

VILLAGE OF MOUNT PROSPECT ILLINOIS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

**VILLAGE OF MOUNT PROSPECT,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

Prepared by:
Finance Department

David O. Erb
Finance Director

Lynn M. Jarog
Deputy Finance Director

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Mount Prospect including:

- List of Principal Officials
- Organizational Chart
- GFOA Certificate of Achievement for Excellence in Financial Reporting
- Letter of Transmittal

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Principal Officials
December 31, 2013

LEGISLATIVE

Arlene A. Juracek, Mayor

Paul Wm. Hoefert

Steven S. Polit

A. John Korn

Richard F. Rogers

John J. Matuszak

Michael A. Zadel

ADMINISTRATIVE

Michael E. Janonis, Village Manager

David Strahl, Assistant Village Manager

David O. Erb, Finance Director/Treasurer

William J. Cooney, Jr., Director of Community Development

Nancy M. Morgan, Director of Human Services

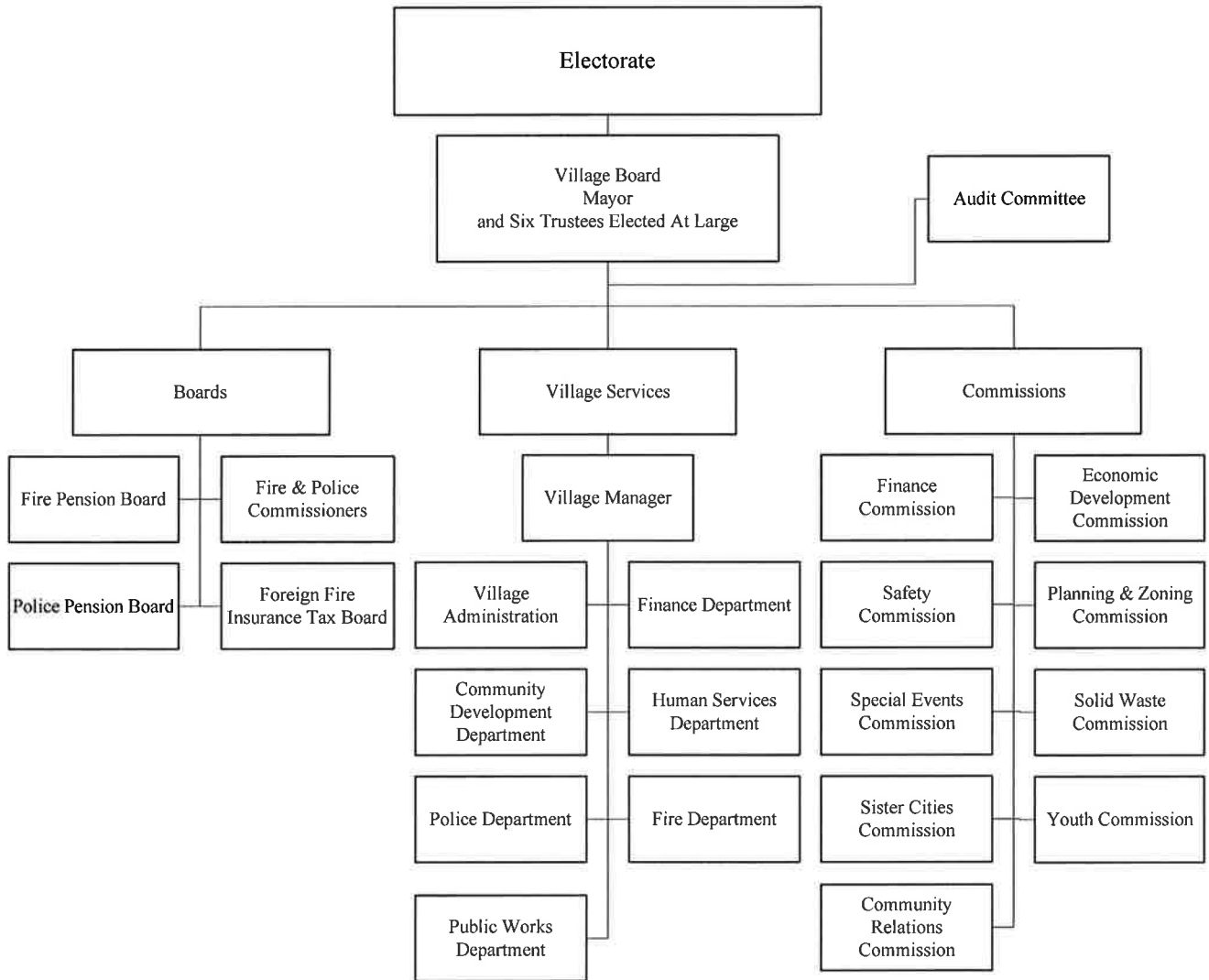
John Malcolm, Fire Chief

Michael J. Semkiu, Police Chief

Sean P. Dorsey, Director of Public Works

M. Lisa Angell, Village Clerk

VILLAGE OF MOUNT PROSPECT ORGANIZATIONAL STRUCTURE



MAYOR
Arlene A. Juracek

TRUSTEES
Paul Wm. Hoefert
A. John Korn
John J. Matuszak
Steven S. Polit
Richard F. Rogers
Michael A. Zadel



VILLAGE MANAGER
Michael E. Janonis

VILLAGE CLERK
M. Lisa Angell

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Fax: 847/392-6022
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www.mountprospect.org

Village of Mount Prospect

May 12, 2014

50 South Emerson Street, Mount Prospect, Illinois 60056

The Honorable Arlene A. Juracek, Village President
Members of the Board of Trustees
Village Manager Michael E. Janonis, and
Citizens of the Village of Mount Prospect, Illinois

The Comprehensive Annual Financial Report of the Village of Mount Prospect, Illinois for the fiscal year ended December 31, 2013 is submitted herewith. The report consists of management's representations concerning the finances of the Village of Mount Prospect. Also included in the report are the finances of the Mount Prospect Public Library, a component unit of the Village. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village.

To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Mount Prospect's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework on internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The Village has implemented GASB Statement No. 34, Basic Financial Statements – and Management Discussion and Analysis - for state and local governments, including infrastructure reporting. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

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

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

Profile of the Village of Mount Prospect

The Village of Mount Prospect, a home rule community as defined by the Illinois Constitution, was incorporated February 3, 1917 and is located 22 miles northwest from downtown Chicago in Cook County. The Village currently has land area of 10.3 square miles and a population of 54,167.

The Village operates under the Council/Manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Mayor and six-member Board of Trustees. The Village Board is responsible for, among other things, passing ordinances, adopting the budget, appointing committee members and hiring the Village Manager and Village Attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments. The Board is elected on a non-partisan basis. Board members are elected to four-year staggered terms with three Board members elected every two years. The Mayor is elected to a four-year term. The Mayor and Village Trustees are elected at large. The Village provides a full range of services including police, fire, public works (including water and sewer), human services, finance, community development and television services.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Finance Director by mid-August each year. Revenue estimates are completed by the Finance Department in preparation for departmental budget reviews with the Village Manager and Finance Director in early September. Initial budget requests are compiled by the end of September. A proposed budget is prepared and delivered to the Village Board and Finance Commission in early October. The proposed budget is also made available for public inspection in the Village Clerk's Office, on the village website and at the Mount Prospect Public Library. A series of meetings are held with the Finance Commission along with hearings before the Village Board at two (2) Committee of the Whole meetings in late October and early November. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31st of each year, the close of the Village's previous budget year. The budget is prepared by fund and by department. Budget amendments require approval of the Village Board. Budget-to-actual comparisons are provided for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Corporate Fund and major special revenue funds, this comparison is presented in the required supplementary information. For governmental funds, other than the General Corporate Fund, with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report.

Major Initiatives

The Village staff, following directives of the Village Board and the Village Manager, has been involved in a variety of projects throughout the year; projects which reflect the Village's commitment to ensuring that its citizens are able to live and work in an enviable environment. Also included in this section are any other major activities of note that occurred during the year. The most significant of these projects and activities are discussed below:

- The Village's *STREET IMPROVEMENT PROGRAM* saw approximately six miles of local streets resurfaced at a cost of \$490,000 per mile. **It should be noted that due to dwindling revenues we currently have a 13.3 mile backlog of streets in need of resurfacing at an estimated cost of \$7 million. During the budget process for 2014, the Village Board approved a street funding plan developed by the Finance Commission to address the resurfacing backlog and provide sufficient funding of the annual street program. Funding in 2014 will come from a \$0.02 increase in the local motor fuel tax and reallocation of vehicle sticker revenue (\$1.3 million) made possible by an increase in the direct charge for refuse collection, and reserves in the Street and Refuse Funds.**
- Another road construction project completed was the Kensington Road Reconstruction Project. The improvements included: complete removal of the existing pavement and reconstruction of the roadway, installation of curb and gutter, construction of a continuous center left turn lane, elimination of roadside ditches by constructing storm sewers, sidewalk installation along the north side of the right-of-way, continuous street lighting, and addition of a right turn lane from eastbound Kensington to Elmhurst Road. A right turn lane was also added from westbound Kensington to Rand Road. The total project cost was \$3,300,000, utilizing federal and state funding with a Village cost of \$190,000. Following completion of the project, the jurisdiction of the roadway will transfer from IDOT to the Village of Mount Prospect.

- The Village completed the first year of an eight year program to rehabilitate each of the eight sanitary sewer relief stations located along Weller Creek. The relief stations are used to provide relief to the Village sanitary sewer system when MDRWGC interceptor sewers become surcharged. In 2013, George Street North relief station was replaced with a new pump station including the installation of new pumps, guide rails and controllers, along with all associated wiring and other electrical control equipment. The total project cost is projected to be approximately \$180,000.
- 2013 saw the completion of the ninth year of a 10-year commitment to rehabilitate approximately 260,000 LF of *COMBINED SEWER MAINS* ranging in size from 8" to 72" diameter. As part of this year's effort, over 5,900 linear feet of combination sewer were repaired using the cured-in-place (CIPP) lining process. In addition, approximately 303 linear feet of severely failed (Category 3) combination sewer pipe was excavated and replaced. In total, during the first nine years of this program 76,891 linear feet of pipe has been lined and 1,460 linear feet of pipe has been replaced. One hundred percent of all Category 4 and 5 defects and 30% of category 3 defects have been repaired to date. Total water and sewer funds expended during 2013 are projected to be approximately \$765,000.
- The Village began addressing FLOOD CONTROL through a \$10 million bond sale to fund public flood control improvements that were identified by a comprehensive flood study that grew out of the 2011 flooding events. This bond sale did not add any additional tax burden to the residents since the new bonds replaced debt supported with existing revenues.
- 2013 was another devastating year for the Village's *URBAN FOREST*. A myriad of threats continued to converge during the year resulting in a dramatic number of parkway tree removals. During the year, 1,077 Village-owned trees were lost to Dutch Elm Disease, Elm Yellows, Emerald Ash Borer, other diseases, and natural decline. Historically, only about 400 trees are lost in a typical year. Through efficient utilization of resources and tight fiscal management, the Village has been able to keep pace with the increased volume of removals. In addition, due to the availability of Village funds and low market prices, the Village was able to plant 995 replacement trees – one of our largest plantings ever.
- In addition to fighting the advancement of EAB, the Village was hit by a severe thunderstorm on the evening of July 19. The storm featured winds in excess of 55 mph resulting in the damage of 592 Village-owned trees; 35 requiring complete removal. Public Works crews spent a week of 12-hour days clearing debris and performing house-to-house collection of limbs and brush in the wake of the storm.
- The Forestry division updated the Village's Urban Forest Management Plan. In 2012 the Village was awarded grant funding to update the Village's 1993 Urban Forest Management Plan. Consultants from Urban Forestry LLC worked with staff to develop the new plan. The plan examines the past, present and future of the Village's urban forest management activities. In addition, the plan details the current condition of the Village's urban forest and identifies challenges expected in the future.
- Severe weather did once again visit the Village by way of record setting flood events that occurred between April 17 and 23. During the early morning hours of April 17 and 18, the Village received approximately 5.55" of rain in a five hour window combined with significant rainfall in southern Wisconsin resulting in the record crest of the Des Plaines River at 10.92 feet on April 19. Public Works crews, with only a few hours' notice, worked through the early morning hours of April 18 to construct a 600 foot temporary floodwall to hold back the rising waters of the Des Plaines River. Public Works' efforts were successful in preventing catastrophic flooding in the New Town Subdivision (Northeast portion of Mount Prospect). In addition to the river flooding the rain caused a number of State and local roads to be impassable for several hours. Fortunately, by the end of the day the sewer system was able to recover and most flood waters had subsided. Nonetheless, over 160 homes and businesses reported flooding on April 18. The total estimated cost of the flood was \$181,924. No Federal assistance was received.
- The *FIRE DEPARTMENT* saw significant staffing changes in 2013 with the retirement of the Deputy Chief, the succession plan worked seamlessly with the internal promotion of a new Deputy Chief and a new Battalion Chief. The department also conducted a Lieutenant promotional exam to establish an eligibility list, replaced office furniture in the fire administration offices, and instituted a new web based roster program. The fire prevention bureau received a Federal Emergency Management Agency (FEMA), Fire Prevention and Safety Grant, for \$29,425. The grant will provide free smoke alarms for seniors, 65 and older, in over 350 homes.

- On the *ECONOMIC DEVELOPMENT* front, activity is starting to pick up. Randhurst is completed and is actively leasing. Among the increased leasing activity at Randhurst include the restaurant's Black Finn, E&O, and Panera coming on line this year. Other significant developments include: Caremark occupied/opened a 180,000 square foot distribution facility on the south end of the Village, Aldi's relocations and expansion, Ross Dress for Less, LA Fitness all opened at the Mount Prospect Plaza, Fresh Thyme grocery is taking over the former Sport Authority location filling a vacant big box location and the opening of Chick-Fil-A across from Randhurst.
- The *COMMUNITY CONNECTION CENTER (CCC)* celebrated its 4th anniversary in August 2013. First opened in August 2009, the CCC is a collaborative effort by the Village (Human Services and Police), the Mount Prospect Public Library and a number of education and social services agencies to bring much needed social, educational and cultural services to an area of town with a high concentration of low/moderate income families and many recent immigrants. Since its opening, requests for assistance from constituents has been in the high six figures. The Human Services and Police Departments have worked diligently in the last year to enhance their partnership. Patrol Officers continue to make referrals through the Community Connection Center to the Human Services police social worker with the goal of preventing future criminal activity.
- The *POLICE AND FIRE DEPARTMENTS* continued to focus on their respective core missions and transitioned to a new digital radio system as part of the Northwest Central Dispatch System (NWSDS) of which Mount Prospect is a member. The Police Department conducted a new hire test to establish an eligibility list for patrol officers. The Police Department also transitioned to a new and technologically improved mobile video recording system for all of its patrol vehicles to record traffic stops.
- *ENTERPRISE RESOURCE PLANNING (ERP)* software system implementation has been completed for the most part with all major modules in full operation. The Utility Management (water/sewer and refuse billing) module went live in January 2013 which will improve business process efficiency. Additionally, staff continues to work closely with New World Systems to bring improvements to their suite of software, including upgrades to the Community Development module, improved mobility features, and enhanced on-line permitting and licensing. Related to the project, the Village continues to participate in the Illinois local-users group. The users group meets regularly throughout the year with other municipalities to help each other address business process needs using the software, as well as advocate for software suggestions and address unresolved issues.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local economy. The Village experienced a slight return in 2013 from the slowdown in the housing market and weak economy in general. There are a number of factors that influence the economy of a specific community, and various measures are used to gauge the economic outlook. Perhaps four of the most objective measures are the level of retail sales, the employment level of the community, income levels in the community and building activity. In Illinois, sales taxes are allocated based upon the point-of-sale, and accordingly represent the sales in the community. Total sales tax receipts in the calendar year ended December 31, 2013 were \$12,342,154 compared to \$11,040,403 for the previous year, an increase of 11.8%. The increase from the prior year is due to strong growth in the drug, miscellaneous and other sales categories. Since the Village's portion of sales tax receipts is based on a 1% tax rate, these receipts represent total retail sales of approximately \$1.2 billion for 2013. The Village projects that this revenue source will increase 3.0% - 5.0% during 2014 and 2015. The Village will continue its efforts in the area of economic development and is optimistic that retail sales will grow over the next few years. The completed redevelopment of Randhurst Village (formerly Randhurst Mall) into a more vibrant and attractive retail center will help in this area.

Mount Prospect's average unemployment rate for 2013 was 6.7%. This was a slight increase from the prior year of 10 basis points (6.6% in 2012). While other areas of the local economy have showed signs of improvement, similar gains in the unemployment rate have not materialized. The unemployment rate for the State of Illinois increased 30 basis points from 8.9% to 9.2% during the same period. Mount Prospect's median family income, \$67,823 as of the 2010 Census (using 5-year estimates), was 25% higher than the median for Cook County (\$53,942) and 21% higher than the median for the State of Illinois (\$55,735).

In a suburban setting where it is often difficult to distinguish the boundaries of one community from a neighboring community, the economic activity of the “region” is a major influence on the economies of the individual communities. The Village of Mount Prospect is located on the eastern edge of the “Golden Corridor” which extends along Interstate 90 from O’Hare Airport to Elgin, a stretch of approximately 25 miles. Along this corridor can be found the corporate headquarters of such corporations as Sears and Motorola. The corridor is also home to regional headquarters for such corporations as AT&T and Siemens. The Corridor will continue to grow, as thousands of acres remain available for development on its far western edge.

Long-term financial planning. In 2003, the Village conducted its first long-range financial planning workshop. The workshop was held in response to the slowing economy and its impact to the Village’s financial condition. The goal of the workshop was to put the Village’s financial condition back on firm ground in such a manner as to not overburden residents and businesses from a tax standpoint or reduce the scope and quality of municipal services that would jeopardize the livability and curb appeal of the community. The goal of the workshop was accomplished through a series of revenue enhancements, budget cuts and the planned drawdown of fund balance. Subsequent workshops were held in 2004, 2005 and 2007 - 2013. During the 2013 workshop, financial status reports were provided for end-of-year results for 2012, updated projections for 2013 and a revised forecast for 2014.

Another tool in managing the long-range finances of the Village is the Five-Year Capital Improvement Plan. This plan outlines the major capital expenditure/project initiatives of the Village over the next five years and identifies funding sources. Over the next five years (2014-2018), the Village has identified \$56.9 million in water and sewer, flood control, street, public building, equipment and other miscellaneous capital projects.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Mount Prospect for its comprehensive annual financial report for the year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Village of Mount Prospect has received a Certificate of Achievement since 1983. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for evaluation.

In addition, the Village of Mount Prospect also received the Government Finance Officers Association’s Award for Distinguished Budget Presentation for its annual budget for the fiscal year beginning on January 1, 2013 and ending December 31, 2013. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Village of Mount Prospect has received this award each year since 1994. The Village is awaiting word as to whether it received the Budget Award for its 2014 Budget document.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express special appreciation to Lynn Jarog, Deputy Finance Director, Tricia Farkas, Accounting Supervisor and Accountants Nancy Warnock and Daxa Patel who contributed greatly to its preparation. Additionally, I would like to acknowledge the Mayor, the Board of Trustees, the Finance Commission and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,



David O. Erb
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Mount Prospect
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

May 12, 2014

The Honorable Village President
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Mount Prospect, Illinois, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Village'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village'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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Mount Prospect, Illinois, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 Village of Mount Prospect, Illinois', financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 fund financial statements and schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2014, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

For Fiscal Year Ended December 31, 2013

The Village of Mount Prospect (the "Village") Management's Discussion and Analysis is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iii), and the Village's financial statements (beginning on page 3).

