussion and Analysis – Unaudited
April 30, 2014

Capital Assets

The District's investment in capital assets as of April 30, 2014 is summarized below, refer to Note 5 for more information.

	Capital Assets	
	Governmental activities	
	<u>April 30, 2014</u>	<u>April 30, 2013</u>
Land	1,517,896	1,517,896
Improvements	230,138	240,749
Buildings	10,699,187	11,021,250
Equipment	<u>2,829,461</u>	<u>3,073,250</u>
Total Capital Assets, net of accumulated depreciation	<u>15,276,682</u>	<u>15,853,145</u>

Long-term Debt

At April 30, 2014, the District had \$12,111,780 in long-term debt, compared to \$12,102,615 in the prior year. There was an increase of \$608,860 in net postemployment benefit obligations. Refer to Note 6 for additional information.

	Governmental Activities	
	<u>April 30, 2014</u>	<u>April 30, 2013</u>
Long-term Debt	<u>12,111,780</u>	<u>12,102,615</u>

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT ILLINOIS

STATEMENT OF NET POSITION

April 30, 2014

	Governmental Activities
ASSETS	
Cash	10,094,166
Investments	205,513
Receivable, net of allowance for uncollectibles	
Property Taxes	16,747,549
Accounts	238,575
Other assets	380,438
Net pension asset	2,841,016
Capital assets not being depreciated	1,517,896
Capital assets (net of accumulated depreciation)	13,758,786
TOTAL ASSETS	45,783,939
LIABILITIES	
Accounts Payable	56,575
Accrued expenditures	326,761
Due to fiduciary funds	99
Accrued interest	48,664
Long-term liabilities	
Due within one year	565,523
Due in more than one year	11,546,257
TOTAL LIABILITIES	12,543,879
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes	16,822,387
NET POSITION	
Invested in capital assets, net of related debt	11,191,682
Restricted for	
Specific purposes	91,741
Retirement	18,454
Unrestricted	5,115,796
TOTAL NET POSITION	16,417,673

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2014

		Program Revenues			Net (Expense) Revenue and Change in Net Assets
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Governmental Activities</u>	
FUNCTIONS/PROGRAMS					
PRIMARY GOVERNMENT					
Governmental Activities					
Fire Protection	10,564,172	13,875	-	83,484	(10,466,813)
Ambulance service	7,065,879	1,524,034	-	-	(5,541,845)
Intergovernmental	1,124,256	-	-	-	(1,124,256)
Interest	<u>249,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(249,271)</u>
Total Governmental Activities	<u>19,003,578</u>	<u>1,537,909</u>	<u>-</u>	<u>83,484</u>	<u>(17,382,185)</u>
TOTAL PRIMARY GOVERNMENT	<u><u>19,003,578</u></u>	<u><u>1,537,909</u></u>	<u><u>-</u></u>	<u><u>83,484</u></u>	<u><u>(17,382,185)</u></u>
General Revenue					
Taxes					
Property					16,426,855
Replacement					927,991
Foreign fire insurance					49,734
Investment Income					15,369
Reimbursements					288,051
Miscellaneous					<u>117,409</u>
Total General Revenue					<u>17,825,409</u>
CHANGE IN NET POSITION					443,224
NET POSITION, MAY 1					<u>15,974,449</u>
NET POSITION, APRIL 30					<u><u>16,417,673</u></u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 BALANCE SHEET
 GOVERNMENTAL FUNDS

For the Year Ended April 30, 2014

	<u>General</u>	<u>Ambulance</u>	<u>Vehicle</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Activities</u>
ASSETS					
Cash	3,737,549	1,714,563	2,546,739	2,095,315	10,094,166
Investments	53,528	151,985	-	-	205,513
Receivables					
Property Taxes	8,186,590	5,646,741	-	2,914,218	16,747,549
Interest	-	-	-	-	-
Accounts	-	238,575	-	-	238,575
Due from other funds	18,560	-	-	188,403	206,963
Deposits	-	-	380,438	-	380,438
TOTAL ASSETS	<u>11,996,227</u>	<u>7,751,864</u>	<u>2,927,177</u>	<u>5,197,936</u>	<u>27,873,204</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	16,256	10,785	-	29,534	56,575
Accrued payroll expenditures	191,244	130,620	-	4,897	326,761
Due to other funds	145,180	60,894	-	889	206,963
Due to fiduciary funds	99	-	-	-	99
Total Liabilities	<u>352,779</u>	<u>202,299</u>	<u>-</u>	<u>35,320</u>	<u>590,398</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Taxes	8,186,590	5,646,741	-	2,989,056	16,822,387
FUND BALANCES					
Nonspendable	-	-	380,438	-	380,438
Restricted for specific purposes	-	-	-	91,741	91,741
Restricted for retirement	-	-	-	18,454	18,454
Assigned for retirement	435	-	-	-	435
Assigned for retiree insurance	1,297,080	-	-	-	1,297,080
Assigned for capital projects	-	-	2,546,739	1,711,440	4,258,179
Assigned for ambulance operations	-	1,902,824	-	-	1,902,824
Unassigned	2,159,343	-	-	351,925	2,511,268
Total Fund Balances	<u>3,456,858</u>	<u>1,902,824</u>	<u>2,927,177</u>	<u>2,173,560</u>	<u>10,460,419</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>11,996,227</u>	<u>7,751,864</u>	<u>2,927,177</u>	<u>5,197,936</u>	<u>27,873,204</u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2014

FUND BALANCES OF GOVERNMENTAL FUNDS		10,460,419
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		15,276,682
The net pension asset is not a current financial resource and, therefore, is not reported in the governmental funds		2,841,016
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Long-term liabilities at year end consist of:		
Fire protection notes and loan payable	(4,085,000)	
Compensated absences	(2,655,232)	
Net other postemployment benefit obligation	(5,371,548)	
Accrued interest on long-term debt	<u>(48,664)</u>	
		<u>(12,160,444)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>16,417,673</u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS

For the Year Ended April 30, 2014

	<u>General</u>	<u>Ambulance</u>	<u>Vehicle</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Activities</u>
REVENUES					
Taxes	9,522,574	4,550,233	-	3,331,773	17,404,580
Intergovernmental	-	-	-	83,484	83,484
Reimbursements	231,631	56,420	-	-	288,051
Charges for services	13,875	1,524,034	-	-	1,537,909
Investment income	7,582	3,940	3,265	582	15,369
Grant Revenue	-	-	-	-	-
Miscellaneous	28,414	7,459	61,633	19,903	117,409
TOTAL REVENUES	<u>9,804,076</u>	<u>6,142,086</u>	<u>64,898</u>	<u>3,435,742</u>	<u>19,446,802</u>
EXPENDITURES					
Current					
Fire protection	8,430,341	-	83	1,659,351	10,089,775
Ambulance service	1,125,798	4,560,249	-	1,097,015	6,783,062
Intergovernmental	674,554	449,702	-	-	1,124,256
Capital Outlay	-	-	99,306	31,273	130,579
Debt service					
Principal retirement	159,000	106,000	446,276	-	711,276
Interest and fiscal charges	145,078	72,845	31,348	-	249,271
TOTAL EXPENDITURES	<u>10,534,771</u>	<u>5,188,796</u>	<u>577,013</u>	<u>2,787,639</u>	<u>19,088,219</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	(730,695)	953,290	(512,115)	648,103	358,583
OTHER FINANCING SOURCES (USES)					
Issuance of Bonds	4,085,000	-	-	-	4,085,000
Premium on Bonds Sold	104,607	-	-	-	104,607
Transfer to Bond Paying Agent	(4,153,797)	-	-	-	(4,153,797)
Transfers In	982,729	-	200,000	650,000	1,832,729
Transfers (out)	(450,000)	(982,729)	-	(400,000)	(1,832,729)
TOTAL FINANCING SOURCES (USES)	<u>568,539</u>	<u>(982,729)</u>	<u>200,000</u>	<u>250,000</u>	<u>35,810</u>
NET CHANGE IN FUND BALANCES	<u>(162,156)</u>	<u>(29,439)</u>	<u>(312,115)</u>	<u>898,103</u>	<u>394,393</u>
FUND BALANCES, MAY 1	<u>3,619,014</u>	<u>1,932,263</u>	<u>3,239,292</u>	<u>1,275,457</u>	<u>10,066,026</u>
FUND BALANCES, APRIL 30	<u>3,456,858</u>	<u>1,902,824</u>	<u>2,927,177</u>	<u>2,173,560</u>	<u>10,460,419</u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE
 STATEMENT OF ACTIVITIES GOVERNMENTAL FUNDS

APRIL 30, 2014

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	394,393
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	130,579
Increase in the net pension asset is reported only in the statement of activities	646,850
The issuance of new bonds is recorded as other financing sources in the governmental funds, but the issuance increases of long-term liabilities in the Statement of Net Position	(4,085,000)
The payment of \$4,153,797 to a bond refunding paying agent was recorded as other financing uses in governmental funds, however, \$4,150,000 was used to retire bonds, \$3,797 was recorded as a loss on current refunding of debt.	4,150,000
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding or when incurred in the statement of activities	
Notes and loans payable	265,000
Capital leases	446,276
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(707,042)
Increase in accrued interest payable	(12,391)
Increase in net other postemployment benefit obligation payable	(608,860)
Increase in compensated absences payable	<u>(176,581)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>443,224</u></u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
April 30, 2014

ASSETS	
Cash and cash equivalents	2,170,520
Investments	
U.S. Treasury securities	9,038,694
U.S. Agencies securities	4,872,582
Money market mutual funds	1,389,272
Equities	8,712,753
Equity mutual funds	8,619,341
Accrued interest	166,392
Due from the District - General Fund	<u>99</u>
TOTAL ASSETS	34,969,653
LIABILITIES	
None	<u>-</u>
TOTAL LIABILITIES	<u>-</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u><u>34,969,653</u></u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 For the Year Ended April 30, 2014

ADDITIONS	
Contributions	
Employer contributions	2,528,090
Employee contributions	742,400
Other income	<u>2,610</u>
Total Contributions	<u>3,273,100</u>
Investment income	
Net appreciation in fair value of investments	1,230,598
Interest	<u>991,126</u>
Total investment income	2,221,724
Less investment expense	<u>(175,738)</u>
Net investment income	<u>2,045,986</u>
TOTAL ADDITIONS	<u>5,319,086</u>
DEDUCTIONS	
Administration	53,017
Benefits and refunds	
Retirement benefits	1,649,545
Disability benefits	253,553
Contribution refunds	<u>8,650</u>
TOTAL DEDUCTIONS	<u>1,964,765</u>
NET INCREASE	3,354,321
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
May 1	<u>31,615,332</u>
April 30	<u><u>34,969,653</u></u>

See accompanying notes to financial statements.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Accounting policies of the Lockport Township Fire Protection District (the District) are in accordance with accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following is a summary of the significant accounting policies of the District.

a. Reporting Entity

The District provides fire, rescue, emergency medical services and general administrative services.

As required by U.S. generally accepted accounting principles, these financial statements present the District and any component units, entities for which the District is considered to be financially accountable. At April 30, 2014, there were no entities that would be considered a component unit of the District. Also, the District is not considered a component unit of any other governmental entity.

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for the District's general activities. The General Fund is the primary operating fund; accounting for all financial resources not accounted for in another fund. Special revenue funds account for revenue sources that are legally restricted or committed for specific purposes (except for capital projects funds). Capital projects funds are account funds that are restricted, committed or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, a pension trust fund is used.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Government-wide and Fund Financial Statements

The government-wide financial statement (i.e., the statement of net position and the statement of activities) reports information on all of the non-fiduciary activities of the District. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and shared revenues that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It is comprised of three subfunds: the Corporate Fund, the OPEB Fund and the Fire Pension Levy Fund. The corporate Fund accounts for the direct costs of fire suppression and an allocation of administration costs. The OPEB Fund accounts for all costs of other postemployment benefits. The Fire Pension Levy Fund accounts for the property tax levy for the Fire Pension Fund.

The Ambulance Fund accounts for the direct costs of emergency medical services and an allocation of administration costs funded by a restricted tax levy and assigned ambulance fees.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Government-wide and Fund Financial Statements (continued)

The Vehicle Fund accounts for the accumulation of resources assigned for the acquisition of capital assets.

Additionally, the District reports the Firefighters' Pension Fund as a Fiduciary Fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and the fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (generally 60 days). The District recognizes property taxes when they become both measurable and available (collected) in the year intended to finance. Expenditures are recorded when the related liability is incurred. Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are property taxes, replacement taxes, ambulance billings and interest on investments.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Deferred Inflows/Outflows of Resources

The deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resource in the period that the amounts become available.

f. Deposits and Investments

Investments in governmental funds with maturities of one year or more from the date of purchase, other than nonnegotiable certificates of deposit, are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase and nonnegotiable certificates of deposit are stated at cost or amortized cost. All other investments which do not consider market rates are stated at cost. Investment income has been allocated to each fund based on investments held by the fund. All investments of the fiduciary funds are reported at fair value.

g. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of the interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

h. Prepaid Expenses/Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/items.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, equipment, certain intangible assets and infrastructure assets (e.g., parking lots and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	40
Improvements	20
Equipment	5 - 10

j. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. If an employee resigns, is fired or disabled, he is paid for unused vacation time. If he retires, he is also paid one-quarter of his sick time up to 31 days.

In the fund financial statements, compensated absences are reported as a fund liability for amounts owed to terminated or retired employees. The general fund has been used in prior years to liquidate the liability for compensated absences. Employees must use vacation time within one year of accrual or it is lost. Accumulated unused vacation and sick pay is recorded in the government-wide financial statements as a expense and liability of those funds as the benefits accrue to employees.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond and note premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the related debt using the effective interest method. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognized bond and note premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

l. Fund Balance/Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation. In the fund financial statements, governmental funds report non-spendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or internally restricted via enabling legislation. Committed fund balance is constricted by formal actions of the District's Board of Trustees, which is considered the District's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Fire Chief and the Director of Finance by the District Board of Trustees. Any residual fund balance in the General Fund and deficit balances in other funds are reported as unassigned.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Fund Balance/Net Position (continued)

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. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. None of the District's net assets are restricted as a result of enabling legislation adopted by the District. Invested in capital assets, net of related debt is the book value of capital assets less any outstanding debt that was issued to construct the capital assets.

The District has a policy to maintain unassigned fund balance in the General Fund at a minimum of 20% of current year budgeted operating expenditures. Any amount in excess of 25% is considered available to fund capital or other operations.

2. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar for the District.

- a. The property tax lien date is January 1.
- b. The annual tax levy ordinance for 2013 was passed November 13, 2013.
- c. Property taxes are due to the County Collector in two installments, on June 1 and September 1.
- d. Property tax remittances are normally received periodically beginning in June and generally ending by December.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

2. PROPERTY TAX CALENDAR (continued)

The 2014 tax levy, which attached as an enforceable lien on property as of January 1, 2014, has not been recorded as a receivable as of April 30, 2014 as the tax has not yet been levied by the District and will not be levied until December 2014 and, therefore, the levy is not measurable at April 30, 2014.

3. DEPOSITS AND INVESTMENTS

a. District Investments

The District's investment policy authorizes the District to invest in all investments allowed by Illinois Compiled Statutes (30 ILCS 235/2). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, commercial paper provided that: the issuer is a U.S. corporation with more than \$500 million in assets; the security is rated within the three highest classifications by two standard rating services; the security will mature within 180 days of purchase and such purchase does not exceed 10% of the issuer's outstanding obligations, insured credit union accounts whose principal office is in Illinois money market mutual fund with portfolios of securities issued or guaranteed by the United States, repurchase agreements which are collateralized by full faith and credit U.S. Treasury securities, short-term discount obligations of the Federal National Mortgage Association and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

The District's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the District will not invest in any institution in which the District's funds on deposit are in excess of 25% of the institutions capital stock, surplus and undivided profits.