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

The primary focus of local governmental financial statements has been to summarize fund type information on a current financial resource basis. This approach has been modified by Governmental Accounting Standards Board (GASB) Statement No. 34. As a result, these financial statements now present two kinds of statements, each with a different snapshot of the Village's finances. The new financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 3-6) are designed to be corporate-like in that all of the governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") found on pages 3 and 4 is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 5-6) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including police, fire, public works, and administration. Property taxes, sales and income taxes and local utility taxes finance the majority of these services. The business-type activities reflect private sector type operations (water, sewer, and parking operations), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on major funds rather than (the previous model's) fund types.

The Governmental Major Fund (see pages 7-12) presentation is organized on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters' Pension Funds). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Proprietary Fund Financial Statements (see pages 13-16) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 9 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – i.e. roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. This new statement requires that these assets be valued and reported within the Governmental Activities column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village of Mount Prospect has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's combined net position for the Primary Government (which is the Village's bottom line) as of December 31, 2013 was \$109.8 million. This was a decrease in net position of \$0.6 million from 2012. Net position of the Village's governmental activities were \$75.4 million, a decrease of \$1.6 million. The Village's unrestricted net position for governmental activities, the part that can be used to finance day-to-day operations, were \$24.2 million down \$0.8 million from the 2012 unrestricted net position total of \$25.0 million.

Table 1 reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position found on pages 3-4. Table 2 focuses on the changes in net position of the governmental and business-type activities.

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(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 1
Statement of Net Position
as of December 31, 2013 (in millions)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 65.1	\$ 53.4	\$ 9.1	\$ 8.2	\$ 74.2	\$ 61.6
Capital assets	73.8	75.6	26.4	26.6	100.2	102.2
Total assets	\$ 138.9	\$ 129.0	\$ 35.5	\$ 34.8	\$ 174.4	\$ 163.8
Current liabilities/deferred inflows	\$ 25.5	\$ 22.9	\$ 0.9	\$ 1.2	\$ 26.4	\$ 24.1
Noncurrent liabilities	38.0	29.1	0.2	0.2	38.2	29.3
Total liabilities/deferred inflows	\$ 63.5	\$ 52.0	\$ 1.1	\$ 1.4	\$ 64.6	\$ 53.4
Net Position						
Net investment in capital assets	\$ 48.2	\$ 48.5	\$ 26.4	\$ 26.6	\$ 74.6	\$ 75.1
Restricted net position	3.0	3.5	-	-	3.0	3.5
Unrestricted net position	24.2	25.0	8.1	6.8	32.2	31.8
Total net position	\$ 75.4	\$ 77.0	\$ 34.4	\$ 33.4	\$ 109.8	\$ 110.4

Normal Impacts

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

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

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

Spending borrowed proceeds on new capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of nonborrowed current assets on new capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase invested in capital assets, net of debt.

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

Reduction of capital assets through depreciation - which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

Only slight changes were seen in governmental and business-type activities from 2012. Governmental activities net position decreased \$1.6 million while the business-type activities net position increased by \$1.0 million. The governmental activities total assets increased by \$9.9 million and the governmental activities total liabilities/deferred inflows increased by \$9.5 million. The total assets increase of \$9.9 million in governmental activities was the result of an increase of \$11.7 million in current and other assets and a decrease of \$1.8 million in capital assets. The \$11.7 million increase in current assets was due to an increase in cash and investments of \$10.3 million, an increase in property tax receivables of \$0.9 million, and an increase in other assets of \$0.5 million. Bond proceeds accounted for almost the entire increase in cash and investments; accumulated depreciation accounted for the decrease in capital assets. The total net position increase of \$1.0 million in business-type activities was primarily due to an increase in cash and investments of \$1.2 million and a reduction in non-current assets of \$0.2 million.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

The increase in total liabilities of \$11.5 million for the governmental activities was primarily due to an increase in liabilities related to general obligation debt service of \$8.8 million, deferred property taxes of \$0.9 million and accounts payable of \$1.8 million. Liabilities for debt service increased due to the issuance of bonds for capital improvements. Changes in the other categories resulted in the timing related to the normal course of operations.

Liabilities for business-type activities decreased from \$1.4 million to \$1.1 million. This was due to an increase in the accounts payable category.

Changes in Net Position

The Village’s combined change in net position for the primary government in 2013 was a decrease of \$0.6 million. Activities for the governmental activities saw a decrease in net position of \$1.6 million from 2012, while activities for the business-type funds saw an increase in net position of \$1.0 million in 2013 versus an increase of \$1.3 million in 2012. The change in combined net position in the prior year was a decrease of \$2.4 million. The following chart lists the revenues and expenses for the current and prior fiscal years.

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VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 2
Changes in Net Position
as of December 31, 2013 (in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues						
Program revenues						
Charges for service	\$ 8.8	\$ 8.6	\$ 11.7	\$ 11.2	\$ 20.5	\$ 19.8
Operating grants	2.4	2.0	-	-	2.4	2.0
Capital grants	0.3	0.1	-	-	0.3	0.1
General revenues						
Property taxes	18.9	18.4	1.5	1.5	20.4	19.9
Business district taxes	0.3	0.3	-	-	0.3	0.3
Sales taxes	18.3	16.6	0.1	0.1	18.4	16.7
Income taxes	5.2	4.7	-	-	5.2	4.7
Utility taxes	3.9	4.6	-	-	3.9	4.6
Other taxes	3.4	2.8	-	-	3.4	2.8
Investment income	0.1	0.1	-	-	0.1	0.1
Contributions	-	-	-	-	-	-
Other	0.4	0.3	0.1	(0.1)	0.5	0.2
Total revenues	<u>\$ 61.9</u>	<u>\$ 58.5</u>	<u>\$ 13.4</u>	<u>\$ 12.7</u>	<u>\$ 75.4</u>	<u>\$ 71.2</u>
Expenses						
General government	\$ 7.4	\$ 6.2	\$ -	\$ -	\$ 7.4	\$ 6.2
Public safety	29.8	28.2	-	-	29.8	28.2
Highways and streets	18.6	15.9	-	-	18.6	15.9
Health	4.5	4.4	-	-	4.5	4.4
Welfare	1.9	1.9	-	-	1.9	1.9
Culture and recreation	0.4	0.4	-	-	0.4	0.4
Interest	1.0	1.0	-	-	1.0	1.0
Water and sewer	-	-	12.1	11.1	12.1	11.1
Parking	-	-	0.3	0.3	0.3	0.3
Total expenses	<u>\$ 63.5</u>	<u>\$ 58.0</u>	<u>\$ 12.4</u>	<u>\$ 11.4</u>	<u>\$ 75.9</u>	<u>\$ 69.4</u>
Change in net position	<u>\$ (1.6)</u>	<u>\$ 0.5</u>	<u>\$ 1.0</u>	<u>\$ 1.3</u>	<u>\$ (0.6)</u>	<u>\$ 1.8</u>

(Note: There will be some slight differences in totals due to rounding).

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Normal Impacts

There are eight basic impacts on revenues and expenses and are reflected below.

Revenues:

Economic condition - This can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/decrease in Village approved rates - While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, sewer, licenses and fees, home rule sales tax, utility taxes, etc.).

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

Market impacts on investment income - The Village's investment portfolio is managed using a short-term average maturity and the market condition may cause investment income to fluctuate less than alternative longer-term options.

Expenses:

Introduction of new programs - Within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs or unfunded mandates from other governmental levels.

Increase/Decrease in authorized personnel - Changes in service demand may cause the Village Board to increase/decrease authorized staffing levels. Staffing costs (salary and related benefits) represent approximately 80% of the Village's General Fund operating costs.

Salary increases (annual adjustments and merit) - The ability to attract and retain human and intellectual resources requires the Village to strive for a competitive salary range position in the marketplace. In addition, the Village has 4 separate bargaining units representing various segments of the employee population.

Inflation - While overall inflation appears to be reasonably low, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some specific areas may experience unusually high price increases.

CURRENT YEAR IMPACTS

Governmental Activities

Revenue:

Total revenues for the Village's Governmental Activities for 2013 were \$61.9 million.

Property taxes are the largest revenue source for governmental activities accounting for \$18.9 million or an increase of \$0.5 million from the prior year. This revenue has historically been the most stable source for the Village. Sales tax was the second highest revenue source with \$18.3 million in revenue. This was an increase of \$1.7 million from the prior year. The increase was due primarily to the gradual improving economy and additional new retail coming on line. The sales tax consists of a 1.0% state portion and 1.0% local home-rule portion. There was a slight increase of \$0.4 million in revenues from grants. The income tax increased \$0.5 million as state shared revenues saw slight growth during this period.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Governmental Activities (cont.)

Expenses:

Total expenses for the Village's Governmental Activities for 2013 were \$63.5 million.

Public Safety, which includes Police and Fire, accounts for the largest portion of governmental expenses. Total Public Safety expenses in 2013 were \$29.8 million, an increase of \$1.6 million from 2012. Expenses for Highways and Streets, which are made up of the public works divisions (excluding water and sewer) is the second largest category of governmental expenses totaling \$18.6 million an increase of \$2.7 million from the prior year. The increase is primarily due to expenses related to capital projects.

Business-Type Activities

Revenues:

Total revenues for the Village's Business-Type Activities for 2013 were \$13.4 million.

Business-type activities in the Village consist of Water and Sewer Operations and Parking Operations. Charges for service accounts for almost the entire amount of revenue for business-type activities. Of the \$11.7 million generated in 2013, \$8.5 million is from water sales, \$2.8 million is from sewer fees and charges, \$0.2 million is from parking operations and the balance is from various penalties, tap and meter fees. For 2012, water sales accounted for \$7.9 million and sewer fees were \$2.9 million. The Water and Sewer Fund also receives special service area taxes in the amount of \$1.5 million. This amount is unchanged from the prior year. These taxes support the delivery of Lake Michigan Water to Village residents that are connected to the Village's water system.

Expenses:

Total expenses for the Village's Business-Type Activities for 2013 were \$12.4 million.

Of the total expenses for business-type activities, \$12.1 million is attributable to Water and Sewer while \$0.3 million is attributable to parking. \$5.3 million in Water and Sewer Fund expenses were for the acquisition of water through the Northwest Suburban Municipal Joint Action Water Agency (JAWA). In comparison, of the \$11.4 million in expenses for 2012, \$4.6 million were attributable to the acquisition of water through JAWA.

FINANCIAL ANALYSIS OF THE VILLAGE'S GENERAL FUND

The General Fund is the Village's primary operating fund. It supports a majority of the day-to-day services delivered to its residences and businesses. The fund balance of the General Fund saw a slight increase of \$0.3 million in 2013 from \$11.6 million to \$11.9 million. In 2013, General Fund revenues came in slightly above the final budget by \$0.3 million while expenditures and net transfers came in \$1.0 million under budget. The final Village budget had anticipated a decrease in the General Fund fund balance of \$0.6 million.

Intergovernmental revenues were above budget by \$0.3 million primarily due to a growth in sales taxes. Actual sales tax receipts for 2013 came in \$0.3 million above the final budget. No other significant deviations were seen in revenues during 2013.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

General Fund Budgeting Highlights

During 2013, the Village amended the budget four times. Table 3 below reflects the original and revised budget and the actual revenues and expenditures for the General Fund. More information can be found in the schedule of revenues, expenditures and changes in fund balance on page 74.

Table 3
General Fund Budgetary Changes
Calendar Year 2013 (in millions)

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>
Revenues and Other Financing Sources			
Taxes	\$ 20.2	\$ 19.9	\$ 19.7
Intergovernmental	17.6	18.5	18.9
Other	<u>6.5</u>	<u>6.3</u>	<u>6.4</u>
Total Revenues	\$ 44.3	\$ 44.7	\$ 45.0
Expenditures and Transfers			
Expenditures	\$ 44.3	\$ 45.7	\$ 44.5
Net Transfers	<u>-</u>	<u>(0.4)</u>	<u>0.2</u>
Total Expenditures and Transfers	\$ 44.3	\$ 45.3	\$ 44.7
 Change in Fund Balance	 <u>\$ -</u>	 <u>\$ (0.6)</u>	 <u>\$ 0.3</u>

Other Major Funds

There are three (3) other Major Funds for Fiscal Year ended December 31, 2013. These three Funds are 1) Refuse Disposal Fund, 2) Debt Service Fund, and 3) Flood Construction Fund.

Refuse Disposal Fund – This Fund coordinates the Village’s comprehensive municipal solid waste program. Total revenues for 2013 were \$4.4 million, a decrease of \$0.1 million from the prior year. Of this total revenue amount, \$1.8 million is from property taxes and \$2.6 million is from charges for services. Total expenditures for 2013 were \$4.3 million, no change from the prior year. Ending fund balance grew \$0.1 million to \$2.4 million.

Debt Service Fund – This Fund is used to accumulate monies for payment of principal and interest on general obligation bonds and other borrowings. Total revenues for 2013 were \$2.4 million, no change from the prior year. Of this total revenue amount, \$2.4 million is from property taxes and less than \$0.1 million is from miscellaneous revenue. Total expenditures for 2013 were \$2.5 million, an increase of \$0.1 from the prior year. Ending fund balance was unchanged at \$0.1 million.

Flood Control Construction Fund – This Fund is used to account for the resources directed towards implementing flood control projects throughout the village. Total revenues for 2013 were \$0.7 million. There were also bond proceeds totaling \$9.8 million. Total expenditures for 2013 were \$2.4 million. Ending fund balance is \$11.7 million. Flood control projects planned for 2014 are expected to draw down the entire amount of fund balance.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
 MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Capital Assets

At the end of 2013, the Village had a combined total of \$99.8 million invested in a broad range of capital assets including village facilities, roads, bridges, water/sewer lines and machinery and equipment (see Table 4 below). The following reconciliation summarizes the changes in Capital Assets.

Table 4
 Capital Assets at Year End
 Net of Depreciation (in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land (including right-of-way)	\$ 10.3	\$ 10.3	\$ 17.6	\$ 17.6	\$ 27.9	\$ 27.9
Construction in Progress	0.6	0.6	0.2	0.2	0.8	0.8
Buildings & Improvements	30.0	30.8	2.0	1.9	32.0	32.7
Vehicles	3.8	3.6	-	-	3.8	3.6
Machinery & Equipment	0.6	0.6	0.9	1.0	1.5	1.6
Infrastructure	<u>28.5</u>	<u>29.7</u>	<u>5.6</u>	<u>5.9</u>	<u>34.1</u>	<u>35.6</u>
Total Capital Assets	<u>\$ 73.8</u>	<u>\$ 75.6</u>	<u>\$ 26.3</u>	<u>\$ 26.6</u>	<u>\$ 100.1</u>	<u>\$ 102.2</u>

This amount represents a net decrease (including additions and deletions) of \$2.1 million from 2012.

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VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 5
Change in Capital Assets (in millions)

	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
Beginning Balance	\$ 75.6	\$ 26.6	\$ 102.2
Additions			
Depreciable	3.5	0.2	3.7
Non-Depreciable	0.6	0.1	0.7
Retirements			
Depreciable	(1.2)	-	(1.2)
Non-Depreciable	(0.6)	(0.1)	(0.7)
Depreciation	(4.7)	(0.5)	(5.2)
Retirement	<u>0.6</u>	<u>-</u>	<u>0.6</u>
Ending Balance	<u>\$ 73.8</u>	<u>\$ 26.3</u>	<u>\$ 100.1</u>

Table 5 above shows the change in capital assets during 2013. This year's major additions to the capital assets include the following (in millions):

Governmental Activities

Storm Water System Improvements - \$2.0
Vehicles for Public Safety and Public Works - \$0.8
Kensington Road Improvements - \$0.4

Business-Type Activities

No significant additions to capital assets during 2013.

More detailed information on capital asset activity can be found in Note 3 of the notes to the financial statements beginning on page 37.

Debt Outstanding

The Village of Mount Prospect had total long-term debt and loans payable of \$40.5 million as of December 31, 2013. Long-term debt is comprised of general obligation debt, compensated absences to employees, net pension obligation and other post-employment benefits (OPEB), and loans payable. During the year, \$10.8 million of general obligation debt and notes payable were issued, \$1.0 million of general obligation debt was retired; \$0.6 million in notes payable was retired while compensated absences increased by \$0.4 million. In addition, the net pension obligation and OPEB increased a combined \$0.4 million.

The Village of Mount Prospect maintains an AA+ rating from Standard and Poor's. As a home rule authority, the Village of Mount Prospect does not have a legal debt limit.

More detailed information on long-term debt activity can be found in Note 3 of the notes to the financial statements beginning on page 41.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Economic Factor's and Next Year's Budget

The General Fund, the Village's main operating fund, ended with a surplus for calendar year 2013. The \$0.3 million surplus maintains the fund balance at the 25% benchmark set by the Village Board. Total village revenues for 2013 continue to see positive, albeit slight, increases from the prior year. Deliberate budgetary measures involving both revenues and expenditures have allowed the Village to maintain a strong financial condition through several lean years following the significant downturn in the economy that started at the end of 2008. Continuing challenges in 2014 and years to come include rising personnel related costs (wages insurance, etc.) and the funding of the public safety pensions. Approximately 80% of the operating budget is made up of these personnel and related costs.

The Village's average unemployment rate for 2013 was 6.7%. This is below the state unemployment rate of 9.2% and equal to the national unemployment. The Village's unemployment rate increased 10 basis points from the prior year.

The 2014 Budget represents a 13.5% increase from the amended 2013 Budget and totals \$116.9 million. The General Fund increased \$0.1 million, or 0.3% from the prior year. The Village's Operating Budget (that part which funds the Village's day-to-day operations) shows an increase of 1.4% and totals \$62.0 million. The Operating Budget includes all General Fund expenditures as well as refuse disposal, water and sewer service, and various special revenue activities.