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 objectives of the policy are, in order of priority, safety of capital, liquidity, maintenance of public trust and prudence.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

3. DEPOSITS AND INVESTMENTS (continued)

a. District Investments (continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured with the collateral held by the District or the District's agent in the District's name or by a single institution collateral pool.

At April 30, 2014, the carrying amount of the District's deposits was \$10,094,166, which includes petty cash funds of \$150 held at the Township, and the bank balance was \$10,139,415.

Investments

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market and by limiting the maximum maturity of an investment to one year when purchased.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued backed by the full faith and credit of the United States Government. Illinois Funds is rated AAA. The District's investment policy does not address credit risk. Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Dis-

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

3. DEPOSITS AND INVESTMENTS (continued)

a. District Investments (continued)

trict's investment policy requires all investments be held by an agent of the District in the District's name. Illinois Funds is not subject to custodial credit risk.

Concentration of credit risk is the risk that the District has a high percentage of their investments invested in one type of investment. The District's investment policy requires that no more than 50% be invested in a single financial institution, exclusive of securities guaranteed by the full faith and credit of the United States of America or obligations of the United States of America agencies.

b. Firefighters' Pension Fund Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include interest-bearing bonds or tax anticipation warrants of the United States of America, the State of Illinois or any county, township or municipal corporation of the State of Illinois, insured withdrawable capital accounts of federal and state savings and loan institutions, certificates of deposit of a national or state bank insured by the Federal Deposit Insurance Corporation, insured credit union investments insured by the National Credit Union Administration, obligations of the U.S. Treasury and U.S. agencies, contracts and agreements supplemental thereto providing for investments in the general accounts of a life insurance company authorized in the State of Illinois, separate accounts of a life insurance company authorized in the State of Illinois comprised of real estate or loans upon real estate secured by first or second mortgages, mutual funds that: are managed by an investment company; have been in operation for at least five years; has total net assets of \$250 million; and are comprised of a diversified portfolio of common or preferred stock, bonds or money market instruments and common and preferred stocks through an investment advisor.

It is the policy of the Firefighters' Pension Fund 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 Firefighters' Pension Fund 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 preservation of capital.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

3. DEPOSITS AND INVESTMENTS (continued)

b. Firefighters' Pension Fund Investments (continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund's investment policy does not address custodial credit risk for deposits. As of fiscal year-end, all of the bank balances were insured or collateralized by securities held in safekeeping in a custodial account at a federal reserve bank.

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2014:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Greater than 10</u>
U.S. Treasury notes	2,716,792	2,655,309	-	-	61,483
FNMA	2,155,790	2,155,790	-	-	-
FHLMC	<u>9,038,694</u>	<u>7,682,917</u>	<u>1,355,777</u>	<u>-</u>	<u>-</u>
TOTAL	<u>13,911,276</u>	<u>12,494,016</u>	<u>1,355,777</u>	<u>-</u>	<u>61,483</u>

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The duration of the portfolio is targeted at approximately five years and will range from two to seven years depending on conditions.

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Government securities and money market mutual funds. The FNMA, FHLMC and money market mutual fund securities are rated AA+.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

3. DEPOSITS AND INVESTMENTS (continued)

b. Firefighters' Pension Fund Investments (continued)

Investments (continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters' pension Fund requires SIPC insurance or excess SIPC for all investments exposed to custodial credit risk as the policy allows the broker/dealer purchasing the investment to also serve as custodian over the investment.

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of their investments invested in one type of investment. The Firefighters' Pension Fund's investment policy sets percentage allocation parameters at: equities are limited to a maximum of 50% of the portfolio based on state statutes. Fixed income and equities diversification is required as noted below:

	<u>Target</u>	<u>Range</u>
FIXED INCOME		
U.S. Treasury bills/notes/bonds	30%	0 - 100%
U.S. agency securities (non-MBS)	35%	0-70%
U.S. agency securities (callable)	20%	0-30%
U.S. 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%
EQUITIES		
U.S. large company stocks	70%	0-100%
U.S. small company stocks	20%	0-70%
International stocks	10%	0-30%

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

4. INTERFUND ACTIVITY

Transfers to/from other funds at April 30, 2014 consist of the following:

	Transfer In	Transfer Out
General Fund	982,729	450,000
Ambulance Fund	-	982,729
Vehicle Fund	200,000	-
Nonmajor Governmental Fund	650,000	400,000
TOTAL	1,832,729	1,832,729

The purposes of the significant transfers in/out are as follows:

- \$982,729 – The Ambulance Fund transferred money to the General Fund to fund retirement benefits and other operational costs. The transfer will not be repaid.
- \$200,000 – The Ambulance fund transferred money to the Vehicle Fund to pay for capital acquisitions. The transfer will not be repaid.
- \$650,000- The General Fund transfer money to the Nonmajor Governmental Funds to pay for capital improvements. The transfer will not be repaid.

Due to/from other funds at April 30, 2014 consists of the following:

	Due From	Due To
General Fund	18,560	145,180
Ambulance Fund	-	60,894
Nonmajor Governmental Fund	188,403	889
TOTAL	206,963	206,963

- The interfund loans between all funds relate to short-term cash loans and cost allocations that have not been repaid. The amounts will be repaid within one year.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2014 was as follows:

	Balances, May 1	Increases	Decreases	Balances, April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	1,517,896	-	-	1,517,896
Total capital assets not being depreciated	1,517,896	-	-	1,517,896
Capital assets being depreciated				
Buildings	13,487,439	-	-	13,487,439
Improvements	531,420	31,273	-	562,693
Equipment	6,623,379	99,306	78,829	6,643,856
Total capital assets being depreciated	20,642,238	130,579	78,829	20,693,988
Less accumulated depreciation for				
Buildings	2,466,189	322,063	-	2,788,252
Improvements	290,671	41,884	-	332,555
Equipment	3,550,129	343,095	78,829	3,814,395
Total accumulated depreciation	6,306,989	707,042	78,829	6,935,202
Total capital assets being depreciated, net	14,335,249	(576,463)	-	13,758,786
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	15,853,145	(576,463)	-	15,276,682

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
Fire protection	353,521
Ambulance services	353,521
TOTAL	707,042

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

6. GENERAL LONG-TERM DEBT

a. Notes Payable

The District issued \$6,300,000 Series 2006 Fire Protection Notes dated January 15, 2006 to finance various building improvements in the District. Principal and interest is due annually each January 1 through January 1, 2026. Interest is payable semi-annually each January 1 and July 1 at rates ranging from 3.90% to 4.25%. There is no remaining principal balance at April 30, 2014.

b. Capital Leases Payable

On July 27, 2006, the District entered into a lease payable at 5.2% interest to finance two 2006 Pierce Enforcer Pumpers. The note is payable in annual installments of principal and interest of \$86,687 each July and matures on August 27, 2016 with a final balloon payment. The lease was paid in full during fiscal 2014.