Request for Information

This financial report is designed to provide a general overview of the Village of Mount Prospect's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to David O. Erb, Finance Director/Treasurer, Village of Mount Prospect, 50 South Emerson, Mount Prospect, Illinois 60056.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Net Position
December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Net Position
December 31, 2013**

	Governmental Activities	Business- Type Activities	Totals	Component Unit <u>Public</u> Library
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 37,125,048	\$ 5,699,249	\$ 42,824,297	\$ 7,121,643
Receivables - Net of Allowances				
Property Taxes	17,367,414	1,521,807	18,889,221	10,526,286
Other Taxes	6,936,592	28,033	6,964,625	-
Accounts	292,028	-	292,028	13,796
Utility Customers	-	1,170,657	1,170,657	-
Other	505,913	7,216	513,129	770
Due from Other Governments	889,597	483	890,080	116
Internal Balances	212,603	(212,603)	-	-
Prepays/Inventories	795,178	256,004	1,051,182	-
Total Current Assets	<u>64,124,373</u>	<u>8,470,846</u>	<u>72,595,219</u>	<u>17,662,611</u>
Noncurrent Assets				
Capital Assets				
Nondepreciable	10,893,380	17,782,190	28,675,570	677,552
Depreciable	140,146,748	27,233,256	167,380,004	25,314,629
Accumulated Depreciation	(77,227,424)	(18,663,157)	(95,890,581)	(10,935,066)
	<u>73,812,704</u>	<u>26,352,289</u>	<u>100,164,993</u>	<u>15,057,115</u>
Other Assets				
Deposits - Insurance	521,810	-	521,810	-
Deposit with Joint Venture	-	663,341	663,341	-
Net Pension Asset	437,337	-	437,337	-
	<u>959,147</u>	<u>663,341</u>	<u>1,622,488</u>	<u>-</u>
Total Noncurrent Assets	<u>74,771,851</u>	<u>27,015,630</u>	<u>101,787,481</u>	<u>15,057,115</u>
Total Assets	<u>138,896,224</u>	<u>35,486,476</u>	<u>174,382,700</u>	<u>32,719,726</u>
DEFERRED OUTFLOWS OF RESOURCES				
Loss on Refunding	-	-	-	273,736
Total Assets and Deferred Outflows of Resources	<u>138,896,224</u>	<u>35,486,476</u>	<u>174,382,700</u>	<u>32,993,462</u>

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

	Governmental Activities	Business- Type Activities	Totals	Component Unit Public Library
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 3,188,615	\$ 640,134	\$ 3,828,749	\$ 189,802
Accrued Payroll	1,533,508	159,599	1,693,107	262,616
Due to Other Governments	-	-	-	16,243
Accrued Interest Payable	187,069	-	187,069	36,198
Claims Payable	849,879	-	849,879	-
Other Payables	547,574	23,409	570,983	-
Current Portion of				
Long-Term Liabilities	2,276,632	46,392	2,323,024	1,164,387
Total Current Liabilities	8,583,277	869,534	9,452,811	1,669,246
Noncurrent Liabilities				
Compensated Absences Payable	2,976,182	185,570	3,161,752	97,546
Net Pension Obligation	613,449	-	613,449	-
Net Other Post-Employment				
Benefits Obligation Payable	581,981	21,087	603,068	64,382
Notes/Loans Payable	3,061,926	-	3,061,926	-
General Obligation Bonds Payable - Net	30,764,628	-	30,764,628	11,435,000
Total Noncurrent Liabilities	37,998,166	206,657	38,204,823	11,596,928
Total Liabilities	46,581,443	1,076,191	47,657,634	13,266,174
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	16,962,192	-	16,962,192	10,300,000
Total Liabilities and Deferred Inflows of Resources	63,543,635	1,076,191	64,619,826	23,566,174
NET POSITION				
Net Investment in Capital Assets	48,152,760	26,352,289	74,505,049	2,755,851
Restricted - Debt Service	-	-	-	685,524
Restricted - Highways and Streets	338,861	-	338,861	-
Restricted - Business District	83	-	83	-
Restricted - Public Safety	392,722	-	392,722	-
Restricted - Refuse Disposal	2,314,256	-	2,314,256	-
Restricted - Donations	-	-	-	271,741
Restricted - Working Cash	-	-	-	2,092,566
Unrestricted	24,153,907	8,057,996	32,211,903	3,621,606
Total Net Position	\$ 75,352,589	\$ 34,410,285	\$ 109,762,874	\$ 9,427,288

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2013

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 7,356,433	\$ 6,908,188	\$ -	\$ 283,233
Public Safety	29,771,502	1,583,328	26,857	1,907
Highways and Streets	18,570,593	269,066	2,027,853	3,612
Health	4,459,897	12,764	-	-
Welfare	1,868,952	-	301,955	-
Culture and Recreation	443,171	28,456	-	-
Interest on Long-Term Debt	1,016,337	-	-	-
Total Governmental Activities	63,486,885	8,801,802	2,356,665	288,752
Business-Type Activities				
Water and Sewer	12,078,221	11,507,264	-	-
Parking	346,303	234,458	-	-
Total Business-Type Activities	12,424,524	11,741,722	-	-
	\$ 75,911,409	\$ 20,543,524	\$ 2,356,665	\$ 288,752
Component Unit - Public Library	\$ 9,031,881	\$ 159,722	\$ -	\$ -

General Revenues

Taxes

Property

Utility

Business District Tax

Home Rule Sales

Food and Beverage

Real Estate Transfer

Municipal Motor Fuel

Other

Hotel/Motel

Intergovernmental - Unrestricted

State Sales and Use

Income Taxes

Replacement Taxes

Charitable Games Tax

Interest

Miscellaneous

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net Expense/Revenue			
Governmental Activities	Primary Government		Component Unit
	Business-Type Activities	Totals	Public Library
\$ (165,012)	\$ -	\$ (165,012)	\$ -
(28,159,410)	-	(28,159,410)	-
(16,270,062)	-	(16,270,062)	-
(4,447,133)	-	(4,447,133)	-
(1,566,997)	-	(1,566,997)	-
(414,715)	-	(414,715)	-
(1,016,337)	-	(1,016,337)	-
(52,039,666)	-	(52,039,666)	-
-	(570,957)	(570,957)	-
-	(111,845)	(111,845)	-
-	(682,802)	(682,802)	-
(52,039,666)	(682,802)	(52,722,468)	-
-	-	-	(8,872,159)
18,890,542	1,507,661	20,398,203	10,088,851
3,891,713	-	3,891,713	-
317,527	-	317,527	-
5,035,998	104,050	5,140,048	-
1,047,436	-	1,047,436	-
853,617	-	853,617	-
360,802	-	360,802	-
295,405	-	295,405	-
395,405	-	395,405	-
13,254,358	-	13,254,358	-
5,161,051	-	5,161,051	-
396,999	-	396,999	50,911
4,090	-	4,090	-
29,785	3,387	33,172	3,356
436,703	90,713	527,416	86,905
50,371,431	1,705,811	52,077,242	10,230,023
(1,668,235)	1,023,009	(645,226)	1,357,864
77,020,824	33,387,276	110,408,100	8,069,424
\$ 75,352,589	\$ 34,410,285	\$ 109,762,874	\$ 9,427,288

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2013

	<u>General</u>
ASSETS	
Cash and Investments	\$ 6,886,656
Receivables - Net of Allowances	
Property Taxes	14,543,097
Other Taxes	5,711,586
Accounts	-
Other	492,912
Due from Other Governments	53,602
Due from Other Funds	212,603
Prepays/Inventories	<u>297,762</u>
 Total Assets	 <u><u>\$ 28,198,218</u></u>
LIABILITIES	
Accounts Payable	\$ 334,043
Accrued Payroll	1,429,589
Due to Other Funds	114,659
Other Payables	45,309
Total Liabilities	<u>1,923,600</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>14,396,036</u>
Total Liabilities and Deferred Inflows of Resources	<u>16,319,636</u>
FUND BALANCES	
Nonspendable	297,762
Restricted	-
Assigned	-
Unassigned	<u>11,580,820</u>
Total Fund Balances	<u>11,878,582</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>\$ 28,198,218</u></u>

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

Refuse Disposal	Debt Service	Flood Control Construction	Nonmajor	Totals
\$ 2,231,180	\$ 113,267	\$ 11,893,973	\$ 5,169,622	\$ 26,294,698
348,023	2,233,550	-	242,744	17,367,414
-	-	237,515	987,491	6,936,592
292,028	-	-	-	292,028
-	-	-	8,397	501,309
15,052	-	56,438	752,770	877,862
-	-	-	-	212,603
130,861	830	-	773	430,226
<u>\$ 3,017,144</u>	<u>\$ 2,347,647</u>	<u>\$ 12,187,926</u>	<u>\$ 7,161,797</u>	<u>\$ 52,912,732</u>
\$ 213,394	\$ -	\$ 490,608	\$ 1,945,641	\$ 2,983,686
18,633	-	-	2,490	1,450,712
-	-	-	-	114,659
-	-	25,000	448,728	519,037
232,027	-	515,608	2,396,859	5,068,094
340,000	2,226,156	-	-	16,962,192
572,027	2,226,156	515,608	2,396,859	22,030,286
130,861	830	-	773	430,226
2,314,256	120,661	-	731,666	3,166,583
-	-	11,672,318	4,033,188	15,705,506
-	-	-	(689)	11,580,131
2,445,117	121,491	11,672,318	4,764,938	30,882,446
<u>\$ 3,017,144</u>	<u>\$ 2,347,647</u>	<u>\$ 12,187,926</u>	<u>\$ 7,161,797</u>	<u>\$ 52,912,732</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to
Net Position - Governmental Activities**

December 31, 2013

Total Governmental Fund Balances	\$ 30,882,446
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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 funds.	69,747,325
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Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets.	14,587,299
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(3,566,875)
Net Pension Asset	437,337
Net Pension Obligation Payable	(613,449)
Net Other Post-Employment Benefit Obligation	(575,285)
General Obligation Bonds Payable - Net of Unamortized Items	(31,744,628)
Loan Contracts Payable	(1,139,512)
Installment Notes Payable	(2,475,000)
Accrued Interest Payable	<u>(187,069)</u>

Net Position of Governmental Activities	<u>\$ 75,352,589</u>
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2013

	<u>General</u>
Revenues	
Taxes	\$ 19,705,258
Licenses, Permits and Fees	3,589,368
Intergovernmental	18,863,089
Charges for Services	1,858,829
Fines and Forfeits	430,960
Interest	6,561
Miscellaneous	542,473
Total Revenues	<u>44,996,538</u>
Expenditures	
Current	
General Government	5,851,590
Public Safety	29,175,170
Highways and Streets	7,341,461
Health	142,062
Welfare	1,569,824
Culture and Recreation	435,931
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>44,516,038</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>480,500</u>
Other Financing Sources (Uses)	
Debt Issuance	-
Transfers In	36,865
Transfers Out	(203,112)
	<u>(166,247)</u>
Net Change in Fund Balances	314,253
Fund Balances - Beginning	<u>11,564,329</u>
Fund Balances - Ending	<u>\$ 11,878,582</u>

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

Refuse Disposal	Debt Service	Flood Control Construction	Nonmajor	Totals
\$ 1,846,553	\$ 2,392,792	\$ 625,738	\$ 6,518,104	\$ 31,088,445
-	-	-	-	3,589,368
-	-	-	2,240,820	21,103,909
2,550,158	-	-	-	4,408,987
-	-	-	-	430,960
607	575	6,341	2,667	16,751
7,537	43,501	108,438	465,247	1,167,196
4,404,855	2,436,868	740,517	9,226,838	61,805,616
-	-	-	1,600,557	7,452,147
-	-	-	58,392	29,233,562
-	-	-	1,753,385	9,094,846
4,315,486	-	-	-	4,457,548
-	-	-	299,128	1,868,952
-	-	-	-	435,931
-	-	2,372,487	6,215,927	8,588,414
-	1,537,312	-	-	1,537,312
-	913,882	-	-	913,882
4,315,486	2,451,194	2,372,487	9,927,389	63,582,594
89,369	(14,326)	(1,631,970)	(700,551)	(1,776,978)
-	-	9,800,000	-	9,800,000
-	-	-	203,112	239,977
-	-	-	(36,865)	(239,977)
-	-	9,800,000	166,247	9,800,000
89,369	(14,326)	8,168,030	(534,304)	8,023,022
2,355,748	135,817	3,504,288	5,299,242	22,859,424
\$ 2,445,117	\$ 121,491	\$ 11,672,318	\$ 4,764,938	\$ 30,882,446

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended December 31, 2013

Net Change in Fund Balances - Total Governmental Funds	\$ 8,023,022
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	2,431,115
Depreciation Expense	(4,110,167)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Additions to Compensated Absences Payable	(360,489)
Additions to Net Pension Obligation Payable	(68,956)
Deductions to Net Pension Asset	(97,328)
Additions to Net Other Post-Employment Benefit Obligations	(286,926)
Amortization of Premium on Refunding	6,227
Issuance of General Obligation Bonds Payable	(9,800,000)
Retirement of General Obligation Bonds Payable	945,000
Retirement of Loan Contracts Payable	592,312
Changes to accrued interest on long-term debt in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
	(108,682)
Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	
	<u>1,166,637</u>
Changes in Net Position of Governmental Activities	<u>\$ (1,668,235)</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Net Position - Proprietary Funds
December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Position - Proprietary Funds
December 31, 2013

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 5,382,441	\$ 316,808	\$ 5,699,249	\$ 10,830,350
Receivables - Net of Allowances				
Property Taxes	1,521,807	-	1,521,807	-
Other Taxes	-	28,033	28,033	-
Accounts - Billed	524,750	-	524,750	-
Accounts - Unbilled	645,907	-	645,907	-
Other	7,216	-	7,216	4,604
Due from Other Governments	483	-	483	11,735
Prepays	8,500	-	8,500	73,621
Inventories	247,504	-	247,504	291,331
Total Current Assets	8,338,608	344,841	8,683,449	11,211,641
Noncurrent Assets				
Capital Assets				
Nondepreciable	17,549,836	232,354	17,782,190	248,574
Depreciable	26,868,456	364,800	27,233,256	11,782,684
Accumulated Depreciation	(18,298,357)	(364,800)	(18,663,157)	(7,965,879)
	26,119,935	232,354	26,352,289	4,065,379
Other Assets				
Deposits - Insurance	-	-	-	521,810
Deposit with Joint Venture	663,341	-	663,341	-
	663,341	-	663,341	521,810
Total Noncurrent Assets	26,783,276	232,354	27,015,630	4,587,189
Total Assets	35,121,884	577,195	35,699,079	15,798,830

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

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 630,660	\$ 9,474	\$ 640,134	\$ 90,270
Accrued Payroll	155,086	4,513	159,599	82,796
Claims Payable	-	-	-	849,879
Due to Other Funds	-	212,603	212,603	-
Other Payables	-	23,409	23,409	28,537
Compensated Absences Payable	46,055	337	46,392	30,671
Total Current Liabilities	831,801	250,336	1,082,137	1,082,153
Noncurrent Liabilities				
Compensated Absences Payable	184,221	1,349	185,570	122,682
Net Other Post-Employment Benefits Obligation Payable	19,409	1,678	21,087	6,696
Total Noncurrent Liabilities	203,630	3,027	206,657	129,378
Total Liabilities	1,035,431	253,363	1,288,794	1,211,531
NET POSITION				
Net Investment in Capital Assets	26,119,935	232,354	26,352,289	4,065,379
Unrestricted	7,966,518	91,478	8,057,996	10,521,920
Total Net Position	\$ 34,086,453	\$ 323,832	\$ 34,410,285	\$ 14,587,299

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended December 31, 2013**

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
Operating Revenues				
Charges for Services	\$ 11,507,264	\$ 234,458	\$ 11,741,722	\$ 9,718,456
Contributions	-	-	-	1,280,867
Miscellaneous	-	-	-	13,517
Total Operating Revenues	11,507,264	234,458	11,741,722	11,012,840
Operating Expenses				
Administration and Maintenance	11,622,593	346,303	11,968,896	2,753,844
Insurance and Claims	-	-	-	6,554,898
Depreciation	455,628	-	455,628	621,443
Total Operating Expenses	12,078,221	346,303	12,424,524	9,930,185
Operating Income (Loss)	(570,957)	(111,845)	(682,802)	1,082,655
Nonoperating Revenues (Expenses)				
Property Taxes	1,507,661	-	1,507,661	-
Home Rule Sales Tax	-	104,050	104,050	-
Interest Income	3,040	347	3,387	13,034
Other Income	109,934	-	109,934	-
Disposal of Capital Assets	(19,221)	-	(19,221)	70,948
	1,601,414	104,397	1,705,811	83,982
Change in Net Position	1,030,457	(7,448)	1,023,009	1,166,637
Net Position - Beginning	33,055,996	331,280	33,387,276	13,420,662
Net Position - Ending	\$ 34,086,453	\$ 323,832	\$ 34,410,285	\$ 14,587,299

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor	Totals	Activities Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 13,224,188	\$ 337,252	\$ 13,561,440	\$ -
Interfund Services Provided	-	-	-	11,334,613
Payments to Suppliers	(10,121,725)	(303,785)	(10,425,510)	(8,766,989)
Payments to Employees	(1,819,038)	(62,534)	(1,881,572)	(899,495)
	<u>1,283,425</u>	<u>(29,067)</u>	<u>1,254,358</u>	<u>1,668,129</u>
Cash Flows from Capital and Related Financing Activities				
Disposal of Capital Assets	(17,800)	-	(17,800)	90,948
Purchase of Capital Assets	(242,963)	-	(242,963)	(509,163)
	<u>(260,763)</u>	<u>-</u>	<u>(260,763)</u>	<u>(418,215)</u>
Cash Flows from Investing Activities				
Interest Received	3,040	347	3,387	13,034
Net Change in Cash and Cash Equivalents	1,025,702	(28,720)	996,982	1,262,948
Cash and Cash Equivalents - Beginning	4,356,739	345,528	4,702,267	9,567,402
Cash and Cash Equivalents - Ending	<u>\$ 5,382,441</u>	<u>\$ 316,808</u>	<u>\$ 5,699,249</u>	<u>\$ 10,830,350</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (570,957)	\$ (111,845)	\$ (682,802)	\$ 1,082,655
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	455,628	-	455,628	621,443
Other Income	1,617,595	104,050	1,721,645	-
(Increase) Decrease in Current Assets	99,329	(1,256)	98,073	321,773
Increase (Decrease) in Current Liabilities	(318,170)	(20,016)	(338,186)	(357,742)
Net Cash Provided by Operating Activities	<u>1,283,425</u>	<u>(29,067)</u>	<u>1,254,358</u>	<u>1,668,129</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Position - Fiduciary Funds
December 31, 2013

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 4,017,027	\$ 1,511,610
Investments		
State and Local Obligations	3,790,747	-
U.S. Government and Agency Obligations	20,192,842	-
Corporate Bonds and Obligations	17,657,424	-
Mutual Funds	63,102,557	-
Receivables - Net of Allowances		
Accrued Interest	258,156	-
Prepays	1,699	-
Due from Other Funds	<u>114,659</u>	<u>-</u>
Total Assets	<u>109,135,111</u>	<u>1,511,610</u>
LIABILITIES		
Accounts Payable	42,720	-
Deposits Payable	-	1,504,273
Other Liabilities	-	7,221
Due to Library	<u>-</u>	<u>116</u>
Total Liabilities	<u>42,720</u>	<u>\$ 1,511,610</u>
NET POSITION		
Held in Trust for Pension Benefits	<u>\$ 109,092,391</u>	

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Changes in Net Position - Fiduciary Funds
For the Fiscal Year Ended December 31, 2013

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 5,002,385
Contributions - Plan Members	<u>1,402,872</u>
Total Contributions	<u>6,405,257</u>
Investment Income	
Interest Earned	1,495,132
Net Change in Fair Value	<u>13,025,434</u>
	14,520,566
Less Investment Expenses	<u>(182,462)</u>
Net Investment Income	<u>14,338,104</u>
Miscellaneous Income	<u>1,841</u>
Total Additions	<u>20,745,202</u>
Deductions	
Administration	95,345
Benefits and Refunds	<u>7,713,672</u>
Total Deductions	<u>7,809,017</u>
Change in Net Position	12,936,185
Net Position - Beginning	<u>96,156,206</u>
Net Position - Ending	<u>\$ 109,092,391</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Mount Prospect, Illinois (Village) was incorporated in 1917. The Village operates under the Council/Manager form of government. The appointed manager administers daily operations with the community while the elected Village Mayor and six-member Board of Trustees determine Village policy. The Village's major operations include public works, finance, police, fire, community development, human services and communications.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Mount Prospect
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Discretely Presented Component Unit:	Mount Prospect Public Library
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The Village's sworn full-time firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village's President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn full-time firefighters. The FPERS is reported as a pension trust fund.

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Mount Prospect Public Library

The Mount Prospect Public Library has a separate elected board and provides service to residents, generally within the geographic boundaries of the Village. The Library Board of Trustees annually determines its budget and resulting tax levy. Upon approval of the Village, the levy is submitted to the County. All debt of the Library is secured by the full faith and credit of the Village. The Library is considered a component unit of the Village of Mount Prospect for purposes of these financial statements. A copy of the Library's report may be obtained by writing to the Mount Prospect Public Library, 10 South Emerson Street, Mount Prospect Illinois 60056.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage and commuter parking activities are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Refuse Disposal Fund, and eight nonmajor special revenue funds. The Refuse Disposal Fund accounts for the revenues and expenditures associated with providing solid waste collection services. Financing is provided by property taxes, user fees and recycling income. The Refuse Disposal Fund reports charges for services (committed) and property taxes (restricted) as the major revenue sources for the fund.

Debt service fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for the servicing of general long-term debt not being financed by proprietary funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, the Flood Control Construction Fund, and four nonmajor capital projects funds. The Flood Control Construction Fund is used to account for the resources to implement flood control projects throughout the Village. Financing is being provided by the sale of general obligation bonds, grants, interest income and by installment loans from the Illinois Environmental Protection Agency (IEPA).

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major proprietary fund, the Water and Sewer Fund, which accounts for the activities of the water and sewer operations. The Village operates sewerage lift stations, relief stations and wastewater collection system and the water distribution system. The Village maintains two nonmajor enterprise funds.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains four internal service funds. The Computer Replacement Fund is used to account for the acquisition of Village computer hardware. Financing is being provided by charges to various Village funds. The Risk Management Fund is used to account for the servicing and payment of claims for liability, property, casualty coverage, workers' compensation and medical benefits. Financing is being provided by charges in the various Village funds. The Vehicle Replacement Fund is used to account for the acquisition and depreciation of Village vehicles. Financing is being provided by charges to the General, Water and Sewer, Parking System Revenue and Village Parking Funds. The Vehicle Maintenance Fund is used to account for the maintenance and repair of all Village vehicles. Financing is being provided by charges to various Village funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the Village for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains three agency funds. The Escrow Deposit Fund is used to account for refundable deposits held by the Village to ensure the completion of public improvements. The money is held by the Village until the improvements are completed. The Flexcomp Escrow Fund is used to account for employee payroll deductions pursuant to a Section 125 and Section 132 flexible compensation plans. The money is reimbursed to employees for qualified medical and dependent care expenses, parking and transportation expenses. The Library Bonds Escrow Fund is used to account for the accumulation of resources for the 2002 Library bond issue payments.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (agency and pension trust). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary, pension trust, and agency funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary, pension trust, and agency fund equity is classified as net position. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, utility taxes and grants. Business-type activities report utility charges as their major receivables.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Prepays/Inventories

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepays/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in both the government-wide and fund financial statements.

Restricted (Noncurrent) Assets

Certain deposits of the Water and Sewer Fund are recorded as restricted assets because their use is restricted by an intergovernmental agreement with the Northwest Suburban Municipal Joint Action Water Agency. Also, certain deposits of the Risk management Fund are recorded as restricted assets because their use is restricted by an agreement with the various third-party administrators.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure, buildings and improvements, purchased or acquired with an original cost of over \$20,000 (\$3,000 for the component unit) and infrastructure, buildings and improvements with an original cost of over \$50,000 are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, stormsewers and bridges are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	20 – 50 Years
Machinery and Equipment	2 – 20 Years
Vehicles	2 – 20 Years
Infrastructure	15 – 50 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenditures/expenses at the time of issuance.

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriations to the Village Manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service and Pension Trust Funds. All annual appropriations lapse at fiscal year end.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, budget amendments were approved by the Village Board. The final budget figures included in this report reflect all budget amendments made during the year.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

DEFICIT FUND EQUITY

The following funds had deficit fund equity for the fiscal year:

<u>Fund</u>	<u>Deficit</u>
Parking System Revenue	\$ 202,602

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds. The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiles Statutes.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least \$5 million that have appointed an investment advisor may, through that investment advisor, invest up to forty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$25,584,279 and the bank balances totaled \$29,933,599.

Investments. The Village has the following investment fair values and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years) Less Than 1</u>
Illinois Funds	\$ 15,221,762	\$ 15,221,762
Illinois Metropolitan Investment Fund	2,018,256	2,018,256
	<u>\$ 17,240,018</u>	<u>\$ 17,240,018</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the Village 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 Village 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, legality, safety of principal and rate of return.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village’s policy limits its exposure to credit risk by permitting investments in only those securities allowed under law and by specifically prohibiting investments in leveraged or derivative securities. Illinois Funds and IMET are rated AAA.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 105% of the fair market value of the funds secured, with the collateral witnessed by a written collateral agreement and held by an independent third party. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Village’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds, and IMET are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village’s investment in a single issuer. The Village’s investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 50% of the Village’s investment portfolio, exclusive of any securities held in safekeeping; Illinois funds shall not exceed 50% of the investment portfolio and IMET shall not exceed 50% of the investment portfolio. At year-end, the Village’s investments are in compliance with its investment policy as it relates to concentration risk.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$2,102,922 and the bank balances totaled \$2,117,778.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U. S. Treasuries	\$ 2,706,977	\$ 699,384	\$ 1,254,913	\$ 752,680	\$ -
U. S. Agencies	7,321,351	826,312	820,426	913,778	4,760,835
State, Local and Municipal Bonds	2,375,581	-	524,540	291,338	1,559,703
Corporate Bonds and Obligations	9,126,012	265,134	5,223,869	3,498,401	138,608
Illinois Funds	260,551	260,551	-	-	-
	<u>\$ 21,790,472</u>	<u>\$ 2,051,381</u>	<u>\$ 7,823,748</u>	<u>\$ 5,456,197</u>	<u>\$ 6,459,146</u>

Interest Rate Risk. The Fund’s investment policy states that the investment portfolio will limit its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market with a minimum return of 4% to 6% desired during the market cycle. In addition, no investment in a fixed income security shall have a maturity of greater than 30 years from the time of purchase.

Credit Risk. The Fund’s investment policy does not address the management of credit risk other than to limit investments to those allowed by state statutes. Illinois Funds is rated AAA. The U.S. Treasury and U.S. Agency obligations that had ratings were rated AAA and the municipal bonds and corporate bonds that were rated ranged from BBB to AAA.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund’s deposits may not be returned to it. The Fund’s investment policy does not address custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

For an investment, this is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts. Illinois Funds are not subject to custodial credit risk.

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities' custodians of the Fund, shall hold more than 10% of the Fund's portfolio at any time. Neither shall Illinois Funds hold more than 10% of the Fund's portfolio at any time. In addition, the following allocations are desired: depository accounts and money market mutual funds at 1% to 5%, fixed income securities at 50% to 54% with the remainder in equities, and equity mutual funds. At December 31, 2013, the Fund's investment in mutual funds exceeded 5% of the Fund's total investments. This is in compliance with the Fund's investment policy.

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$1,460,593 and the bank balances totaled \$1,461,792.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U. S. Treasuries	\$ 2,906,659	\$ 175,410	\$ 685,102	\$ 2,046,147	\$ -
U. S. Agencies	7,257,855	330,302	1,206,969	1,600,871	4,119,713
State, Local and Municipal Bonds	1,415,166	181,156	855,122	378,888	-
Corporate Bonds and Obligations	8,531,412	418,078	4,592,308	3,200,987	320,039
Illinois Funds	192,962	192,962	-	-	-
	<u>\$ 20,304,054</u>	<u>\$ 1,297,908</u>	<u>\$ 7,339,501</u>	<u>\$ 7,226,893</u>	<u>\$ 4,439,752</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. The Fund's investment policy states that the investment portfolio will limit its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market with a minimum return of 4% to 6% desired during the market cycle. In addition, no investment in a fixed income security shall have a maturity of greater than 30 years from the time of purchase.

Credit Risk. The Fund's investment policy does not address the management of credit risk other than to limit investments to those allowed by state statutes. Illinois Funds is rated AAA. The U.S. Treasury and U.S. Agency obligations that had ratings were rated AAA and the municipal bonds and corporate bonds that were rated ranged from BBB to AAA.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund'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 an independent third party or the Federal Reserve Bank and evidenced by safekeeping receipts. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts. Illinois Funds are not subject to custodial credit risk.

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities' custodians of the Fund, shall hold more than 10% of the Fund's portfolio at any time. Neither shall Illinois Funds hold more than 10% of the Fund's portfolio at any time. In addition, the following allocations are desired: depository accounts and money market mutual funds at 1% to 5%, fixed income securities at 50% to 54% with 45% in equities, and equity mutual funds. At December 31, 2013, the investments in mutual funds exceeded 5% of the Fund's total investments. This is in compliance with the Fund's investment policy.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2013 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and are payable in two installments, on or about March 1, and September 1. The County collects such taxes and remits them periodically.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land/Land Right of Way	\$ 10,291,446	\$ -	\$ -	\$ 10,291,446
Construction in Progress	583,824	601,934	583,824	601,934
	<u>10,875,270</u>	<u>601,934</u>	<u>583,824</u>	<u>10,893,380</u>
Depreciable Capital Assets				
Buildings	38,009,332	-	-	38,009,332
Improvements Other than Buildings	384,000	-	-	384,000
Vehicles	11,368,223	844,413	635,066	11,577,570
Machinery and Equipment	1,250,776	-	-	1,250,776
Infrastructure	86,856,747	2,078,200	9,877	88,925,070
	<u>137,869,078</u>	<u>2,922,613</u>	<u>644,943</u>	<u>140,146,748</u>
Less Accumulated Depreciation				
Buildings	7,277,331	758,505	-	8,035,836
Improvements Other than Buildings	278,400	19,200	-	297,600
Vehicles	7,817,846	602,137	615,065	7,804,918
Machinery and Equipment	591,656	107,495	-	699,151
Infrastructure	57,155,079	3,244,273	9,433	60,389,919
	<u>73,120,312</u>	<u>4,731,610</u>	<u>624,498</u>	<u>77,227,424</u>
Total Net Depreciable Capital Assets	<u>64,748,766</u>	<u>(1,808,997)</u>	<u>20,445</u>	<u>62,919,324</u>
Total Net Capital Assets	<u>\$ 75,624,036</u>	<u>\$ (1,207,063)</u>	<u>\$ 604,269</u>	<u>\$ 73,812,704</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 400,657
Public Safety	381,473
Highways and Streets	3,318,448
Health	2,349
Culture and Recreation	7,240
Internal Service	<u>621,443</u>
	<u>\$ 4,731,610</u>

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 17,551,172	\$ -	\$ -	\$ 17,551,172
Construction in Progress	182,815	71,419	23,216	231,018
	<u>17,733,987</u>	<u>71,419</u>	<u>23,216</u>	<u>17,782,190</u>
Depreciable Capital Assets				
Buildings and Improvements	4,499,808	194,648	-	4,694,456
Machinery and Equipment	3,646,309	-	-	3,646,309
Infrastructure	18,910,378	112	17,999	18,892,491
	<u>27,056,495</u>	<u>194,760</u>	<u>17,999</u>	<u>27,233,256</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,586,321	72,826	-	2,659,147
Machinery and Equipment	2,597,369	134,596	-	2,731,965
Infrastructure	13,040,417	248,206	16,578	13,272,045
	<u>18,224,107</u>	<u>455,628</u>	<u>16,578</u>	<u>18,663,157</u>
Total Net Depreciable Capital Assets	<u>8,832,388</u>	<u>(260,868)</u>	<u>1,421</u>	<u>8,570,099</u>
Total Net Capital Assets	<u>\$ 26,566,375</u>	<u>\$ (189,449)</u>	<u>\$ 24,637</u>	<u>\$ 26,352,289</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities – Continued

Depreciation expense was charged to business-type activities as follows:

Water and Sewer \$ 455,628

Discretely Presented Component Unit

Component Unit capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land and Land Improvements	\$ 677,552	\$ -	\$ -	\$ 677,552
Depreciable Capital Assets				
Buildings and Improvements	17,543,076	-	-	17,543,076
Equipment	1,141,527	67,913	10,087	1,199,353
Books	6,521,778	367,090	316,668	6,572,200
	<u>25,206,381</u>	<u>435,003</u>	<u>326,755</u>	<u>25,314,629</u>
Less Accumulated Depreciation				
Buildings and Improvements	4,017,342	438,577	-	4,455,919
Equipment	812,406	86,282	9,470	889,218
Books	5,500,343	406,254	316,668	5,589,929
	<u>10,330,091</u>	<u>931,113</u>	<u>326,138</u>	<u>10,935,066</u>
Total Net Depreciable Capital Assets	<u>14,876,290</u>	<u>(496,110)</u>	<u>617</u>	<u>14,379,563</u>
Total Net Capital Assets	<u>\$ 15,553,842</u>	<u>\$ (496,110)</u>	<u>\$ 617</u>	<u>\$ 15,057,115</u>

Depreciation expense was charged to component unit activities as follows:

Mount Prospect Public Library \$ 931,113

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

Individual fund advances are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Business-Type	\$ 212,603
Police Pension	General	61,251
Firefighters' Pension	General	<u>53,408</u>
		<u>\$ 327,262</u>

The purposes of the significant interfund receivables/payables are as follows:

- \$212,603 due to the General Fund from Nonmajor Business-Type Funds. The balance represents an operating loan to support operations of the Parking System Revenue Fund. Although the cash shortage continues to be on going, the fund was able to reduce the amount in 2013. Funding alternatives that are being considered include a parking rate increase to eliminate the need for further support and address the amount due.
- \$61,251 due to the Police Pension Fund from the General Fund. This was the contributions due for 2013 tax collections received in January and February 2014.
- \$53,408 due to the Firefighters' Pension Fund from the General Fund. This was the contributions due for 2013 tax collections received in January and February 2014.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	\$ 36,865
Nonmajor Governmental	General	<u>203,112</u>
		<u>239,977</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds have been issued for governmental activities. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$10,000,000 General Obligation Bonds of 2009, due in annual installments of \$200,000 to \$1,955,000 plus interest at 3.00% to 4.50% through December 1, 2028.	Debt Service	\$ 9,800,000	\$ -	\$ -	\$ 9,800,000
\$3,430,000 General Obligation Refunding Bonds of 2009B, due in annual installments of \$230,000 to \$370,000 plus interest at 2.50% to 3.75% through December 1, 2021.	Debt Service	2,920,000	-	285,000	2,635,000
\$2,650,000 Taxable General Obligation Bonds of 2009C, due in annual installments of \$25,000 to \$1,000,000 plus interest at 3.00% to 5.75% through December 1, 2029.	Debt Service	2,650,000	-	-	2,650,000

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$5,160,000 General Obligation Refunding Bonds of 2011B, due in annual installments of \$40,000 to \$775,000 plus interest at 2.52% through December 1, 2020.	Debt Service	\$ 5,055,000	\$ -	\$ 40,000	\$ 5,015,000
\$2,975,000 General Obligation Refunding Bonds of 2012C, due in annual installments of \$610,000 to \$865,000 plus interest at 3.10% through December 1, 2022.	Debt Service	2,365,000	-	620,000	1,745,000
\$9,800,000 General Obligation Bonds of 2013, due in annual installments of \$555,000 to \$885,000 plus interest at 3.00% to 4.125% through December 1, 2033.	Debt Service	-	9,800,000	-	9,800,000
		<u>\$ 22,790,000</u>	<u>\$ 9,800,000</u>	<u>\$ 945,000</u>	31,645,000
					Plus: Unamortized Bond Premium
					<u>99,628</u>
					<u>\$ 31,744,628</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Loan Contracts Payable

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$558,474 IEPA Flood Loan (L17-0856) Contract Payable of 1994, due in semi annual installments of \$33,539 to \$38,320 plus interest at 3.36% through July 12, 2013.	Debt Service	\$ 38,320	\$ -	\$ 38,320	\$ -
\$3,695,354 IEPA Flood Loan (L17-0744) Contract Payable of 1994, due in semi annual installments of \$126,134 to \$246,050 plus interest at 3.36% through May 1, 2014.	Debt Service	372,184	-	246,050	126,134
\$1,711,672 IEPA Flood Loan (L17-0857) Contract Payable of 1994, due in semi annual installments of \$99,329 to \$117,337 plus interest at 3.36% through December 10, 2014.	Debt Service	230,827	-	113,491	117,336
\$1,203,550 IEPA Flood Loan (L17-0855) Contract Payable of 1997, due in semi annual installments of \$62,825 to \$79,035 plus interest at 2.89% through November 1, 2017.	Debt Service	373,445	-	70,466	302,979
\$1,760,422 IEPA Flood Loan (L17-1087) Contract Payable of 1999, due in semi annual installments of \$57,498 to \$112,771 plus interest at 2.625% through June 3, 2019.	Debt Service	692,048	-	98,985	593,063
		<u>\$ 1,706,824</u>	<u>\$ -</u>	<u>\$ 567,312</u>	<u>\$ 1,139,512</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Notes Payable

The Village enters into installment notes payable to provide funds for acquisition of capital assets. Installment notes payable have been issued for the governmental activities. Installment notes payable are direct obligations and pledge the full faith and credit of the Village. Installment notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$2,500,000 Installment Note Payable of 2012, due in annual installments of \$25,000 to \$590,000 plus interest at 0.91% through December 1, 2019.	Debt Service	\$ 2,500,000	\$ -	\$ 25,000	\$ 2,475,000

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 3,384,104	\$ 672,248	\$ 336,124	\$ 3,720,228	\$ 744,046
Net Pension Obligation	544,493	68,956	-	613,449	-
Net Other Post-Employment Benefits Obligation	289,542	292,439	-	581,981	-
General Obligation Bonds	22,790,000	9,800,000	945,000	31,645,000	980,000
Add: Unamortized Bond Premium	105,855	-	6,227	99,628	-
Loan Contracts Payable	1,706,824	-	567,312	1,139,512	417,586
Installment Notes Payable	2,500,000	-	25,000	2,475,000	135,000
	<u>\$ 31,320,818</u>	<u>\$ 10,833,643</u>	<u>\$ 1,879,663</u>	<u>\$ 40,274,798</u>	<u>\$ 2,276,632</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 205,732	\$ 52,460	\$ 26,230	\$ 231,962	\$ 46,392
Net Other Post-Employment Benefits Obligation	6,160	14,927	-	21,087	-
	<u>\$ 211,892</u>	<u>\$ 67,387</u>	<u>\$ 26,230</u>	<u>\$ 253,049</u>	<u>\$ 46,392</u>
Component Unit - Public Library					
Compensated Absences	\$ 116,345	\$ 11,176	\$ 5,588	\$ 121,933	\$ 24,387
Net Other Post-Employment Benefits Obligation	61,927	2,455	-	64,382	-
General Obligation Bonds	13,690,000	-	1,115,000	12,575,000	1,140,000
Less: Unamortized Bond Refunding	(304,151)	-	(30,415)	(273,736)	-
	<u>\$ 13,564,121</u>	<u>\$ 13,631</u>	<u>\$ 1,090,173</u>	<u>\$ 12,487,579</u>	<u>\$ 1,164,387</u>