The assets acquired through capital leases for governmental activities have a cost and book value of \$762,952 and \$534,094, respectively.

c. Notes Payable

The District issued \$4,085,000 Series 2013 Fire Protection Refunding Notes dated December 19, 2013 to refund the Series 2006 Fire Protection Notes. Principal and interest is due annually each January 1 through January 1, 2026. Interest is payable semi-annually each January 1 and July 1 at rates ranging from 2.00% to 4.25%.

d. Advance Refunding of Debt

On December 19, 2013 The District issued \$4,085,000 Series 2013 Fire Protection Refunding Notes, with a premium of \$139,607 to refund the Series 2006 Fire Protection Notes. The net proceeds of \$4,153,797, after payment of \$35,810 in underwriting fees, insurance, and other issuance costs, were used to refund the remaining outstanding Series 2006 Fire Protection Notes. As a result, the refunded portion of these bonds has been removed from the statement of net position. The District's advance refunding of 2006 Series Notes decreased its total debt service payments years by \$233,762.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

6. GENERAL LONG-TERM DEBT (continued)

e. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended April 30, 2014:

	<u>May, 1 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30, 2014</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
Notes payable	4,415,000	4,085,000	4,415,000	4,085,000	300,000	3,785,000
Loans payable	446,276	-	446,276	-	-	-
Compensated absences payable	2,478,651	424,446	247,865	2,655,232	265,523	2,389,709
Net postemployment benefits obligation	<u>4,762,688</u>	<u>608,860</u>	<u>-</u>	<u>5,371,548</u>	<u>-</u>	<u>5,371,548</u>
Total Long-Term Debt	<u>12,102,615</u>	<u>5,118,306</u>	<u>5,109,141</u>	<u>12,111,780</u>	<u>565,523</u>	<u>11,546,257</u>

The compensated absences and net other postemployment benefit obligations have historically been retired by the General and Ambulance Funds.

f. Debt Service Requirements to Maturity

The annual debt service requirements to amortize the governmental activities outstanding debt as of April 30, 2014 are as follows:

Fiscal Year Ending <u>April 30</u>	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2015	300,000	141,431
2016	300,000	130,869
2017	300,000	124,869
2018	310,000	112,869
2019	320,000	106,669
2020-2024	1,755,000	373,694
2025-2026	<u>800,000</u>	<u>51,425</u>
TOTAL PRINCIPAL AND INTEREST	<u>4,085,000</u>	<u>1,041,825</u>

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

6. GENERAL LONG-TERM DEBT (continued)

g. Legal Debt Margin

Assessed Valuation - 2013 (Latest available amount)	<u>1,419,492,569</u>
Legal Debt Limit - 8.625% of Assessed Valuation	142,989,079
Amount of Debt Applicable to Debt Limit 2013 Fire Protection Notes	<u>4,085,000</u>
Legal Debt Margin	<u>138,904,079</u>

7. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described in the following note, the District provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contract. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental activities.

b. Benefits Provided

The District provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the District's two retirement plans. A retired employee who wishes to continue coverage shall receive 50% to 65% of their insurance premium paid by the District. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the District's plan becomes secondary.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

7. OTHER POSTEMPLOYMENT BENEFITS (continued)

c. Membership

At April 30, 2013, most recent information available, membership consisted of:

Retirees and beneficiaries currently receiving benefits	38
Terminated employees entitled to benefits but not yet receiving them	0
Active vested plan members	44
Active nonvested plan members	<u>44</u>
TOTAL	<u>126</u>
Participating employers	<u>1</u>

d. Funding Policy

The District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

The District had an actuarial valuation performed for the plan as of April 30, 2013 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2014. The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the previous three years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2014	748,363	139,503	18.64%	5,371,548
April 30, 2013	767,477	148,909	19.40%	4,762,688
April 30, 2012	797,538	114,778	14.39%	4,144,120

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

7. OTHER POSTEMPLOYMENT BENEFITS (continued)

d. Funding Policy (continued)

The net OPEB obligation as of April 30, 2014 was calculated as follows:

Annual required contribution	739,849
Interest on net OPEB obligation	190,508
Adjustment to annual required contribution	<u>(181,994)</u>
Annual OPEB cost	748,363
Contributions made	<u>139,503</u>
Increase in net OPEB obligation	608,860
Net OPEB obligation, beginning of year	<u>4,762,688</u>
Net OPEB obligation, end of year	<u><u>5,371,548</u></u>

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2013 was as follows:

Actuarial accrued liability (AAL)	12,510,408
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	12,510,408
Funded ration (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	7,740,562
UAAL as a percentage of covered payroll	161.62%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

7. OTHER POSTEMPLOYMENT BENEFITS (continued)

e. Annual OPEB Costs and Net OPEB Obligations

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

In the April 30, 2013 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a discount rate of 4.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the District has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as level percentage of projected payroll on an open 30 year basis.

8. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Descriptions

The District maintains a single-employer, defined benefit pension plan (Firefighters' Pension Fund) which covers its qualified sworn employees and participates in the statewide Illinois Municipal Retirement Fund, an agent multiple-employer public employee pension plan which covers substantially all of the remaining qualified District employees. The information presented in the following notes for the Firefighters' Pension Fund is for the year ended April 30, 2014 and the Illinois Municipal Retirement Fund is for the year ended December 31, 2013.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension administered by the Firefighters' Pension Fund Board. Separately audited GAAP financial statements are not issued by the Firefighters' Pen-

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

8. EMPLOYEE RETIREMENT SYSTEMS (continued)

a. Plan Descriptions (continued)

sion Fund Board. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-100), et seq. and may be amended only by the Illinois legislature. The District accounts for the plan as a pension trust fund. The District's contribution, as a percentage of covered payroll, for the year ended April 30, 2014 was 32.30%.

The financial statements of the Firefighters' Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sale price on the balance sheet date. Securities without an established market are reported at estimated fair value.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.0% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary or pension purposes is capped at \$106,800,

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

8. EMPLOYEE RETIREMENT SYSTEMS (continued)

a. Plan Descriptions (continued)

Firefighters' Pension Plan (continued)

plus the lesser of one-half of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under age 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases incur annually, each January thereafter. The increase is the lesser of 3.0% or 1/2 of the change in the Consumer Price Index for the proceeding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The District is required to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the District has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan.

At April 30, 2014, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	31
Employees	43
Vested	40
Nonvested	<u>40</u>
TOTAL	<u>114</u>

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

8. EMPLOYEE RETIREMENT SYSTEMS (continued)

a. Plan Descriptions (continued)

Illinois Municipal Retirement Fund

The District's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole but not by individual employer. That report may be obtained at IMRF's website at www.imrf.org.

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

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

8. EMPLOYEE RETIREMENT SYSTEMS (continued)

a. Plan Descriptions (continued)

Illinois Municipal Retirement Fund (continued)

Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 2013 was 12.87% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis (overfunded liability amortized on an open basis). The amortization period at December 31, 2011 was 30 years.

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Firefighters' Pension
Actuarial valuation date	December 31, 2011	May 1, 2014
Actuarial cost method	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	4 Year Average Market
Amortization method	Level percentage of payroll	Level percentage of payroll
Amortization period	30 Years, open	19 Years, close
Significant actuarial assumptions		
a) Rate of return on present and future assets	7.5% compounded annually	7.5% compounded annually
b) Projected salary increase attributable to inflation	4.0% compounded annually	5.0% compounded annually
c) Additional projected salary increases - seniority/merit	.40% to 10.0%	3%
d) Postretirement benefit increases	3.00%	Not available

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements

April 30, 2014

8. EMPLOYEE RETIREMENT SYSTEMS (continued)

b. Annual Pension Costs

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

	For Fiscal Year	Illinois Municipal Retirement	Firefighters' Pension
Annual pension cost	2012	48,439	1,670,539
(APC)	2013	41,983	1,749,591
	2014	37,945	1,881,240
Actual contribution	2012	48,439	1,900,525
	2013	41,983	2,103,880
	2014	37,945	2,528,090
Percentage of APC contributed	2012	100.00%	100.00%
	2013	100.00%	100.00%
	2014	100.00%	100.00%
NPO (NPA)	2012	-	(1,839,877)
	2013	-	(2,194,166)
	2014	-	(2,841,016)

The NPO as of April 30, 2014 has been calculated as follows:

Annual required contribution	1,906,630
Interest on net pension obligation	(164,562)
Adjustment to annual required contributions	<u>139,172</u>
Annual pension cost	1,881,240
Contributions made	<u>2,528,090</u>
Decrease in net pension obligation (asset)	(646,850)
Net pension obligation (asset), beginning of year	<u>(2,194,166)</u>
NET PENSION OBLIGATION (ASSET), END OF YEAR	<u><u>(2,841,016)</u></u>

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

8. EMPLOYEE RETIREMENT SYSTEMS (continued)

c. Funded Status

The funded status of the plans as of April 30, 2014 is based on actuarial valuations performed as of December 31, 2013 for the Illinois Municipal Retirement Fund (the District) and April 30, 2014 (Firefighters' Pension Plan) and is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans.