For governmental-type activities, payments on compensated absences, net pension obligation and net other post-employment benefits obligation are made by the General Fund. The Debt Service Fund makes payments on the general obligation bonds, the IEPA loan contract payables and the installment notes payable. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$153,353 of internal service funds' compensated absences is included in the above amount and is generally liquidated by the Vehicle Maintenance Fund, an internal service fund. In addition, \$6,696 of internal service funds' net other post-employment benefits obligation is included in the above amount and is liquidated by the Vehicle Maintenance Fund, an internal service fund. Compensated absences for the business-type activities are liquidated by the Water and Sewer Fund. Payments on the net other post-employment benefits obligation are made by the Water and Sewer Fund and the Parking Fund. The Mount Prospect Public Library, a discretely presented component unit, makes payments on the Library general obligation bonds, the Library compensated absences and the Library net other post-employment benefits obligation.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

Fiscal Year	Governmental Activities					
	General Obligation Bonds		Loan Contracts Payable		Installment Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 980,000	\$ 1,271,680	\$ 417,586	\$ 28,227	\$ 135,000	\$ 22,522
2015	1,025,000	1,163,682	178,913	18,345	400,000	21,294
2016	1,065,000	1,137,582	183,840	13,418	415,000	17,654
2017	1,110,000	1,108,527	188,903	8,355	420,000	13,878
2018	1,160,000	1,077,722	112,771	3,735	515,000	10,056
2019	1,215,000	1,043,375	57,499	754	590,000	5,369
2020	1,830,000	1,006,319	-	-	-	-
2021	1,960,000	950,059	-	-	-	-
2022	1,970,000	884,904	-	-	-	-
2023	2,080,000	815,418	-	-	-	-
2024	2,185,000	733,870	-	-	-	-
2025	2,300,000	646,470	-	-	-	-
2026	2,425,000	551,170	-	-	-	-
2027	2,550,000	448,920	-	-	-	-
2028	2,685,000	339,982	-	-	-	-
2029	1,760,000	222,807	-	-	-	-
2030	790,000	134,907	-	-	-	-
2031	820,000	103,307	-	-	-	-
2032	850,000	70,507	-	-	-	-
2033	885,000	36,507	-	-	-	-
Total	\$ 31,645,000	\$ 13,747,715	\$ 1,139,512	\$ 72,834	\$ 2,475,000	\$ 90,773

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year	Component Unit	
	Public Library	
	General Obligation Bonds	
	Principal	Interest
2014	\$ 1,140,000	\$ 434,379
2015	1,155,000	413,356
2016	1,280,000	392,044
2017	1,360,000	358,266
2018	1,410,000	305,906
2019	1,465,000	250,916
2020	1,525,000	193,048
2021	1,585,000	132,048
2022	1,655,000	67,856
Total	<u>\$ 12,575,000</u>	<u>\$ 2,547,819</u>

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

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

To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Mount Prospect Public Library Financing Agreement

Long-Term Financing from Primary Government

The Village entered into an agreement with the Mount Prospect Public Library (the Library) on May 21, 2002 for the financing of the renovation of the existing public library. The Village agreed to issue general obligation bonds in the amount of \$20,500,000. The Library assumed full responsibility for the repayment of the bonds, inclusive of principal and interest and all costs associated with the bond issue as well as construction of the project. The 2002 bonds were refunded by the 2006 refunding bonds and the 2011A refunding bonds. The liability (\$9,665,000 of 2006 refunding bonds and \$2,910,000 of 2011A refunding bonds at December 31, 2013) for the bonds has been displayed on the Library's financial statements. In the event of a default by the Library, the Village is obligated to pay the principal and interest on the bonds.

The Library will remit to the Village all monies received from taxes collected for payment of principal and interest on a semi-annual basis. Payments are due May 1 and November 1 of each year. The Library has agreed to remit to the Village a balloon payment on November 1, 2021 in an amount sufficient to cover the December 1, 2021 principal and interest payments, the June 1, 2022 interest payment and the December 1, 2022 principal and interest payment.

The Library is responsible for all costs associated with the bond issue such as attorney fees, bond counsel fees and underwriter fees. Payments made to the Village are reported as a debt service expenditure on the Library's governmental fund financial statements and a reduction of the liability in the Library's General Long-Term Debt on the government-wide financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE

Net Position Classifications

Net investment in capital assets, was comprised of the following as of December 31, 2013:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 73,812,704
Plus: Unspent Bond Proceeds	9,699,196
Less Capital Related Debt:	
General Obligation Bonds of 2009	(9,800,000)
General Obligation Refunding Bonds of 2009B	(2,635,000)
Taxable General Obligation Bonds of 2009C	(2,650,000)
General Obligation Refunding Bonds of 2011B	(5,015,000)
General Obligation Refunding Bonds of 2012C	(1,745,000)
General Obligation Bonds of 2013	(9,800,000)
IEPA Flood Loan (L17-0744) Contract Payable of 1994	(126,134)
IEPA Flood Loan (L17-0857) Contract Payable of 1994	(117,336)
IEPA Flood Loan (L17-0855) Contract Payable of 1997	(302,979)
IEPA Flood Loan (L17-1087) Contract Payable of 1999	(593,063)
Installment Note Payable of 2012	(2,475,000)
Unamortized Bond Premium	<u>(99,628)</u>
Net Investment in Capital Assets	<u>\$ 48,152,760</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 26,352,289</u>
Component Unit - Public Library	
Capital Assets - Net of Accumulated Depreciation	\$ 15,057,115
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2006	(9,665,000)
General Obligation Refunding Bonds of 2011A	(2,910,000)
Unamortized Bond Discount	<u>273,736</u>
	<u>\$ 2,755,851</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Fund Balance Classifications

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Refuse Disposal	Debt Service	Flood Control Construction	Nonmajor	Totals
Fund Balances						
Nonspendable	\$ 297,762	\$ 130,861	\$ 830	\$ -	\$ 773	\$ 430,226
Restricted						
Refuse Disposal	-	2,314,256	-	-	-	2,314,256
Debt Service	-	-	120,661	-	-	120,661
Highways and Streets	-	-	-	-	338,861	338,861
Business District	-	-	-	-	83	83
Public Safety	-	-	-	-	392,722	392,722
	-	2,314,256	120,661	-	731,666	3,166,583
Assigned - Capital Projects	-	-	-	11,672,318	4,033,188	15,705,506
Unassigned	11,580,820	-	-	-	(689)	11,580,131
Total Fund Balances	\$ 11,878,582	\$ 2,445,117	\$ 121,491	\$ 11,672,318	\$ 4,764,938	\$ 30,882,446

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Assigned Fund Balance. The Village reports assigned fund balance in the Capital Improvement, Series 2009 Construction, the Downtown Redevelopment Construction, nonmajor funds, and the Flood Control Construction, a major fund. The Village’s Board and/or Village Manager (by authorization in the fund balance policy) has assigned the funds in these four funds to future improvement projects and equipment and vehicle purchases based on approved management expenditures as determined through the annual budget process.

Minimum Fund Balance Policy. The Village policy states that the General Fund should maintain an unrestricted fund balance level between 20% to 30% of the subsequent fiscal year’s expenditures, the special revenue funds (except the CDBG Fund) should maintain a fund balance level between 10% and

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Fund Balance Classifications – Continued

Minimum Fund Balance Policy – Continued

25% of the annual budgeted expenditures, not including capital, debt service and transfers, the Debt Service Fund should maintain a fund balance level at a maximum of the amount of the next principal and interest payment due, and the Capital Projects Fund should maintain a fund balance level between 25% and 50% of the five-year average for capital expenditures supported by the fund to a maximum of \$1 million.

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village and its component are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village is self-insured for the first \$25,000 for property claims, \$2,000,000 for liability claims, \$2,000,000 for errors and omissions and \$500,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. The Village's self-insurance activities are reported in the Risk Management Fund, an internal service fund.

Premiums are paid into the Risk Management Fund by the departments of the General Fund and other funds based upon historical cost estimates. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. The total claims liability as of December 31, 2013 was \$849,879.

Changes in the balances of claims liabilities during the fiscal year are as follows:

	Auto	Workers' Compensation	General Liability	Totals
Claims Payable - December 31, 2011	\$ 75,934	\$ 1,098,722	\$ -	\$ 1,174,656
Incurred Claims	(53,002)	777,855	-	724,853
Claims Paid	(19,432)	(634,267)	-	(653,699)
Claims Payable - December 31, 2012	3,500	1,242,310	-	1,245,810
Incurred Claims	62,475	431,062	15,000	508,537
Claims Paid	(25,673)	(878,795)	-	(904,468)
Claims Payable - December 31, 2013	<u>\$ 40,302</u>	<u>\$ 794,577</u>	<u>\$ 15,000</u>	<u>\$ 849,879</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

High-Level Excess Liability Pool (HELP)

The Village is a member of the High-Level Excess Liability Pool (HELP). HELP is a public entity risk pool established by certain municipalities in Illinois to provide excess liability coverage (\$12,000,000 of coverage after a \$2,000,000 self-insurance retention). The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP is governed by the Board of Directors which consists of one appointed representative from each Member Municipality. Each Director has an equal vote. The officers of HELP are elected by the Board of Directors. The Board of Directors determines the general policy of HELP, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

The Village of Elk Grove Village, Illinois (the initial Host member) issued \$5,000,000 of general obligation bonds in 1987 to provide initial funding for HELP. The bond proceeds were put into escrow. An intergovernmental agreement among HELP, the Village of Elk Grove Village and the Members provides that HELP and its Members are obligated to the Village of Elk Grove Village for payment of principal and interest on the bonds until such bonds have been retired. The bonds were retired April 30, 1997.

HELP was organized on April 1, 1987 with the initial agreement which has been extended to April 30, 2018. The Village has committed to purchase excess liability insurance from HELP through the term of the agreement. Annual premiums are calculated based on a formula which specifies the following four criteria: 1) Miles of streets; 2) Full-time equivalent employees; 3) Number of motor vehicles; and 4) Operating revenues

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

CONTRACTUAL COMMITMENTS

High-Level Excess Liability Pool (HELP)

The Village has committed to purchase excess liability insurance from the High-Level Excess Liability Pool (HELP), and insurance pool of Illinois municipalities, through April 30, 2018. There is no minimum annual commitment amount for the purchase of this insurance coverage.

Future premiums will be calculated using the Village's allocation percentage. HELP's agreement provides that each year members will be assessed based upon a formula which specifies the following four criteria for allocating premium costs:

- Miles of Streets
- Full-Time Equivalent Employees
- Number of Motor Vehicles
- Operating Revenues

The Village paid \$74,617 to HELP in 2013. For 2014, the Village estimates it will pay \$79,754.

Solid Waste Agency of Northern Cook County (SWANCC)

Annual payments to SWANCC are based on estimated tonnage of waste transported to SWANCC. It is assumed that there will be no material changes in deliveries to SWANCC. For 2014 the Village estimates it will pay SWANCC \$1,239,754, with annual increases ranging from 0% to 3% through 2022.

CONTINGENT LIABILITIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. The seven members of JAWA and their percentage shares as of April 30, 2013 are as follows:

	<u>Percent Share</u>
Village of Elk Grove Village	16.95 %
Village of Hanover Park	8.71
Village of Hoffman Estates	16.94
Village of Mount Prospect	12.02
City of Rolling Meadows	7.31
Village of Schaumburg	27.95
Village of Streamwood	<u>10.12</u>
	<u><u>100.00 %</u></u>

These percentage shares are based upon formula contained in the water supply agreement and are subject to change in future years based upon consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the Agency Agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued

Summary of financial positions as of April 30, 2013:

Current Assets	\$ 19,852,814	Current Liabilities	\$ 16,543,898
Noncurrent Assets		Long-Term Liabilities	<u>64,169,286</u>
Capital Assets	46,062,420	Total Liabilities	<u>80,713,184</u>
Other Assets	<u>24,896,921</u>	Net Position	<u>\$ 10,098,971</u>
Total Assets	<u>\$ 90,812,155</u>		

Summary of revenues, expenses and changes in net position for the year ended April 30, 2013:

Operating Revenues	\$ 40,977,454
Operating Expenses	<u>34,918,669</u>
Operating Income	6,058,785
Nonoperating Revenue (Expenses)	<u>(2,267,070)</u>
Change in Net Position	3,791,715
Net Position - Beginning	<u>6,307,256</u>
Net Position - Ending	<u>\$ 10,098,971</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 903 Brantwood Avenue, Elk Grove Village, Illinois 60007.

Revenues of the system consist of: (a) all receipts derived from Water Supply Agreements or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges, and all rates, rents and receipts derived by JAWA from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

JAWA has entered into Water Supply Agreements with the seven-member municipalities for a term of 40 years, extending to December 31, 2022. The Agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago under which the City has agreed to sell quantities of lake water sufficient to supply the projected water needs of JAWA through the year 2020.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this Agreement.

The payments required to be made by the Village under this Agreement shall be required to be made solely from revenues to be derived by the Village from the operation of the Waterworks and Sewerage System. Members are not prohibited by the Agreement, however, from using other available funds to make payments under the Agreement. This Agreement shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The obligation of the Village to make payments required by this Agreement from revenues of the Waterworks and Sewerage System shall be payable from the operation and maintenance account of the Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted \$5,230,614 to JAWA for the year ended December 31, 2013. All payments were paid from the Water and Sewer Fund. The Village’s share of net assets of JAWA was \$663,341 at December 31, 2013.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Municipal Waste System Fund. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation. In accordance with the joint venture agreement, the Village remitted \$1,227,076 to SWANCC for the year ended December 31, 2013, which is recorded in the Village's Refuse Disposal Fund.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. A separate report is issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 50 S. Emerson St. Mount Prospect, Illinois 60056. 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 on-line at www.imrf.org. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or 1/2 of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Illinois Municipal Retirement System – Continued

These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer annual required contribution rate for calendar year 2013 was 12.71 percent.

Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At December 31, 2012, the date of the most recent actuarial valuation, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	68
Current Employees	
Vested	60
Nonvested	<u>24</u>
	<u>152</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or $\frac{1}{2}$ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Fund

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At December 31, 2012, the date of the most recent actuarial valuation, the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	65
Current Employees	
Vested	45
Nonvested	<u>20</u>
	<u>130</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by $\frac{1}{12}$ of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or $\frac{1}{2}$ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees, if any, 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 Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Significant Investments

At December 31, 2013, the Police Pension Fund's investments in Vanguard 500 Index, LSV Value Equity Fund, Pioneer Equity Income Fund, and T Rowe Price Growth Fund and the Firefighters Pension Fund's investments in American Funds-GFA, American Funds-Euro Pacific Growth, T. Rowe Price-Mid Cap Growth, Vanguard-Morgan Growth and Vanguard-Windsor II exceeded 5% of the Fund's total investments. Information for IMRF is not available.

Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

Annual Pension Cost and Net Pension Obligation

The net pension obligation/(asset) for each plan as of December 31, 2013 is as follows:

	IMRF	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 1,954,187	\$ 2,631,811	\$ 2,323,609	\$ 6,909,607
Interest on Net Pension Obligation	34,421	(31,999)	14,054	16,476
Adjustment to Annual Required Contribution	(24,604)	128,554	92,823	196,773
Annual Pension Cost	1,964,004	2,728,366	2,430,486	7,122,856
Actual Contribution	1,954,187	2,631,038	2,371,347	6,956,572
Increase (Decrease) in the NPO	9,817	97,328	59,139	166,284
NPO - Beginning of Year	458,949	(534,665)	85,544	9,828
NPO - End of Year	\$ 468,766	\$ (437,337)	\$ 144,683	\$ 176,112

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The Village’s actuarial assumptions and related information for each plan is as follows:

	IMRF	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	12.71%	31.90%	36.756%
Employee	4.50%	9.91%	9.455%
Actuarial Valuation Date	12/31/2013	12/31/2012	12/31/2012
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	28 Years	28 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.00%	5.00%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

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

	Year	IMRF	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2011	\$ 1,739,906	\$ 2,433,163	\$ 2,123,952
	2012	1,724,654	2,349,369	2,152,571
	2013	1,964,004	2,728,366	2,430,486
Actual Contributions	2011	1,606,265	2,504,701	2,155,975
	2012	1,715,043	2,511,349	2,260,834
	2013	1,954,187	2,631,038	2,371,347
Percentage of APC Contributed	2011	92.32%	102.94%	101.51%
	2012	99.44%	106.89%	105.03%
	2013	99.50%	96.43%	97.57%
Net Pension Obligation/ (Asset)	2011	449,338	(372,685)	193,807
	2012	458,949	(534,665)	85,544
	2013	468,766	(437,337)	144,683

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	<u>IMRF</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Actuarial Valuation Date	12/31/2013	12/31/2012	12/31/2012
Percent Funded	81.69%	57.42%	62.45%
Actuarial Accrued Liability for Benefits	\$47,218,842	\$85,202,766	\$75,639,594
Actuarial Value of Assets	\$38,571,986	\$48,922,651	\$47,233,554
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$8,646,856)	(\$36,280,115)	(\$28,406,040)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$15,375,191	\$7,871,917	\$6,150,974
Ratio of UAAL to Covered Payroll	56.24%	460.88%	461.81%

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. 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 Village's governmental and business-type activities.

The Village provides pre and post Medicare post-employment health insurance to retirees, their spouses and dependents who were enrolled in one of the Village's healthcare plans at the time of the employees' retirement. To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending December 31, 2013, retirees contributed \$843,433.