	Illinois Municipal Retirement	Firefighters' Pension
Actuarial accrued liability (AAL)	675,800	52,972,191
Actuarial value of plan assets	431,508	34,969,654
Unfunded actuarial accrued liability (UAAL)	244,292	18,002,537
Funded ration (actuarial value of plan assets/AAL)	63.85%	66.02%
Covered payroll (active plan members)	306,208	7,826,010
UAAL as a percentage of covered payroll	79.78%	230.03%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

d. Defined Contribution Plan

The District also contributes a percentage of salary equal to the required employer contribution to a defined contribution 457 plan administered by a third party on behalf of one employee. The contribution rate for calendar year 2013 was 11.96% of covered payroll and for calendar year 2014 is 11.96% of covered payroll. Actual contributions for the fiscal year ended April 30, 2014 were \$4,039. The benefits were established by the District board and can be amended by an amendment to the employee contract by the District board.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT

Notes to Financial Statements
April 30, 2014

9. INDIVIDUAL FUND DISCLOSURES

Expenditures exceeded the amounts budgeted for the following funds:

	<u>Expenditures</u>	<u>Budget</u>	<u>Variance</u>
General Fund	7,720,275	7,684,484	(35,791)

10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health insurance; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties as well as participation in the Lockport Area Benefit Plan insurance pool for health insurance coverage. This pool is administered by members of the pool with the board of the pool responsible for any plan adjustments. Settled claims from these risks have not exceeded commercial insurance coverage in the current fiscal year or the two prior fiscal years.

11. INTERGOVERNMENTAL AGREEMENTS

The Lockport Fire Protection District has entered into several intergovernmental agreements with other fire districts. These agreements have varying terms. These compromise agreements between fire districts to resolve any boundary disputes and to share property tax revenues. During the current fiscal year, the District paid out \$1,124,256 to other districts.

REQUIRED SUPPLEMENTARY INFORMATION

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE BUDGET AND ACTUAL - BUDGETARY BASIS
 GENERAL FUND

For the Year ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes				
Property Taxes	8,548,107	8,594,545	8,594,583	38
Personal property replacement taxes	800,000	927,991	927,991	-
Reimbursements				
Insurance	128,000	128,000	146,903	18,903
Workers' compensation	-	62,088	62,089	1
Other	105,000	22,639	22,639	-
Charges for services				
Fire prevention fees	18,000	13,875	13,875	-
Investment income	8,400	7,358	7,582	224
Grant Revenue	-	1,900	-	(1,900)
Miscellaneous	14,020	28,414	28,414	-
TOTAL REVENUES	<u>9,621,527</u>	<u>9,786,810</u>	<u>9,804,076</u>	<u>17,266</u>
EXPENDITURES				
Current				
Fire protection				
Personnel	6,647,855	6,651,722	6,651,719	(3)
Commodities	207,195	169,886	169,883	(3)
Contractual	1,498,764	1,608,749	1,605,316	(3,433)
Miscellaneous	2,020	2,159	3,423	1,264
Ambulance Service				
Personnel	1,005,780	1,011,236	1,011,236	-
Contractual	96,000	116,000	114,562	(1,438)
Intergovernmental	674,554	674,554	674,554	-
Capital outlay	-	-	-	-
Debt service				
Principal retirement	159,000	159,000	159,000	-
Interest and fiscal charges	109,268	109,268	145,078	35,810
TOTAL EXPENDITURES	<u>10,400,436</u>	<u>10,502,574</u>	<u>10,534,771</u>	<u>32,197</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(778,909)</u>	<u>(715,764)</u>	<u>(730,695)</u>	<u>(14,931)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Bonds	-	-	4,085,000	4,085,000
Premium on Bonds Sold	-	-	104,607	104,607
Transfer to Bond Paying Agent	-	-	(4,153,797)	(4,153,797)
Transfers in	461,125	461,125	982,729	521,604
Transfers (out)	(170,076)	(170,076)	(450,000)	(279,924)
TOTAL OTHER FINANCING SOURCES	<u>291,049</u>	<u>291,049</u>	<u>568,539</u>	<u>241,680</u>
NET CHANGE IN FUND BALANCE	<u>(487,860)</u>	<u>(424,715)</u>	<u>(162,156)</u>	<u>226,749</u>
FUND BALANCE MAY 1,			<u>3,619,014</u>	
FUND BALANCE, APRIL 30			<u>3,456,858</u>	

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE BUDGET AND ACTUAL
 AMBULANCE FUND

For the Year ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes				
Property Taxes	4,525,227	4,550,231	4,550,233	2
Reimbursements				
Workers' compensation	-	41,392	41,393	1
Other	-	15,027	15,027	-
Charges for services				
Ambulance fees	1,650,000	1,603,383	1,524,034	(79,349)
Investment income	5,600	3,940	3,940	-
Grant Revenue	-	-	-	-
Miscellaneous	2,680	7,463	7,459	(4)
TOTAL REVENUES	6,183,507	6,221,436	6,142,086	(79,350)
EXPENDITURES				
Current				
Ambulance services				
Personnel				
Salaries - regular	2,916,240	2,824,874	2,824,873	(1)
Salaries - overtime	357,870	459,780	459,780	-
Salaries - part-time	29,666	26,555	26,554	(1)
Salaries - special duty	73,080	75,520	75,519	(1)
Salaries - trustees	6,000	6,000	6,000	-
Salaries - commissioners	3,600	3,600	3,600	-
Retirement	-	1,616	1,616	-
Commodities				
Office supplies	6,400	3,634	3,633	(1)
Furniture and equipment, small value	1,110	20,416	20,415	(1)
Gasoline and oil	54,000	52,696	52,695	(1)
Maintenance supplies	6,600	11,054	11,054	-
Computer supplies and equipment	8,000	9,280	9,279	(1)
Operating supplies	61,020	24,841	24,840	(1)
Fire gear/protective clothing	16,000	13,343	13,342	(1)
Publications	600	310	310	-
Recognition	400	1,981	1,980	(1)
Contractual				
Maintenance - buildings	5,815	20,924	20,924	-
Maintenance - vehicles	22,600	48,926	48,925	(1)
Maintenance - equipment	7,701	13,644	13,644	-
Maintenance - grounds	4,288	5,856	5,856	-
Maintenance - other	333	620	619	(1)
Water and sewer services	4,800	4,751	4,750	(1)
Electricity	14,000	13,932	13,932	-
Heat	8,800	16,785	16,784	(1)
Travel	2,000	1,526	1,526	-

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
AMBULANCE FUND

For the Year ended April 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>
EXPENDITURES (continued)				
Current (continued)				
Ambulance services (continued)				
Contractual (continued)				
Training	32,402	7,558	7,557	(1)
Schooling	33,200	18,241	18,240	(1)
Fire Prevention Expense	-	1,537	1,537	-
Postage	1,000	674	673	(1)
Printing	1,360	1,377	1,376	(1)
Legal services	14,900	16,424	16,423	(1)
Dues	5,024	4,225	4,224	(1)
Rentals	-	92	91	(1)
Service charge	-	90	89	(1)
Communication services	28,496	21,352	21,352	-
Hospitalization insurance	626,000	618,505	618,504	(1)
Ambulance billing services	82,500	73,176	73,176	-
Dispatch services	79,200	79,040	79,040	-
Other professional services	54,000	51,019	51,018	(1)
Miscellaneous	<u>1,880</u>	<u>844</u>	<u>4,499</u>	<u>3,655</u>
Total Ambulance Service	<u>4,570,885</u>	<u>4,556,618</u>	<u>4,560,249</u>	<u>3,631</u>
Intergovernmental	449,702	449,703	449,702	(1)
Capital Outlay				
Vehicles	-	-	-	-
Equipment	-	-	-	-
Debt service				
Principal retirement	106,000	106,000	106,000	-
Interest and fiscal charges	72,845	72,845	72,845	-
Contingency	<u>1,346</u>	<u>3,658</u>	<u>-</u>	<u>(3,658)</u>
TOTAL EXPENDITURES	<u>5,200,778</u>	<u>5,188,824</u>	<u>5,188,796</u>	<u>(28)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>982,729</u>	<u>1,032,612</u>	<u>953,290</u>	<u>(79,322)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(208,000)</u>	<u>(208,000)</u>	<u>(982,729)</u>	<u>(774,729)</u>
TOTAL OTHER FINANCING SOURCES	<u>(208,000)</u>	<u>(208,000)</u>	<u>(982,729)</u>	<u>(774,729)</u>
NET CHANGE IN FUND BALANCE	<u>774,729</u>	<u>824,612</u>	<u>(29,439)</u>	<u>(854,051)</u>
FUND BALANCE, MAY 1			<u>1,932,263</u>	
FUND BALANCE, APRIL 30			<u>1,902,824</u>	

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2014

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry- Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2008	172,318	363,920	47.35%	191,602	318,631	60.13%
2009	138,227	412,727	33.49%	274,500	423,245	64.86%
2010	206,780	509,550	40.58%	302,770	430,392	70.35%
2011	283,549	574,312	49.37%	290,763	408,846	71.12%
2012	355,439	601,095	59.13%	245,656	343,117	71.60%
2013	431,508	675,800	63.85%	244,292	306,208	79.78%

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2014

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1)/(2)	(4) Unfunded (Overfunded) AAL (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4)/(5)
2009	23,452,053	33,738,162	69.51%	10,286,109	6,302,794	163.20%
2010	25,547,525	37,177,199	68.72%	11,629,674	6,415,531	181.27%
2011	27,718,356	39,819,102	69.61%	12,100,746	6,867,346	176.21%
2012	29,022,480	43,905,168	66.10%	14,882,688	7,142,707	208.36%
2013	31,615,332	48,191,153	65.60%	16,575,821	7,528,208	220.18%
2014	34,969,654	52,972,191	66.02%	18,002,537	7,826,010	230.03%

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2014

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1)/(2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4)/(5)
2009	N/A	N/A	N/A	N/A	N/A	N/A
2010	-	6,700,730	0.00%	6,700,730	6,726,039	99.62%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	12,510,408	0.00%	12,510,408	7,740,562	161.62%
2014	N/A	N/A	N/A	N/A	N/A	N/A

N/A - No actuarial valuation was performed as of this date, so information is not available.

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2014

<u>Fiscal Year April 30</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	52,017	52,017	100.00%
2010	51,839	51,839	100.00%
2011	48,627	48,627	100.00%
2012	48,439	48,439	100.00%
2013	41,983	41,983	100.00%
2014	37,945	37,945	100.00%

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2014

Fiscal Year April 30	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation (Asset)
2009	1,578,227	1,260,783	125.18%	(1,028,087)
2010	1,761,249	1,363,817	129.14%	(1,229,518)
2011	1,718,117	1,580,195	108.73%	(1,622,218)
2012	1,900,525	1,696,425	112.03%	(1,839,877)
2013	2,103,880	1,775,230	118.51%	(2,194,166)
2014	2,528,090	1,906,630	132.59%	(2,841,016)

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2014

<u>Fiscal Year April 30</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	148,909	605,210	24.60%
2010	148,909	605,210	24.60%
2011	112,211	739,849	15.17%
2012	114,778	739,849	15.51%
2013	148,909	739,849	20.13%
2014	139,503	739,849	18.86%

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2014

APPROPRIATIONS

Appropriated amounts used for comparison in this report are obtained from the Annual Budget and Appropriation Ordinance for the District. The appropriated amounts included in the financial statements are the final adopted appropriations, including all amendments. Appropriations are prepared on the modified accrual basis of accounting plus encumbrances. Appropriations lapse at year end. No supplementary appropriations were adopted during the current fiscal year.

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

COMBINING BALANCE SHEET - BY SUBFUND
GENERAL FUND

For the Year Ended April 30, 2014

	<u>Corporate</u>	<u>OPEB</u>	<u>Fire Pension Levy</u>	<u>Total</u>
<u>ASSETS</u>				
Cash	2,448,029	1,289,219	301	3,737,549
Investments	53,528	-	-	53,528
Receivables				
Property taxes	5,646,741	-	2,539,849	8,186,590
Interest	-	-	-	-
Due from other funds	<u>10,565</u>	<u>7,861</u>	<u>134</u>	<u>18,560</u>
TOTAL ASSETS	<u><u>8,158,863</u></u>	<u><u>1,297,080</u></u>	<u><u>2,540,284</u></u>	<u><u>11,996,227</u></u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts payable	16,256	-	-	16,256
Accrued expenditures	191,244	-	-	191,244
Due to other funds	145,180	-	-	145,180
Due to Fiduciary Funds	<u>99</u>	<u>-</u>	<u>-</u>	<u>99</u>
Total liabilities	352,779	-	-	352,779
 <u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred property tax revenue	5,646,741	-	2,539,849	8,186,590
 <u>FUND BALANCES</u>				
Unrestricted				
Assigned for retirement	-	-	435	435
Assigned for retiree insurance	-	1,297,080	-	1,297,080
Unassigned	<u>2,159,343</u>	<u>-</u>	<u>-</u>	<u>2,159,343</u>
Total Fund Balances	<u>2,159,343</u>	<u>1,297,080</u>	<u>435</u>	<u>3,456,858</u>
 <u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
	<u><u>8,158,863</u></u>	<u><u>1,297,080</u></u>	<u><u>2,540,284</u></u>	<u><u>11,996,227</u></u>

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BY SUBFUND
 GENERAL FUND

For the Year Ended April 30, 2014

	Corporate	OPEB	Fire Pension Levy	Total
<u>REVENUES</u>				
Taxes				
Property taxes	6,066,493	-	2,528,090	8,594,583
Personal property replacement tax	927,991	-	-	927,991
Reimbursements				
Retiree contributions	-	146,903	-	146,903
Workers' compensation	62,089	-	-	62,089
Other	22,639	-	-	22,639
Charges for services				
Fire prevention fees	13,875	-	-	13,875
Investment income	7,326	256	-	7,582
Miscellaneous	28,414	-	-	28,414
Total Revenues	<u>7,128,827</u>	<u>147,159</u>	<u>2,528,090</u>	<u>9,804,076</u>
<u>EXPENDITURES</u>				
Current				
Fire protection				
Personnel	5,134,865	-	1,516,854	6,651,719
Commodities	169,883	-	-	169,883
Contractual	1,433,472	171,844	-	1,605,316
Miscellaneous	3,423	-	-	3,423
Ambulance services				
Personnel	-	-	1,011,236	1,011,236
Contractual	-	114,562	-	114,562
Intergovernmental	674,554	-	-	674,554
Debt service				
Principal retirement	159,000	-	-	159,000
Interest and fiscal charges	145,078	-	-	145,078
Total expenditures	<u>7,720,275</u>	<u>286,406</u>	<u>2,528,090</u>	<u>10,534,771</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(591,448)</u>	<u>(139,247)</u>	<u>-</u>	<u>(730,695)</u>
OTHER FINANCIAL SOURCES (USES)				
Issuance of Bonds	4,085,000	-	-	4,085,000
Premium on Bonds Sold	104,607	-	-	104,607
Transfer to Bond Paying Agent	(4,153,797)	-	-	(4,153,797)
Transfers in	774,729	208,000	-	982,729
Transfers out	(450,000)	-	-	(450,000)
Total other financing sources	<u>360,539</u>	<u>208,000</u>	<u>-</u>	<u>568,539</u>
NET CHANGE IN FUND BALANCES	<u>(230,909)</u>	<u>68,753</u>	<u>-</u>	<u>(162,156)</u>
FUND BALANCES, MAY 1	2,390,252	1,228,327	435	3,619,014
FUND BALANCES, APRIL 30	<u>2,159,343</u>	<u>1,297,080</u>	<u>435</u>	<u>3,456,858</u>