At December 31, 2013, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	84
Active Employees	<u>291</u>
Total	<u>375</u>
Participating Employers	1

The Village 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.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of December 31, 2013, was calculated as follows:

Annual Required Contribution	\$ 582,335
Interest on the NPO	10,350
Adjustment to the ARC	<u>(9,505)</u>
Annual OPEB Cost	583,180
Actual Contribution	<u>275,814</u>
Increase in the NPO	307,366
NOPEBO - Beginning of Year	<u>295,702</u>
NOPEBO - End of Year	<u><u>\$ 603,068</u></u>

Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 277,966	\$ 254,814	91.67%	\$ 455,249
2012	450,309	609,856	135.43%	295,702
2013	583,180	275,814	47.29%	603,068

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2012, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 7,201,300
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 7,201,300
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-
Covered Payroll (Active Plan Members)	\$ 24,540,441
UAAL as a Percentage of Covered Payroll	29.34%

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 contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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 December 31, 2012 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 3.5% investment rate or return and an initial healthcare trend rate of 8.8% with an ultimate healthcare inflation rate of 5.0%, a 3.0% price inflation assumption, and a 4.0% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2013, was 30 years.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

SUBSEQUENT EVENTS

On February 4, 2014, the Village issued \$6,290,000 of General Obligation Bonds, due in annual installments of \$290,000 to \$1,265,000, plus interest at 3.00% through December 1, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Funding Progress and Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefits Plan
- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Refuse Disposal – Special Revenue Fund

Notes to the Required Supplementary Information

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 December 31, 2013

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2008	\$ 30,588,784	\$ 40,307,663	75.89%	\$ 9,718,879	\$ 15,126,845	64.25%
2009	32,885,215	42,060,919	78.18%	9,175,704	15,057,932	60.94%
2010	35,647,745	44,326,209	80.42%	8,678,464	15,105,113	57.45%
2011	32,515,052	44,098,030	73.73%	11,582,978	14,928,114	77.59%
2012	35,970,552	46,229,045	77.81%	10,258,493	14,939,401	68.67%
2013	38,571,986	47,218,842	81.69%	8,646,856	15,375,191	56.24%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 1,332,675	\$ 1,332,675	100.00%
2009	1,338,650	1,338,650	100.00%
2010	1,477,280	1,792,977	82.39%
2011	1,606,265	1,733,154	92.68%
2012	1,715,043	1,715,043	100.00%
2013	1,954,187	1,954,187	100.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 December 31, 2013

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2007	\$ 42,963,185	\$ 56,873,906	75.54%	\$ 13,910,721	\$ 7,078,232	196.53%
2008	36,262,944	61,578,623	58.89%	25,315,679	7,142,505	354.44%
2009	41,020,478	67,715,945	60.58%	26,695,467	7,421,123	359.72%
2010	44,540,310	75,131,534	59.28%	30,591,224	7,183,594	425.85%
2011	44,777,147	79,366,157	56.42%	34,589,010	7,591,498	455.63%
2012	48,922,651	85,202,766	57.42%	36,280,115	7,871,917	460.88%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 1,420,452	\$ 1,408,423	100.85%
2009	1,565,009	1,515,672	103.26%
2010	2,210,670	2,208,174	100.11%
2011	2,504,701	2,467,527	101.51%
2012	2,511,349	2,484,859	101.07%
2013	2,631,038	2,631,811	99.97%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2013**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2007	\$ 43,030,180	\$ 55,025,410	78.20%	\$ 11,995,230	\$ 5,761,988	208.18%
2008	36,681,856	57,366,525	63.94%	20,684,669	5,862,887	352.81%
2009	40,800,749	62,747,542	65.02%	21,946,793	6,181,788	355.02%
2010	43,860,979	69,228,826	63.36%	25,367,847	5,896,317	430.23%
2011	43,864,976	72,307,211	60.66%	28,442,235	6,201,120	458.66%
2012	47,233,554	75,639,594	62.45%	28,406,040	6,150,974	461.81%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 1,417,935	\$ 1,389,833	102.02%
2009	1,538,564	1,414,110	108.80%
2010	1,928,807	1,925,375	100.18%
2011	2,155,975	2,140,664	100.72%
2012	2,260,834	2,224,122	101.65%
2013	2,371,347	2,323,609	102.05%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Other Post-Employment Benefits Plan

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2013**

Funding Progress						
Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2007	\$ -	\$ 7,400,200	0.00%	\$ 7,400,200	\$ 22,865,500	32.36%
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	-	5,796,773	0.00%	5,796,773	26,655,049	21.75%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	8,280,690	0.00%	8,280,690	22,325,901	37.09%
2012	-	7,201,300	0.00%	7,201,300	24,540,441	29.34%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions	Percent Contributed
2008	\$ 253,200	\$ 637,400	39.72%
2009	254,814	273,536	93.16%
2010	254,814	270,764	94.11%
2011	254,814	270,764	94.11%
2012	609,856	442,722	137.75%
2013	275,814	582,335	47.36%

The Village implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008 and had a subsequent actuarial valuation performed for the fiscal year ended December 31, 2010. Information for prior years is not available. The Village is required to have the actuarial valuation performed biannually.

N/A - Not Available

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 20,236,668	\$ 19,911,668	\$ 19,705,258
Licenses, Permits and Fees	3,493,500	3,563,500	3,589,368
Intergovernmental	17,550,630	18,545,630	18,863,089
Charges for Services	1,740,400	1,790,400	1,858,829
Fines and Forfeits	473,000	473,000	430,960
Interest	35,000	35,000	6,561
Miscellaneous	792,800	353,800	542,473
Total Revenues	44,321,998	44,672,998	44,996,538
Expenditures			
General Government	5,515,005	6,187,665	5,851,590
Public Safety	29,210,248	29,548,316	29,175,170
Highway and Streets	7,364,350	7,662,650	7,341,461
Health	156,163	156,163	142,062
Welfare	1,638,536	1,653,536	1,569,824
Culture and Recreation	437,696	485,296	435,931
Total Expenditures	44,321,998	45,693,626	44,516,038
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,020,628)	480,500
Other Financing Sources (Uses)			
Transfers In	-	370,000	36,865
Transfers Out	-	-	(203,112)
	-	370,000	(166,247)
Net Change in Fund Balance	\$ -	\$ (650,628)	314,253
Fund Balance - Beginning			11,564,329
Fund Balance - Ending			<u>\$ 11,878,582</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Refuse Disposal - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,857,000	\$ 1,857,000	\$ 1,846,553
Charges for Services	2,600,500	2,600,500	2,550,158
Interest	500	500	607
Miscellaneous	500	500	7,537
Total Revenues	<u>4,458,500</u>	<u>4,458,500</u>	<u>4,404,855</u>
Expenditures			
Health			
Refuse Disposal Division			
Personal Services	230,728	230,728	202,803
Employee Benefits	91,728	91,728	97,996
Other Employee Costs	1,200	1,200	1,200
Contractual Services	4,092,058	4,092,058	3,956,153
Utilities	429	429	266
Insurance	28,239	28,239	28,239
Commodities and Supplies	30,387	30,387	28,829
Total Expenditures	<u>4,474,769</u>	<u>4,474,769</u>	<u>4,315,486</u>
Net Change in Fund Balance	<u>\$ (16,269)</u>	<u>\$ (16,269)</u>	89,369
Fund Balance - Beginning			<u>2,355,748</u>
Fund Balance - Ending			<u>\$ 2,445,117</u>

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

These financial statements and schedules are not required by the Governmental Accounting Standards Board (GASB), nor a part of the basic financial statements, but are presented for the purpose of additional analysis.

GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is a major governmental fund used to account for all financial resources of the general government, except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

Refuse Disposal Fund: The Refuse Disposal Fund is used to account for the revenues and expenditures associated with providing solid waste collection services. Financing is provided by property taxes, user fees and recycling income.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the servicing of general long-term debt not being financed by proprietary funds.

CAPITAL PROJECTS FUND

Flood Control Construction Fund: The Flood Control Construction Fund is used to account for the resources to implement flood control projects throughout the Village. Financing is being provided by the sale of general obligation bonds, grants, interest income and by installment loans from the Illinois Environmental Protection Agency (IEPA).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Taxes			
Property - General	\$ 7,816,500	\$ 7,816,500	\$ 7,659,915
Property - Police Pension	2,570,000	2,570,000	2,565,835
Property - Firefighters' Pension	2,260,000	2,260,000	2,305,098
Road and Bridge Taxes	120,500	120,500	114,943
Increment Taxes	86,668	86,668	88,653
Auto Rental Tax	14,500	14,500	15,440
Food and Beverage Tax	740,000	740,000	719,190
Real Estate Transfer Tax	435,000	855,000	853,617
Hotel/Motel Tax	190,000	190,000	205,842
Telecommunications Tax	2,935,000	2,150,000	2,168,092
Home Rule Sales Tax	1,235,000	1,275,000	1,285,012
Gas Utility Tax	605,000	605,000	564,224
Electric Utility Tax	1,228,500	1,228,500	1,159,397
Total Taxes	20,236,668	19,911,668	19,705,258
Licenses, Permits and Fees			
Vehicle License Fees	1,385,000	1,385,000	1,399,010
Liquor Licenses	160,000	160,000	158,722
Business Licenses	145,000	145,000	134,608
Contractor Licenses	37,000	37,000	41,810
Alarm Licenses	16,000	16,000	15,790
Elevator Licenses	20,000	20,000	23,025
Building Permit Fees	625,000	670,000	666,570
Electrical Permit Fees	8,000	8,000	8,775
Plumbing Permit Fees	24,000	24,000	25,571
Permit Penalties	2,000	2,000	-
Reinspection Fees	75,000	100,000	99,725
Vacant Structure Registration Fees	5,000	5,000	3,500
Truck Permit Fees	500	500	135
Utility Permit Fees	4,000	4,000	3,350
Plan Examination Fees	15,000	15,000	6,880
Stormwater Det Fee	10,000	10,000	7,706
Street Opening Fees	2,000	2,000	2,800
ZBA Hearing Fees	15,000	15,000	10,800

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Licenses, Permits and Fees - Continued			
Public Improvement Inspection Permit	\$ 15,000	\$ 15,000	\$ 11,697
False Alarm Fees	5,000	5,000	8,445
Landlord/Tenant Fees	265,000	265,000	281,535
Cable TV Franchise Fees	660,000	660,000	678,914
Total Licenses, Permits and Fees	3,493,500	3,563,500	3,589,368
Intergovernmental			
State Sales Tax	11,475,000	12,015,000	12,342,154
State Income Tax	4,705,000	5,165,000	5,161,051
State Use Tax	895,000	895,000	912,204
Charitable Games Tax	4,000	4,000	4,090
Replacement Taxes	389,000	389,000	389,494
Replacement Taxes - Road and Bridge	10,000	10,000	7,505
Grant - Tobacco Enforcement	4,400	4,400	4,180
Grant - Body Armor	8,000	8,000	1,907
Grant - Illinois Housing Development Authority	10,000	10,000	-
Grant - NACCCHO	5,000	5,000	2,577
Grant - SHAP	230	230	250
Grant - EAB	-	15,000	15,000
Grant - Fire Prevention and Safety	-	25,000	22,677
Grant - Other	45,000	-	-
Total Intergovernmental	17,550,630	18,545,630	18,863,089
Charges for Services			
Water and Sewer Service Charge	510,000	510,000	510,000
Parking Service Charge	46,500	46,500	46,500
Maintenance of State Highways	94,000	94,000	93,464
Ambulance Transport Fees	750,000	800,000	871,704
Forest River Rural FPD	46,000	46,000	57,102
Cable Programming Fees	24,000	24,000	24,104
Other Programs	50,200	50,200	46,395
Special Detail Revenue	40,000	40,000	43,235
Police Training Revenue	20,000	20,000	2,984
Fire Training Revenue	17,500	17,500	21,678
Lease Payments - Cell Towers	126,000	126,000	125,462
General Store Lease	16,200	16,200	16,201
Total Charges for Services	1,740,400	1,790,400	1,858,829

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Fines and Forfeitures			
Fines - Parking	\$ 170,000	\$ 170,000	\$ 175,077
Fines - Local Ordinances	5,000	5,000	25,850
Fines - Code Enforcement	30,000	30,000	16,509
Fines - Circuit Court	215,000	215,000	172,308
Fines - Parental Responsibility	3,000	3,000	3,900
Forfeited Escrow Funds	50,000	50,000	37,316
Total Fines and Forfeitures	473,000	473,000	430,960
Interest			
Investment Income	33,000	33,000	4,543
Interest - Escrow Funds	2,000	2,000	2,018
Total Interest	35,000	35,000	6,561
Miscellaneous			
Reimburse - H/S Youth Officer	82,500	82,500	90,501
Reimburse - Mount Prospect Library	20,000	20,000	28,456
Shared Cost - Sidewalk	28,000	28,000	29,420
Shared Cost - Tree Replacement	40,000	40,000	37,744
Reimburse - Village Property	20,000	20,000	14,065
Other Reimbursements	10,000	75,000	77,862
Human Services Revenue	7,800	7,800	12,764
Fire and Police Reports	5,000	5,000	5,365
Animal Release Fees	500	500	450
Subpoena Fees	2,000	2,000	817
Advertising Revenue	10,000	10,000	-
Insurance Payment IPBC	504,000	-	-
Other Revenue	63,000	63,000	245,029
Total Miscellaneous	792,800	353,800	542,473
Total Revenues	\$ 44,321,998	\$ 44,672,998	\$ 44,996,538

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
General Government			
Public Representation - Administration	\$ 118,990	\$ 123,490	\$ 114,948
Village Administration	2,907,740	3,438,300	3,185,452
Finance Department	1,733,417	1,869,017	1,843,581
Community Development - Administration	708,707	710,707	661,459
Benefit Payments	46,151	46,151	46,150
Total General Government	5,515,005	6,187,665	5,851,590
Public Safety			
Community Development - Code Enforcement	792,604	800,604	711,081
Police Department	15,834,702	15,964,552	15,783,921
Fire Department	12,582,942	12,781,150	12,678,986
Emergency Events	-	2,010	1,182
Total Public Safety	29,210,248	29,548,316	29,175,170
Highways and Streets			
Public Works Department	7,364,350	7,662,650	7,341,461
Health			
Community Development - Health	156,163	156,163	142,062
Welfare			
Human Services Department	1,062,725	1,077,725	1,061,124
Community Development - Housing	575,811	575,811	508,700
Total Welfare	1,638,536	1,653,536	1,569,824
Culture and Recreation			
Public Representation - Community and Civic Services	437,696	485,296	435,931
Total Expenditures	\$ 44,321,998	\$ 45,693,626	\$ 44,516,038

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
General Government			
Public Representation - Administration			
Mayor and Board of Trustees			
Personal Services	\$ 31,548	\$ 31,548	\$ 31,660
Employee Benefits	6,410	6,410	6,288
Other Employee Costs	1,950	1,950	1,471
Contractual Services	70,065	73,065	65,144
Utilities	415	415	361
Commodities and Supplies	2,000	3,500	4,125
	<u>112,388</u>	<u>116,888</u>	<u>109,049</u>
Advisory Boards and Commissions			
Personal Services	3,682	3,682	3,734
Employee Benefits	1,920	1,920	2,118
Contractual Services	500	500	47
Commodities and Supplies	500	500	-
	<u>6,602</u>	<u>6,602</u>	<u>5,899</u>
Total Public Representation - Administration	<u>118,990</u>	<u>123,490</u>	<u>114,948</u>
Village Administration			
Village Manager's Office			
Personal Services	430,989	430,989	380,750
Employee Benefits	202,519	202,519	175,535
Other Employee Costs	7,000	7,000	5,673
Contractual Services	7,690	7,690	7,070
Utilities	2,825	2,825	3,311
Commodities and Supplies	4,850	4,850	4,674
Capital Expenditures	200	200	200
	<u>656,073</u>	<u>656,073</u>	<u>577,213</u>
Legal Services			
Contractual Services	<u>440,460</u>	<u>945,460</u>	<u>918,896</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Administration - Continued			
Human Resources			
Personal Services	\$ 179,233	\$ 179,233	\$ 178,638
Employee Benefits	109,222	109,222	83,486
Other Employee Costs	7,050	6,800	11,417
Contractual Services	1,350	7,335	3,860
Commodities and Supplies	300	300	455
	<u>297,155</u>	<u>302,890</u>	<u>277,856</u>
Information Technology			
Personal Services	359,927	359,927	344,270
Employee Benefits	144,792	144,792	139,433
Other Employee Costs	5,500	5,500	3,086
Contractual Services	396,490	396,490	328,013
Utilities	5,108	5,108	5,225
Commodities and Supplies	4,150	4,150	2,907
Capital Expenditures	5,100	5,100	2,459
	<u>921,067</u>	<u>921,067</u>	<u>825,393</u>
Public Information			
Personal Services	65,971	65,971	48,585
Employee Benefits	31,662	31,662	25,151
Other Employee Costs	1,200	3,200	928
Contractual Services	106,698	116,698	89,662
Utilities	-	1,350	1,132
Commodities and Supplies	700	950	155
	<u>206,231</u>	<u>219,831</u>	<u>165,613</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Administration - Continued			
Television Services Division			
Personal Services	\$ 88,203	\$ 88,203	\$ 93,654
Employee Benefits	42,900	42,900	44,497
Other Employee Costs	750	750	640
Contractual Services	28,610	28,610	23,382
Utilities	1,550	1,550	1,329
Commodities and Supplies	5,500	5,500	4,234
Capital Expenditures	8,100	8,100	1,404
	<u>175,613</u>	<u>175,613</u>	<u>169,140</u>
Computer Hardware/Software			
Capital Expenditures	57,900	57,900	52,396
Village Clerk's Office			
Administration and Support			
Personal Services	81,902	81,902	117,747
Employee Benefits	40,324	40,324	55,337
Other Employee Costs	915	915	691
Contractual Services	28,325	34,225	23,194
Utilities	775	775	664
Commodities and Supplies	1,000	1,325	1,312
	<u>153,241</u>	<u>159,466</u>	<u>198,945</u>
Total Village Administration	<u>2,907,740</u>	<u>3,438,300</u>	<u>3,185,452</u>
Finance Department			
Administration and Support			
Personal Services	121,876	121,876	126,054
Employee Benefits	40,497	40,497	39,330
Other Employee Costs	9,100	9,100	9,280
Contractual Services	150,400	208,400	217,239
Utilities	4,750	4,750	4,342
Commodities and Supplies	19,000	20,280	16,843
Capital Expenditures	-	58,000	56,052
	<u>345,623</u>	<u>462,903</u>	<u>469,140</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance Department - Continued			
Accounting			
Personal Services	\$ 315,861	\$ 315,861	\$ 318,644
Employee Benefits	152,979	152,979	152,239
Contractual Services	4,005	4,005	3,301
Commodities and Supplies	4,650	3,650	1,798
	<u>477,495</u>	<u>476,495</u>	<u>475,982</u>
Insurance			
Personal Services	33,134	33,134	34,332
Employee Benefits	10,871	10,871	11,590
Insurance	344,875	344,875	345,161
	<u>388,880</u>	<u>388,880</u>	<u>391,083</u>
Customer Service			
Personal Services	302,965	302,965	281,732
Employee Benefits	130,101	130,101	125,387
Contractual Services	48,000	68,000	64,818
Commodities and Supplies	13,300	12,620	7,818
	<u>494,366</u>	<u>513,686</u>	<u>479,755</u>
Cash Management			
Personal Services	22,476	22,476	23,057
Employee Benefits	4,577	4,577	4,564
	<u>27,053</u>	<u>27,053</u>	<u>27,621</u>
Total Finance Department	<u>1,733,417</u>	<u>1,869,017</u>	<u>1,843,581</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development - Administration			
Administration and Support			
Personal Services	\$ 182,764	\$ 182,764	\$ 180,284
Employee Benefits	102,583	102,583	103,764
Other Employee Costs	3,750	3,750	2,197
Utilities	2,064	2,064	655
Commodities and Supplies	1,000	1,000	959
	<u>292,161</u>	<u>292,161</u>	<u>287,859</u>
Planning and Zoning			
Personal Services	183,886	183,886	183,554
Employee Benefits	80,175	80,175	64,826
Other Employee Costs	6,987	6,987	6,875
Contractual Services	23,475	25,475	13,709
Utilities	1,200	1,200	1,006
Commodities and Supplies	3,350	3,350	2,495
	<u>299,073</u>	<u>301,073</u>	<u>272,465</u>
Economic Development			
Personal Services	59,256	59,256	60,095
Employee Benefits	21,717	21,717	23,638
Other Employee Costs	1,500	1,500	1,250
Contractual Services	35,000	35,000	16,152
	<u>117,473</u>	<u>117,473</u>	<u>101,135</u>
Total Community Development - Administration			
	<u>708,707</u>	<u>710,707</u>	<u>661,459</u>
Benefit Payments			
Contractual Services	46,151	46,151	46,150
	<u>46,151</u>	<u>46,151</u>	<u>46,150</u>
Total General Government			
	<u>5,515,005</u>	<u>6,187,665</u>	<u>5,851,590</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Public Safety			
Community Development - Code Enforcement			
Building Inspection			
Personal Services	\$ 291,774	\$ 291,774	\$ 284,364
Employee Benefits	114,250	114,250	110,915
Other Employee Costs	7,305	7,305	2,881
Contractual Services	365,417	373,417	297,217
Utilities	6,000	6,000	10,285
Commodities and Supplies	7,858	7,858	5,419
Total Community Development - Code Enforcement	792,604	800,604	711,081
Police Department			
Administration and Support			
Personal Services	405,857	405,857	409,255
Employee Benefits	3,010,018	3,010,018	2,942,190
Other Employee Costs	139,000	138,625	100,691
Contractual Services	54,000	57,975	52,192
Utilities	30,550	30,550	28,399
Commodities and Supplies	19,220	18,470	15,377
Capital Expenditures	11,000	11,000	9,281
Total Police Department	3,669,645	3,672,495	3,557,385
Records			
Personal Services	273,778	273,778	268,630
Employee Benefits	95,651	95,651	98,853
Total Records	369,429	369,429	367,483
Patrol and Traffic Enforcement			
Personal Services	6,604,686	6,616,686	6,666,043
Employee Benefits	1,261,306	1,301,306	1,286,471
Contractual Services	538,025	538,025	537,300
Commodities and Supplies	65,100	66,666	53,874
Capital Expenditures	5,650	4,084	2,049
Total Patrol and Traffic Enforcement	8,474,767	8,526,767	8,545,737