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
CORPORATE FUND

For the Year Ended April 30, 2014

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
REVENUES				
Taxes				
Property Taxes	6,033,656	6,066,490	6,066,493	3
Personal property replacement	800,000	927,991	927,991	-
Reimbursements				
Workers' compensation reimbursement	-	62,088	62,089	1
Other	105,000	22,639	22,639	-
Charges for services				
Fire prevention fees	18,000	13,875	13,875	-
Investment income	8,400	7,325	7,326	1
Grant Revenue	-	-	-	-
Miscellaneous	14,020	28,414	28,414	-
TOTAL REVENUES	6,979,076	7,128,822	7,128,827	5
EXPENDITURES				
Current				
Fire protection				
Personnel				
Salaries - regular	4,374,360	4,237,315	4,237,315	-
Salaries - overtime	536,805	689,671	689,671	-
Salaries - part-time	44,499	39,832	39,831	(1)
Salaries - special duty	109,620	113,280	113,279	(1)
Salaries - trustees	9,000	9,000	9,000	-
Salaries - commissioners	5,400	5,400	5,400	-
Retirement	59,500	40,370	40,369	(1)
Commodities				
Office supplies	9,600	5,450	5,450	-
Furniture and equipment, small	1,665	30,623	30,623	-
Gasoline and oil	81,000	79,044	79,043	(1)
Maintenance supplies	9,900	16,581	16,580	(1)
Computer supplies/equipment	12,000	13,919	13,919	-

See independent auditor's report

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
CORPORATE FUND

For the Year Ended April 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
EXPENDITURES (continued)				
Current (continued)				
Fire protection (continued)				
Commodities				
Operating supplies	91,530	20,833	20,833	-
Publications	900	465	465	-
Recognition	600	2,971	2,970	(1)
Contractual				
Maintenance - buildings	8,722	31,386	31,385	(1)
Maintenance - vehicles	33,900	73,388	73,388	-
Maintenance - equipment	11,551	16,474	16,474	-
Maintenance - grounds	6,433	8,784	8,783	(1)
Maintenance - other	499	929	929	-
Water and sewer services	7,200	7,126	7,125	(1)
Electricity	21,000	20,898	20,898	-
Heat	13,200	25,177	25,176	(1)
Travel	3,000	2,289	2,288	(1)
Training	48,604	10,487	10,486	(1)
Schooling	49,800	27,361	27,361	-
Fire prevention	16,885	2,306	2,305	(1)
Postage	1,500	1,010	1,010	-
Printing	2,040	2,065	2,064	(1)
Legal services	22,350	24,638	24,638	-
Dues	7,536	6,337	6,336	(1)
Rentals	-	137	137	-
Service charge	-	135	134	(1)
Communication services	42,744	32,028	32,028	-
Dispatching	118,800	118,560	118,560	-
Hospitalization insurance	939,000	927,770	927,769	(1)

See independent auditor's report

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
CORPORATE FUND

For the Year Ended April 30, 2014

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
EXPENDITURES (continued)				
Current (continued)				
Fire protection (continued)				
Contractual (continued)				
Personal protective equipment	24,000	20,013	20,012	(1)
Other professional services	81,000	74,187	74,186	(1)
Miscellaneous	3,002	1,264	3,423	2,159
Contingency	2,020	2,159	-	(2,159)
Intergovernmental	674,554	674,554	674,554	-
Debt service				
Principal retirement	159,000	159,000	159,000	-
Interest and fiscal charges	109,268	109,268	145,078	35,810
TOTAL EXPENDITURES	<u>7,753,987</u>	<u>7,684,484</u>	<u>7,720,275</u>	<u>35,791</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(774,911)</u>	<u>(555,662)</u>	<u>(591,448)</u>	<u>(35,786)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Bonds	-	-	4,085,000	4,085,000
Premium on Bonds Sold	-	-	104,607	104,607
Transfer to Bond Paying Agent	-	-	(4,153,797)	(4,153,797)
Transfers in	774,729	774,729	774,729	-
Transfers (out)	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	-
TOTAL OTHER FINANCING SOURCES	<u>324,729</u>	<u>324,729</u>	<u>360,539</u>	<u>35,810</u>
NET CHANGE IN FUND BALANCE	<u>(450,182)</u>	<u>(230,933)</u>	<u>(230,909)</u>	<u>24</u>
FUND BALANCE, MAY 1			<u>2,390,252</u>	
FUND BALANCE, APRIL 30			<u>2,159,343</u>	

See independent auditor's report

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
OPEB FUND

For the Year Ended April 30, 2014

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
REVENUES				
Insurance reimbursement	128,000	128,000	146,903	(18,903)
Interest Income	<u>-</u>	<u>-</u>	<u>256</u>	<u>(256)</u>
Total Revenues	128,000	128,000	147,159	(256)
EXPENDITURES				
Current				
Fire Protection				
Contractual				
Insurance	144,000	174,000	171,844	2,156
Ambulance service				
Contractual				
Insurance	<u>96,000</u>	<u>116,000</u>	<u>114,562</u>	<u>1,438</u>
Total Expenditures	<u>240,000</u>	<u>290,000</u>	<u>286,406</u>	<u>3,594</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(112,000)</u>	<u>(162,000)</u>	<u>(139,247)</u>	<u>(3,850)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	<u>208,000</u>	<u>208,000</u>	<u>208,000</u>	<u>-</u>
Total other financing sources (uses)	<u>208,000</u>	<u>208,000</u>	<u>208,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>96,000</u>	<u>46,000</u>	68,753	<u>(3,850)</u>
FUND BALANCE, MAY 1			<u>1,228,327</u>	
FUND BALANCE, APRIL 30			<u>1,297,080</u>	

See independent auditor's report

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
FIRE PENSION LEVY FUND

For the Year Ended April 30, 2014

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
REVENUES				
Property taxes	2,514,451	2,528,055	2,528,056	(1)
Investment income	<u>-</u>	<u>33</u>	<u>34</u>	<u>(1)</u>
Total Revenues	2,514,451	2,528,088	2,528,090	(2)
EXPENDITURES				
Current				
Fire Protection				
Personnel				
Pension contribution	1,508,671	1,516,854	1,516,854	-
Ambulance service				
Personnel				
Pension contribution	<u>1,005,780</u>	<u>1,011,236</u>	<u>1,011,236</u>	<u>-</u>
Total Expenditures	<u>2,514,451</u>	<u>2,528,090</u>	<u>2,528,090</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>(2)</u>	-	<u>(2)</u>
FUND BALANCE, MAY 1			<u>435</u>	
FUND BALANCE, APRIL 30			<u><u>435</u></u>	

See independent auditor's report

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
VEHICLE FUND

For the Year Ended April 30, 2014

	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
REVENUES			
Investment income	5,000	3,265	(1,735)
Miscellaneous	<u>33,000</u>	<u>61,633</u>	<u>28,633</u>
Total Revenues	<u>38,000</u>	<u>64,898</u>	<u>26,898</u>
EXPENDITURES			
Capital Outlay	600,000	99,306	(500,694)
Miscellaneous	83	83	-
Debt Service			
Principal	-	446,276	446,276
Interest	<u>-</u>	<u>31,348</u>	<u>31,348</u>
Total Expenditures	<u>600,083</u>	<u>577,013</u>	<u>(23,070)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(562,083)</u>	<u>(512,115)</u>	<u>49,968</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>339,400</u>	<u>200,000</u>	<u>(139,400)</u>
Total other financing sources (uses)	<u>339,400</u>	<u>200,000</u>	<u>(139,400)</u>
NET CHANGE IN FUND BALANCE	<u>(222,683)</u>	(312,115)	<u>(89,432)</u>
FUND BALANCE, MAY 1		<u>3,239,292</u>	
FUND BALANCE, APRIL 30		<u>2,927,177</u>	