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Technical Services			
Personal Services	\$ 176,431	\$ 176,431	\$ 175,982
Employee Benefits	63,373	63,373	46,794
	<u>239,804</u>	<u>239,804</u>	<u>222,776</u>
Auxiliary Service			
Personal Services	205,746	205,746	203,294
Employee Benefits	89,989	89,989	76,667
	<u>295,735</u>	<u>295,735</u>	<u>279,961</u>
Crime Prevention and Public Services			
Personal Services	120,423	120,423	115,951
Employee Benefits	36,500	36,500	34,982
Other Employee Costs	2,200	2,200	421
Contractual Services	6,950	6,950	1,508
Commodities and Supplies	7,950	7,950	6,537
	<u>174,023</u>	<u>174,023</u>	<u>159,399</u>
Investigative			
Personal Services	1,465,866	1,514,866	1,508,675
Employee Benefits	287,569	302,569	314,082
Contractual Services	27,600	34,600	31,141
Commodities and Supplies	4,550	4,550	2,913
Capital Expenditures	900	900	489
	<u>1,786,485</u>	<u>1,857,485</u>	<u>1,857,300</u>
Equipment Maintenance			
Contractual Services	802,863	806,113	785,037
Commodities and Supplies	15,700	16,450	6,978
Capital Expenditures	6,251	6,251	1,865
	<u>824,814</u>	<u>828,814</u>	<u>793,880</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Total Police Department	\$ 15,834,702	\$ 15,964,552	\$ 15,783,921
Fire Department			
Administration and Support			
Personal Services	591,934	591,934	584,859
Employee Benefits	2,605,002	2,659,002	2,687,652
Other Employee Costs	66,600	66,929	66,197
Contractual Services	35,500	38,124	41,736
Commodities and Supplies	7,770	7,838	8,004
Capital Expenditures	5,250	5,483	5,175
	<u>3,312,056</u>	<u>3,369,310</u>	<u>3,393,623</u>
Fire Department Operations			
Personal Services	6,357,568	6,451,568	6,386,440
Employee Benefits	1,136,025	1,160,025	1,117,989
Other Employee Costs	47,500	44,694	44,429
Contractual Services	129,079	130,954	134,140
Commodities and Supplies	24,600	24,764	22,512
Capital Expenditures	44,300	47,339	53,449
	<u>7,739,072</u>	<u>7,859,344</u>	<u>7,758,959</u>
Fire Prevention			
Personal Services	357,021	358,311	352,087
Employee Benefits	147,075	147,075	154,704
Other Employee Costs	6,250	3,787	3,747
Contractual Services	1,400	2,470	2,469
Commodities and Supplies	7,650	30,001	27,801
	<u>519,396</u>	<u>541,644</u>	<u>540,808</u>
Communications			
Contractual Services	5,800	5,800	4,163
Utilities	31,750	31,750	31,178
Commodities and Supplies	1,500	1,500	608
Capital Expenditures	7,000	7,000	6,286
	<u>46,050</u>	<u>46,050</u>	<u>42,235</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Equipment Maintenance			
Contractual Services	\$ 908,901	\$ 908,901	\$ 908,901
Emergency Preparedness			
Other Employee Costs	1,250	1,250	18
Contractual Services	3,700	3,200	3,158
Commodities and Supplies	3,150	3,650	1,957
	<u>8,100</u>	<u>8,100</u>	<u>5,133</u>
Paid on Call			
Personal Services	28,839	28,839	19,297
Employee Benefits	1,728	1,728	1,458
Other Employee Costs	11,800	10,434	4,902
Capital Expenditures	1,000	800	760
	<u>43,367</u>	<u>41,801</u>	<u>26,417</u>
Improvements			
Computer Hardware/Software			
Computer Software	5,000	5,000	2,910
Non-Automotive Equipment			
Other Equipment	1,000	1,000	-
	<u>6,000</u>	<u>6,000</u>	<u>2,910</u>
Total Fire Department	<u>12,582,942</u>	<u>12,781,150</u>	<u>12,678,986</u>
Emergency Events			
Personal Services	-	1,000	630
Employee Benefits	-	10	75
Commodities and Supplies	-	1,000	477
	<u>-</u>	<u>2,010</u>	<u>1,182</u>
Total Emergency Events	<u>-</u>	<u>2,010</u>	<u>1,182</u>
Total Public Safety	<u>29,210,248</u>	<u>29,548,316</u>	<u>29,175,170</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Highways and Streets			
Public Works Department			
Administration and Support			
Personal Services	\$ 221,666	\$ 221,666	\$ 225,586
Employee Benefits	144,665	144,665	146,328
Other Employee Costs	25,802	25,802	24,571
Contractual Services	1,061,146	1,061,146	1,062,808
Utilities	13,525	13,525	14,765
Commodities and Supplies	14,516	14,516	15,730
Capital Expenditures	1,455	1,455	1,396
Total Administration and Support	1,482,775	1,482,775	1,491,184
Streets and Buildings Division			
Administration			
Personal Services	105,265	105,265	100,919
Employee Benefits	48,332	48,332	48,107
Utilities	3,100	3,100	2,932
Commodities and Supplies	-	-	270
Total Administration	156,697	156,697	152,228
Maintenance - Public Buildings			
Personal Services	405,466	434,466	429,739
Employee Benefits	162,867	162,867	168,881
Contractual Services	364,729	353,109	264,561
Utilities	50,193	50,193	42,216
Commodities and Supplies	113,957	107,557	77,794
Other Expenditures	4,000	4,000	-
Total Maintenance - Public Buildings	1,101,212	1,112,192	983,191

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Streets and Buildings Division - Continued			
Street Maintenance			
Personal Services	\$ 119,161	\$ 119,161	\$ 124,747
Employee Benefits	39,621	39,621	38,980
Contractual Services	23,185	23,185	18,580
Commodities and Supplies	25,988	25,988	23,046
	<u>207,955</u>	<u>207,955</u>	<u>205,353</u>
Snow Removal			
Personal Services	297,953	318,953	332,426
Employee Benefits	101,179	101,179	124,545
Contractual Services	73,084	112,084	118,164
Commodities and Supplies	12,855	11,875	6,108
Capital Expenditures	15,870	15,870	10,888
	<u>500,941</u>	<u>559,961</u>	<u>592,131</u>
Storm Sewer/Basin Maintenance			
Personal Services	66,528	66,528	69,386
Employee Benefits	23,295	23,295	25,067
Contractual Services	11,670	11,670	9,834
Commodities and Supplies	7,231	7,231	1,648
	<u>108,724</u>	<u>108,724</u>	<u>105,935</u>
Maintenance of State Highways			
Personal Services	32,969	32,969	31,866
Employee Benefits	12,715	12,715	13,282
Contractual Services	17,742	17,742	14,760
Commodities and Supplies	28,681	28,681	26,180
	<u>92,107</u>	<u>92,107</u>	<u>86,088</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Streets and Buildings Division - Continued			
Traffic Sign Maintenance			
Personal Services	\$ 82,429	\$ 82,429	\$ 83,599
Employee Benefits	25,471	25,471	31,128
Commodities and Supplies	15,877	15,877	15,818
	<u>123,777</u>	<u>123,777</u>	<u>130,545</u>
Emergency Event			
Personal Services	-	74,000	73,343
Employee Benefits	-	6,100	5,574
Contractual Services	-	116,000	124,614
Commodities and Supplies	-	200	148
	<u>-</u>	<u>196,300</u>	<u>203,679</u>
Total Streets and Buildings Division	<u>2,291,413</u>	<u>2,557,713</u>	<u>2,459,150</u>
Forestry Division			
Administration and Support			
Personal Services	177,516	177,516	172,360
Employee Benefits	73,818	73,818	71,437
Commodities and Supplies	-	-	349
	<u>251,334</u>	<u>251,334</u>	<u>244,146</u>
Maintenance of Grounds			
Personal Services	271,883	271,883	262,683
Employee Benefits	101,983	109,983	103,439
Other Employee Costs	-	-	-
Contractual Services	121,486	121,486	115,320
Commodities and Supplies	8,656	8,656	8,320
Capital Expenditures	44,500	44,500	34,987
	<u>548,508</u>	<u>556,508</u>	<u>524,749</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Forestry Division - Continued			
Forestry Program			
Personal Services	\$ 316,557	\$ 340,557	\$ 340,170
Employee Benefits	118,594	118,594	130,828
Other Employee Costs	3,662	3,662	3,662
Contractual Services	451,178	451,178	413,518
Utilities	3,100	3,100	2,516
Commodities and Supplies	10,702	10,702	9,175
	<u>903,793</u>	<u>927,793</u>	<u>899,869</u>
Public Grounds Beautification			
Personal Services	26,887	26,887	27,395
Employee Benefits	9,629	9,629	9,938
Contractual Services	2,400	2,400	1,676
Commodities and Supplies	32,191	32,191	21,802
	<u>71,107</u>	<u>71,107</u>	<u>60,811</u>
Total Forestry Division	<u>1,774,742</u>	<u>1,806,742</u>	<u>1,729,575</u>
Engineering Division			
Engineering Services			
Personal Services	608,749	608,749	610,650
Employee Benefits	249,251	249,251	259,020
Other Employee Costs	3,552	3,552	3,322
Contractual Services	62,949	62,949	55,841
Utilities	5,800	5,800	5,300
Commodities and Supplies	7,105	7,105	4,482
Capital Expenditures	2,184	2,184	1,790
	<u>939,590</u>	<u>939,590</u>	<u>940,405</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Engineering Division - Continued			
Traffic Control and Street Lighting			
Personal Services	\$ 118,085	\$ 118,085	\$ 120,106
Employee Benefits	47,705	47,705	49,217
Contractual Services	9,900	9,900	5,950
Utilities	74,000	74,000	27,778
Commodities and Supplies	24,750	24,750	25,026
	<u>274,440</u>	<u>274,440</u>	<u>228,077</u>
Total Engineering Division	<u>1,214,030</u>	<u>1,214,030</u>	<u>1,168,482</u>
Capital Expenditures			
Improvements			
Infrastructure			
Storm Sewer	95,000	95,000	33,936
Resurfacing/Curbs	85,000	85,000	69,749
Miscellaneous - Forestry	421,390	421,390	389,385
	<u>601,390</u>	<u>601,390</u>	<u>493,070</u>
Total Improvements	<u>601,390</u>	<u>601,390</u>	<u>493,070</u>
Total Highways and Streets	<u>7,364,350</u>	<u>7,662,650</u>	<u>7,341,461</u>
Health			
Community Development - Health			
Health Inspections			
Personal Services	94,292	94,292	88,649
Employee Benefits	47,445	47,445	44,967
Other Employee Costs	1,315	1,315	136
Contractual Services	9,108	9,108	7,070
Utilities	1,787	1,787	531
Commodities and Supplies	2,216	2,216	709
	<u>156,163</u>	<u>156,163</u>	<u>142,062</u>
Total Health	<u>156,163</u>	<u>156,163</u>	<u>142,062</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Welfare			
Human Services Department			
Administration and Support			
Personal Services	\$ 98,598	\$ 98,598	\$ 98,827
Employee Benefits	56,832	56,832	54,397
Other Employee Costs	700	700	605
Contractual Services	6,250	6,250	4,429
Utilities	5,480	5,480	5,393
Commodities and Supplies	7,900	7,900	5,281
Capital Expenditures	700	700	393
	<u>176,460</u>	<u>176,460</u>	<u>169,325</u>
Social Services			
Personal Services	249,561	254,561	250,894
Employee Benefits	97,704	97,704	98,783
Other Employee Costs	1,150	1,150	1,120
Commodities and Supplies	500	500	454
	<u>348,915</u>	<u>353,915</u>	<u>351,251</u>
Nursing/Health Services			
Personal Services	112,436	112,436	116,545
Employee Benefits	53,918	53,918	57,809
Other Employee Costs	900	900	179
Contractual Services	700	700	16
Commodities and Supplies	2,656	2,656	1,704
	<u>170,610</u>	<u>170,610</u>	<u>176,253</u>
Senior Citizen Leisure Activities			
Personal Services	19,944	19,944	20,004
Employee Benefits	8,152	8,152	8,410
	<u>28,096</u>	<u>28,096</u>	<u>28,414</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Welfare - Continued			
Human Services Department - Continued			
Community Connections Center			
Personal Services	\$ 170,309	\$ 180,309	\$ 181,486
Employee Benefits	63,975	63,975	63,239
Other Employee Costs	860	860	451
Contractual Services	93,760	93,760	85,465
Utilities	5,980	5,980	3,070
Commodities and Supplies	2,700	2,700	2,170
Capital Expenditures	1,060	1,060	-
	<u>338,644</u>	<u>348,644</u>	<u>335,881</u>
Total Human Services Department	<u>1,062,725</u>	<u>1,077,725</u>	<u>1,061,124</u>
Community Development - Housing			
Housing Inspections			
Personal Services	344,970	344,970	315,822
Employee Benefits	168,137	168,137	153,158
Other Employee Costs	4,881	4,881	1,466
Contractual Services	48,381	48,381	36,027
Utilities	4,895	4,895	531
Commodities and Supplies	4,547	4,547	1,696
	<u>575,811</u>	<u>575,811</u>	<u>508,700</u>
Total Community Development - Housing	<u>575,811</u>	<u>575,811</u>	<u>508,700</u>
Total Welfare	<u>1,638,536</u>	<u>1,653,536</u>	<u>1,569,824</u>
Culture and Recreation			
Public Representation - Community and Civic Services			
Community Groups and Miscellaneous			
Contractual Services	120,000	165,200	147,841
Other Expenditures	7,000	7,000	7,038
	<u>127,000</u>	<u>172,200</u>	<u>154,879</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Public Representation - Community and Civic Services - Continued			
4th of July and Civic Events			
Personal Services	\$ 97,514	\$ 97,514	\$ 128,157
Employee Benefits	38,972	38,972	41,735
Contractual Services	54,795	56,995	24,696
Commodities and Supplies	37,430	37,430	20,454
	<u>228,711</u>	<u>230,911</u>	<u>215,042</u>
Holiday Decorations			
Personal Services	8,543	8,543	8,310
Employee Benefits	2,316	2,316	2,326
Contractual Services	46,890	46,890	36,218
Commodities and Supplies	21,500	21,500	16,228
	<u>79,249</u>	<u>79,249</u>	<u>63,082</u>
Blood Drive Program			
Personal Services	1,844	1,844	1,843
Employee Benefits	142	142	141
Commodities and Supplies	750	950	944
	<u>2,736</u>	<u>2,936</u>	<u>2,928</u>
Total Culture and Recreation	<u>437,696</u>	<u>485,296</u>	<u>435,931</u>
Total Expenditures	<u>\$ 44,321,998</u>	<u>\$ 45,693,626</u>	<u>\$ 44,516,038</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Refuse Disposal - Special Revenue Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Taxes			
Property - Levy	\$ 1,857,000	\$ 1,857,000	\$ 1,846,553
Charges for Services			
Single-Family Service Charges	1,275,000	1,275,000	1,377,365
Multi-Family Service Charges	915,000	915,000	804,431
Single-Family Penalties	15,000	15,000	14,806
Multi-Family Penalties	30,000	30,000	3,491
Contract Admin Fees	155,000	155,000	164,736
Refuse Stickers	210,000	210,000	184,829
Recycling Bins	500	500	500
Total Charges for Services	2,600,500	2,600,500	2,550,158
Interest	500	500	607
Miscellaneous	500	500	7,537
Total Revenues	\$ 4,458,500	\$ 4,458,500	\$ 4,404,855

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property - Levy	\$ 1,745,400	\$ 1,745,400	\$ 1,733,518
Other Taxes			
Home Rule Sales Tax	613,356	613,356	659,274
Interest	600	600	575
Miscellaneous			
Reimbursements	47,258	47,258	43,501
Total Revenues	<u>2,406,614</u>	<u>2,406,614</u>	<u>2,436,868</u>
Expenditures			
Debt Service			
Principal Retirement	1,512,311	1,537,311	1,537,312
Interest and Fiscal Charges	893,166	918,166	913,882
Total Expenditures	<u>2,405,477</u>	<u>2,455,477</u>	<u>2,451,194</u>
Net Change in Fund Balance	<u>\$ 1,137</u>	<u>\$ (48,863)</u>	(14,326)
Fund Balance - Beginning			<u>135,817</u>
Fund Balance - Ending			<u>\$ 121,491</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Flood Control Construction - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Home Rule Sales Tax	\$ 621,644	\$ 621,644	\$ 625,738
Charges for Services	7,500	7,500	-
Interest	-	-	6,341
Miscellaneous	56,500	56,500	108,438
Total Revenues	<u>685,644</u>	<u>685,644</u>	<u>740,517</u>
Expenditures			
Capital Outlay			
Public Improvements			
Infrastructure	750,000	3,348,800	2,311,896
Other	7,150	175,150	60,591
Total Expenditures	<u>757,150</u>	<u>3,523,950</u>	<u>2,372,487</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,506)	(2,838,306)	(1,631,970)
Other Financing Sources			
Debt Issuance	-	10,000,000	9,800,000
Net Change in Fund Balance	<u>\$ (71,506)</u>	<u>\$ 7,161,694</u>	8,168,030
Fund Balance - Beginning			<u>3,504,288</u>
Fund Balance - Ending			<u>\$ 11,672,318</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Flood Control Construction - Capital Projects Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Capital Outlay			
Public Improvements			
Infrastructure			
Creek Bank Stabilization	\$ 25,000	\$ 25,000	\$ -
Creek Tree Trimming	25,000	25,000	21,391
Levee 37	70,000	168,800	13,564
Private Property Drainage	100,000	100,000	80,510
Prospect Meadows Flood Improvement	500,000	500,000	27,379
Weller Creek Improvements	30,000	30,000	-
Hatlen Heights Storm Sewer Improvement	-	1,610,000	1,557,629
Hatlen Heights Sanitary Sewer Improvement	-	105,000	103,760
Lonnquist Combined Sewer Improvement	-	200,000	197,720
Lonnquist Storm Sewer Improvement	-	135,000	133,510
Lawrence Lane Storm Sewer Improvement	-	50,000	49,341
Golfview Estates Stormwater Improvement	-	400,000	84,592
Isabella Combined Sewer Improvement	-	-	42,500
	<u>750,000</u>	<u>3,348,800</u>	<u>2,311,896</u>
Other			
Bank Fees	-	168,000	58,304
Electricity	2,000	2,000	287
Residential Reimbursements	5,150	5,150	2,000
	<u>7,150</u>	<u>175,150</u>	<u>60,591</u>
Total Expenditures	<u>\$ 757,150</u>	<u>\$ 3,523,950</u>	<u>\$ 2,372,487</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund: The Motor Fuel Tax Fund is used to account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

Community Development Block Grant (CDBG) Fund: The Community Development Block Grant Fund is used to account for the revenue and expenditures associated with the CDBG. The grant is provided by the U.S. Department of Housing and Urban Development to develop urban communities by expanding economic opportunities and providing decent housing and a suitable living environment. The beneficiaries of CDBG must be individuals with low and/or moderate incomes.