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NONMAJOR GOVERNMENTAL FUNDS

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2014

	Special Revenue				Capital Projects	Total Nonmajor Governmental
	Audit	Tort Liability	Social Security	Foreign Fire Insurance	Capital Projects	
<u>ASSETS</u>						
Cash	3,674	414,146	22,384	86,136	1,568,975	2,095,315
Receivables						
Property taxes	15,614	2,731,104	167,500	-	-	2,914,218
Due from other funds	1,932	42,150	1,856	-	142,465	188,403
Grants receivable	-	-	-	-	-	-
TOTAL ASSETS	<u>21,220</u>	<u>3,187,400</u>	<u>191,740</u>	<u>86,136</u>	<u>1,711,440</u>	<u>5,197,936</u>
<u>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>						
<u>LIABILITIES</u>						
Accounts payable	-	29,534	-	-	-	29,534
Accrued payroll	-	-	4,897	-	-	4,897
Due to other funds	-	-	889	-	-	889
Total Liabilities	<u>-</u>	<u>29,534</u>	<u>5,786</u>	<u>-</u>	<u>-</u>	<u>35,320</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred revenue	15,615	2,805,941	167,500	-	-	2,989,056
<u>FUND BALANCES</u>						
Restricted for specific purposes	5,605	-	-	86,136	-	91,741
Restricted for retirement	-	-	18,454	-	-	18,454
Unrestricted						
Assigned for capital projects	-	-	-	-	1,711,440	1,711,440
Unassigned	-	351,925	-	-	-	351,925
Total Fund Balances	<u>5,605</u>	<u>351,925</u>	<u>18,454</u>	<u>86,136</u>	<u>1,711,440</u>	<u>2,173,560</u>
TOTAL LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>21,220</u>	<u>3,187,400</u>	<u>191,740</u>	<u>86,136</u>	<u>1,711,440</u>	<u>5,197,936</u>

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LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
 LOCKPORT, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2014

	Special Revenue				Capital Projects	Total Nonmajor Governmental
	Audit	Tort Liability	Social Security	Foreign Fire Insurance	Capital Projects	
REVENUES						
Property taxes	14,784	3,099,702	167,553	-	-	3,282,039
Other taxes	-	-	-	49,734	-	49,734
Intergovernmental	-	64,783	-	-	18,701	83,484
Investment income	-	324	-	-	258	582
Miscellaneous income	-	19,903	-	-	-	19,903
Total Revenues	<u>14,784</u>	<u>3,184,712</u>	<u>167,553</u>	<u>49,734</u>	<u>18,959</u>	<u>3,435,742</u>
EXPENDITURES						
Current						
Fire protection						
Compensation and salaries	-	756,881	95,216	-	-	852,098
Professional and other services	13,830	763,583	-	29,840	-	807,253
Ambulance service						
Compensation and salaries	-	504,588	63,478	-	-	568,065
Professional and other services	-	509,056	-	19,894	-	528,950
Capital outlay	-	-	-	-	31,273	31,273
Total Expenditures	<u>13,830</u>	<u>2,534,108</u>	<u>158,694</u>	<u>49,734</u>	<u>31,273</u>	<u>2,787,639</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>954</u>	<u>650,604</u>	<u>8,859</u>	<u>-</u>	<u>(12,314)</u>	<u>648,103</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	650,000	650,000
Transfers out	-	(400,000)	-	-	-	(400,000)
NET CHANGE IN FUND BALANCE	<u>954</u>	<u>250,604</u>	<u>8,859</u>	<u>-</u>	<u>637,686</u>	<u>898,103</u>
FUND BALANCE, MAY 1	<u>4,651</u>	<u>101,321</u>	<u>9,595</u>	<u>86,136</u>	<u>1,073,754</u>	<u>1,275,457</u>
FUND BALANCE, APRIL 30	<u>5,605</u>	<u>351,925</u>	<u>18,454</u>	<u>86,136</u>	<u>1,711,440</u>	<u>2,173,560</u>

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LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
AUDIT FUND

For the Year Ended April 30, 2014

	Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	<u>15,084</u>	<u>14,784</u>	<u>300</u>
Total Revenues	<u>15,084</u>	<u>14,784</u>	<u>300</u>
EXPENDITURES			
Current			
Fire Protection			
Professional services	<u>15,000</u>	<u>13,830</u>	<u>1,170</u>
Total Expenditures	<u>15,000</u>	<u>13,830</u>	<u>1,170</u>
NET CHANGE IN FUND BALANCE	<u>84</u>	954	<u>(870)</u>
FUND BALANCE, MAY 1		<u>4,651</u>	
FUND BALANCE, APRIL 30		<u><u>5,605</u></u>	

See independent auditor's report

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
TORT LIABILITY FUND

For the Year Ended April 30, 2014

	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
REVENUES			
Property Taxes	3,083,106	3,099,702	16,596
Intergovernmental	61,300	64,783	3,483
Interest income	-	324	324
Miscellaneous	<u>5,000</u>	<u>19,903</u>	<u>14,903</u>
TOTAL REVENUES	3,149,406	3,184,712	35,306
EXPENDITURES			
Current			
Fire protection			
Personnel			
Salaries - risk management	756,881	756,881	-
Contractual			
Workers' compensation ins	510,000	468,214	(41,786)
Liability insurance	82,650	77,962	(4,688)
Risk care training and equipment	24,000	16,682	(7,318)
Legal services	22,350	22,348	(2)
Life safety improvement	145,200	159,771	14,571
Physicals	43,800	18,605	(25,195)
Miscellaneous	16,762	-	(16,762)
Ambulance services			
Personnel			
Salaries - risk management	504,588	504,588	-
Contractual			
Workers' compensation ins	340,000	312,142	(27,858)
Liability insurance	55,100	51,975	(3,125)
Risk care training and equipment	16,000	11,122	(4,878)
Legal services	14,900	14,899	(1)
Life safety improvement	96,800	106,514	9,714
Physicals	29,200	12,405	(16,795)
Miscellaneous	11,175	-	(11,175)
Contingencies	80,000	-	(80,000)
Capital Outlay	-	-	-
TOTAL EXPENDITURES	<u>2,749,406</u>	<u>2,534,108</u>	<u>(210,420)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>400,000</u>	<u>650,604</u>	<u>245,726</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>0</u>	<u>250,604</u>	<u>245,726</u>
FUND BALANCE MAY 1		<u>101,321</u>	
FUND BALANCE, APRIL 30		<u><u>351,925</u></u>	

See independent auditor's report.

LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
SOCIAL SECURITY FUND

For the Year Ended April 30, 2014

	Final <u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under)</u>
REVENUES			
Property taxes	167,429	167,551	(122)
Investment income	<u> -</u>	<u> 2</u>	<u> 2</u>
Total Revenues	<u>167,429</u>	<u>167,553</u>	<u> 2</u>
EXPENDITURES			
Current			
Fire Protection			
Social Security	100,457	95,216	(5,241)
Ambulance service			
Personnel			
Social Security	<u>66,972</u>	<u>63,478</u>	<u>(3,494)</u>
Total Expenditures	<u>167,429</u>	<u>158,694</u>	<u>(8,735)</u>
NET CHANGE IN FUND BALANCE	<u> -</u>	8,859	<u>8,737</u>
FUND BALANCE, MAY 1		<u>9,595</u>	
FUND BALANCE, APRIL 30		<u><u>18,454</u></u>	

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LOCKPORT TOWNSHIP FIRE PROTECTION DISTRICT
LOCKPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Intergovernmental	18,000	18,701	(701)
Interest	-	258	(258)
Total Revenues	<u>18,000</u>	<u>18,959</u>	<u>(959)</u>
EXPENDITURES			
Capital outlay	<u>500,000</u>	<u>31,273</u>	<u>(468,727)</u>
Total Expenditures	<u>500,000</u>	<u>31,273</u>	<u>(468,727)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(482,000)</u>	<u>(12,314)</u>	<u>469,686</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>650,000</u>	<u>650,000</u>	-
Total other financing sources (uses)	<u>650,000</u>	<u>650,000</u>	-
NET CHANGE IN FUND BALANCE	<u>168,000</u>	637,686	<u>469,686</u>
FUND BALANCE, MAY 1		<u>1,073,754</u>	
FUND BALANCE, APRIL 30		<u>1,711,440</u>	

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