Asset Seizure Fund: The Asset Seizure Fund is used to account for the revenues and expenditures associated with the asset seizure program in which the Village participates. Funds received are restricted for use in the fight against drugs.

DEA Share Funds Fund: The DEA Share Funds Fund is used to account for the revenues and expenditures associated with the Federal DEA Shared Funds program. The use of funds is restricted for use in the fight against drugs.

DUI Fines Fund: The DUI Fines Fund is used to account for the revenues and expenditures with the Cook County DUI fine program. Use of funds is restricted to fight against drunk driving.

Foreign Fire Insurance Fund: The Foreign Fire Insurance Fund is used to account for the revenues derived from the Foreign Fire Insurance Tax and disbursement of these funds for the benefit, use and maintenance related to the Fire Department.

Justice Assistance Grant Fund: The Justice Assistance Grant Fund is used to account for the revenues and expenditures associated with the Justice Assistance Grant Fund. The grant is provided by the U.S. Department of Justice for the purpose of reducing crime and improving public safety.

Business District Fund: The Business District Fund is used to account for the revenues and expenditures associated with the Business Districts within the Village. The Village currently has one Business District, the Randhurst Village Business District Area.

NONMAJOR GOVERNMENTAL FUNDS – CONTINUED

CAPITAL PROJECTS FUNDS

Capital Improvement Fund: The Capital Improvement Fund is used to account for the resources to provide for certain capital improvements and the replacement of Village equipment. Financing is being provided by transfers from other funds and interest income.

Series 2009 Construction: The Series 2009 Construction Fund is used to account for the construction of Fire Station 14, the Emergency Operations Center, and the Public Works Expansion projects.

Downtown Redevelopment Construction Fund: The Downtown Redevelopment Construction fund is used to account for the resources to acquire property and construct certain improvements in the Downtown Redevelopment Tax Incremental Financing District No. 1.

Street Improvement Construction Fund: The Street Improvement Construction Fund is used to account for the resources to reconstruct Village streets. Financing is being provided by the sale of general obligation bonds, various taxes, licenses, permits, fees and interest income.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2013

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 1,575,858	\$ 3,593,764	\$ 5,169,622
Receivables - Net of Allowances			
Property Taxes	-	242,744	242,744
Other Taxes	285,634	701,857	987,491
Other	8,397	-	8,397
Due from Other Governments	400,770	352,000	752,770
Prepays	773	-	773
Total Assets	<u>\$ 2,271,432</u>	<u>\$ 4,890,365</u>	<u>\$ 7,161,797</u>
LIABILITIES			
Accounts Payable	\$ 1,088,464	\$ 857,177	\$ 1,945,641
Accrued Payroll	2,490	-	2,490
Other Payables	448,728	-	448,728
Total Liabilities	<u>1,539,682</u>	<u>857,177</u>	<u>2,396,859</u>
FUND BALANCES			
Nonspendable	773	-	773
Restricted	731,666	-	731,666
Assigned	-	4,033,188	4,033,188
Unassigned	(689)	-	(689)
Total Fund Balances	<u>731,750</u>	<u>4,033,188</u>	<u>4,764,938</u>
Total Liabilities and Fund Balances	<u>\$ 2,271,432</u>	<u>\$ 4,890,365</u>	<u>\$ 7,161,797</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2013

	Special Revenue	Capital Projects	Totals
Revenues			
Taxes	\$ 1,026,648	\$ 5,491,456	\$ 6,518,104
Intergovernmental	1,794,037	446,783	2,240,820
Interest	527	2,140	2,667
Miscellaneous	146,288	318,959	465,247
Total Revenues	2,967,500	6,259,338	9,226,838
Expenditures			
General Government	1,600,557	-	1,600,557
Public Safety	58,392	-	58,392
Highways and Streets	1,753,385	-	1,753,385
Welfare	299,128	-	299,128
Capital Outlay	-	6,215,927	6,215,927
Total Expenditures	3,711,462	6,215,927	9,927,389
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	(743,962)	43,411	(700,551)
Other Financing Sources (Uses)			
Transfers In	203,112	-	203,112
Transfers Out	-	(36,865)	(36,865)
	203,112	(36,865)	166,247
Net Change in Fund Balances			
	(540,850)	6,546	(534,304)
Fund Balances - Beginning			
	1,272,600	4,026,642	5,299,242
Fund Balances - Ending			
	\$ 731,750	\$ 4,033,188	\$ 4,764,938

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

**Combining Balance Sheet
December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

**Combining Balance Sheet
December 31, 2013**

	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	DEA Shared Funds
ASSETS				
Cash and Investments	\$ 311,332	\$ 64,971	\$ 42,945	\$ 11,514
Receivables - Net of Allowances				
Other Taxes	135,545	-	-	-
Other	1,220	-	404	-
Due from Other Governments	3,989	396,781	-	-
Prepays	-	689	-	-
	<hr/>			
Total Assets	<u>\$ 452,086</u>	<u>\$ 462,441</u>	<u>\$ 43,349</u>	<u>\$ 11,514</u>
LIABILITIES				
Accounts Payable	\$ 113,225	\$ 11,223	\$ 690	\$ -
Accrued Payroll	-	2,490	-	-
Other Payables	-	448,728	-	-
Total Liabilities	<u>113,225</u>	<u>462,441</u>	<u>690</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	689	-	-
Restricted	338,861	-	42,659	11,514
Unassigned	-	(689)	-	-
Total Fund Balances	<u>338,861</u>	<u>-</u>	<u>42,659</u>	<u>11,514</u>
	<hr/>			
Total Liabilities and Fund Balances	<u>\$ 452,086</u>	<u>\$ 462,441</u>	<u>\$ 43,349</u>	<u>\$ 11,514</u>

DUI Fines	Foreign Fire Insurance	Justice Assistance Grant	Business District	Totals
\$ 58,514	\$ 273,262	\$ -	\$ 813,320	\$ 1,575,858
-	-	-	150,089	285,634
6,773	-	-	-	8,397
-	-	-	-	400,770
-	84	-	-	773
<u>\$ 65,287</u>	<u>\$ 273,346</u>	<u>\$ -</u>	<u>\$ 963,409</u>	<u>\$ 2,271,432</u>
\$ -	\$ -	\$ -	\$ 963,326	\$ 1,088,464
-	-	-	-	2,490
-	-	-	-	448,728
-	-	-	963,326	1,539,682
-	84	-	-	773
65,287	273,262	-	83	731,666
-	-	-	-	(689)
<u>65,287</u>	<u>273,346</u>	<u>-</u>	<u>83</u>	<u>731,750</u>
<u>\$ 65,287</u>	<u>\$ 273,346</u>	<u>\$ -</u>	<u>\$ 963,409</u>	<u>\$ 2,271,432</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2013**

	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	DEA Shared Funds
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,569,682	165,868	16,862	6,585
Interest	111	-	20	10
Miscellaneous	12,983	133,260	-	-
Total Revenues	<u>1,582,776</u>	<u>299,128</u>	<u>16,882</u>	<u>6,595</u>
Expenditures				
Current				
General Government	-	-	-	-
Public Safety	-	-	14,702	-
Highways and Streets	1,753,385	-	-	-
Welfare	-	299,128	-	-
Total Expenditures	<u>1,753,385</u>	<u>299,128</u>	<u>14,702</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,609)	-	2,180	6,595
Other Financing Sources				
Transfers In	-	-	-	-
Net Change in Fund Balances	(170,609)	-	2,180	6,595
Fund Balances - Beginning	<u>509,470</u>	<u>-</u>	<u>40,479</u>	<u>4,919</u>
Fund Balances - Ending	<u>\$ 338,861</u>	<u>\$ -</u>	<u>\$ 42,659</u>	<u>\$ 11,514</u>

DUI Fines	Foreign Fire Insurance	Justice Assistance Grant	Business District	Totals
\$ -	\$ 63,322	\$ -	\$ 963,326	\$ 1,026,648
35,040	-	-	-	1,794,037
68	236	-	82	527
-	45	-	-	146,288
35,108	63,603	-	963,408	2,967,500
-	-	-	1,600,557	1,600,557
25,252	17,603	835	-	58,392
-	-	-	-	1,753,385
-	-	-	-	299,128
25,252	17,603	835	1,600,557	3,711,462
9,856	46,000	(835)	(637,149)	(743,962)
-	-	-	203,112	203,112
9,856	46,000	(835)	(434,037)	(540,850)
55,431	227,346	835	434,120	1,272,600
\$ 65,287	\$ 273,346	\$ -	\$ 83	\$ 731,750

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 1,690,000	\$ 1,690,000	\$ 1,569,682
Interest	100	100	111
Miscellaneous	15,000	15,000	12,983
Total Revenues	<u>1,705,100</u>	<u>1,705,100</u>	<u>1,582,776</u>
Expenditures			
Highway and Streets			
Street Division	<u>1,764,366</u>	<u>1,830,366</u>	<u>1,753,385</u>
Net Change in Fund Balance	<u>\$ (59,266)</u>	<u>\$ (125,266)</u>	(170,609)
Fund Balance - Beginning			<u>509,470</u>
Fund Balance - Ending			<u>\$ 338,861</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Highway and Streets			
Street Maintenance			
Contractual Services	\$ 99,432	\$ 99,432	\$ 99,415
Snow Removal			
Commodities and Supplies	263,064	263,064	302,544
Traffic Control/Street Lighting			
Contractual Services	86,870	86,870	80,024
Utilities	150,000	150,000	156,402
Total Traffic Control/Street Lighting	236,870	236,870	236,426
Street Improvement Projects			
Infrastructure	1,165,000	1,231,000	1,115,000
Total Expenditures	\$ 1,764,366	\$ 1,830,366	\$ 1,753,385

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Community Development Block Grant - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grant - CDBG	\$ 230,203	\$ 400,409	\$ 165,868
Miscellaneous			
Program Income	60,000	117,500	133,260
Total Revenues	<u>290,203</u>	<u>517,909</u>	<u>299,128</u>
Expenditures			
Welfare			
Administration	47,979	47,979	65,051
Community Programs	57,000	42,000	42,000
Residential Rehabilitation	155,224	390,430	154,577
CDBG Programs	30,000	37,500	37,500
Total Expenditures	<u>290,203</u>	<u>517,909</u>	<u>299,128</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u>\$ -</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Community Development Block Grant - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Welfare			
Administration and Support			
Personal Services	\$ 27,450	\$ 27,450	\$ 37,307
Employee Benefits	13,618	13,618	23,115
Other Employee Costs	1,000	1,000	793
Contractual Services	5,411	5,411	3,554
Commodities and Supplies	500	500	282
Total Administration and Support	47,979	47,979	65,051
Community Programs			
Contractual Services	57,000	42,000	42,000
Residential Rehabilitation			
Personal Services	19,644	19,644	8,653
Employee Benefits	11,580	11,580	1,752
Contractual Services	30,000	55,206	6,754
Other Expenditures	94,000	304,000	137,418
Total Residential Rehabilitation	155,224	390,430	154,577
CDBG Programs			
Briarwood Project			
Capital Expenditures	30,000	37,500	37,500
Total Expenditures	\$ 290,203	\$ 517,909	\$ 299,128

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Asset Seizure - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Seized Assets	\$ 3,000	\$ 3,000	\$ 16,862
Interest	100	100	20
Total Revenues	<u>3,100</u>	<u>3,100</u>	<u>16,882</u>
Expenditures			
Public Safety			
Other Employee Costs	1,000	1,000	-
Contractual Services	1,500	5,500	4,000
Capital Expenditures	15,000	15,000	10,702
Total Expenditures	<u>17,500</u>	<u>21,500</u>	<u>14,702</u>
Net Change in Fund Balance	<u>\$ (14,400)</u>	<u>\$ (18,400)</u>	2,180
Fund Balance - Beginning			<u>40,479</u>
Fund Balance - Ending			<u>\$ 42,659</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DEA Shared Funds - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
DEA Shared Funds	\$ 1,000	\$ 1,000	\$ 6,585
Interest	100	100	10
Total Revenues	<u>1,100</u>	<u>1,100</u>	<u>6,595</u>
Expenditures			
Public Safety			
Contractual Services	1,000	1,000	-
Capital Expenditures	4,000	4,000	-
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (3,900)</u>	<u>\$ (3,900)</u>	6,595
Fund Balance - Beginning			<u>4,919</u>
Fund Balance - Ending			<u>\$ 11,514</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DUI Fines - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
DUI Fines	\$ 20,000	\$ 20,000	\$ 35,040
Interest	100	100	68
Total Revenues	<u>20,100</u>	<u>20,100</u>	<u>35,108</u>
Expenditures			
Public Safety			
Patrol and Traffic Enforcement			
Contractual Services	1,000	8,200	7,188
Capital Expenditures	10,000	19,500	18,064
Total Expenditures	<u>11,000</u>	<u>27,700</u>	<u>25,252</u>
Net Change in Fund Balance	<u>\$ 9,100</u>	<u>\$ (7,600)</u>	9,856
Fund Balance - Beginning			<u>55,431</u>
Fund Balance - Ending			<u>\$ 65,287</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Foreign Fire Insurance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Other Taxes			
Foreign Fire Insurance Tax	\$ 55,000	\$ 55,000	\$ 63,322
Interest	-	-	236
Miscellaneous	-	-	45
Total Revenues	<u>55,000</u>	<u>55,000</u>	<u>63,603</u>
Expenditures			
Public Safety			
Insurance	500	500	-
Contractual Services	10,000	10,000	3,243
Commodities and Supplies	3,000	3,000	3,033
Equipment	15,000	15,000	11,327
Total Expenditures	<u>28,500</u>	<u>28,500</u>	<u>17,603</u>
Net Change in Fund Balance	<u>\$ 26,500</u>	<u>\$ 26,500</u>	46,000
Fund Balance - Beginning			<u>227,346</u>
Fund Balance - Ending			<u>\$ 273,346</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Justice Assistance Grant - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Byrne Justice Grant	\$ -	\$ -	\$ -
Expenditures			
Public Safety	-	836	835
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (836)</u>	(835)
Fund Balance - Beginning			<u>835</u>
Fund Balance - Ending			<u>\$ -</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Business District - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Other Taxes			
Food and Beverage Tax	\$ 222,000	\$ 325,000	\$ 328,246
Hotel/Motel Tax	90,000	190,000	189,563
Movie Theatre Tax	125,000	130,000	127,990
Business District Tax	234,000	320,000	317,527
Interest	-	-	82
Total Revenues	671,000	965,000	963,408
Expenditures			
General Government	496,521	1,602,232	1,600,557
Excess (Deficiency) of Revenues Over (Under) Expenditures	174,479	(637,232)	(637,149)
Other Financing Sources			
Transfers In	-	203,200	203,112
Net Change in Fund Balance	<u>\$ 174,479</u>	<u>\$ (434,032)</u>	(434,037)
Fund Balance - Beginning			<u>434,120</u>
Fund Balance - Ending			<u>\$ 83</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

**Combining Balance Sheet
December 31, 2013**

	<u>Capital Improvement</u>
ASSETS	
Cash and Investments	\$ 1,719,109
Receivables - Net of Allowances	
Property Taxes	-
Other Taxes	318,174
Due from Other Governments	<u>352,000</u>
Total Assets	<u>\$ 2,389,283</u>
LIABILITIES	
Accounts Payable	\$ 291,980
FUND BALANCES	
Assigned	<u>2,097,303</u>
Total Liabilities and Fund Balances	<u>\$ 2,389,283</u>

Series 2009 Construction	Downtown Redevelopment Construction	Street Improvement Construction	Totals
\$ -	\$ 907,763	\$ 966,892	\$ 3,593,764
-	242,744	-	242,744
-	-	383,683	701,857
-	-	-	352,000
\$ -	\$ 1,150,507	\$ 1,350,575	\$ 4,890,365
\$ -	\$ 81,574	\$ 483,623	\$ 857,177
-	1,068,933	866,952	4,033,188
\$ -	\$ 1,150,507	\$ 1,350,575	\$ 4,890,365

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2013

	<u>Capital Improvement</u>
Revenues	
Taxes	
Property Taxes	\$ -
Other	1,180,962
Intergovernmental	443,171
Interest	876
Miscellaneous	<u>307,233</u>
Total Revenues	1,932,242
Expenditures	
Capital Outlay	<u>2,128,161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(195,919)
Other Financing (Uses)	
Transfers Out	<u>-</u>
Net Change in Fund Balances	(195,919)
Fund Balances - Beginning	<u>2,293,222</u>
Fund Balances - Ending	<u>\$ 2,097,303</u>

Series 2009 Construction	Downtown Redevelopment Construction	Street Improvement Construction	Totals
\$ -	\$ 2,664,680	\$ -	\$ 2,664,680
-	-	1,645,814	2,826,776
-	-	3,612	446,783
7	1,066	191	2,140
-	-	11,726	318,959
7	2,665,746	1,661,343	6,259,338
-	2,958,933	1,128,833	6,215,927
7	(293,187)	532,510	43,411
(36,865)	-	-	(36,865)
(36,858)	(293,187)	532,510	6,546
36,858	1,362,120	334,442	4,026,642
\$ -	\$ 1,068,933	\$ 866,952	\$ 4,033,188

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Capital Improvement - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Home Rules Sales Tax	\$ 1,135,000	\$ 1,135,000	\$ 1,180,962
Intergovernmental			
Grants	-	92,000	443,171
Interest	500	500	876
Miscellaneous			
Donations	5,000	285,000	283,233
Other	-	24,000	24,000
Total Revenues	<u>1,140,500</u>	<u>1,536,500</u>	<u>1,932,242</u>
Expenditures			
Capital Outlay			
Village Facilities	95,000	193,000	177,966
Equipment	389,247	598,102	373,867
Public Improvements	820,500	1,178,000	1,061,175
Infrastructure	370,000	695,000	515,153
Total Expenditures	<u>1,674,747</u>	<u>2,664,102</u>	<u>2,128,161</u>
Net Change in Fund Balance	<u>\$ (534,247)</u>	<u>\$ (1,127,602)</u>	(195,919)
Fund Balance - Beginning			<u>2,293,222</u>
Fund Balance - Ending			<u>\$ 2,097,303</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Capital Improvement - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Capital Outlay			
Village Facilities			
Other Public Buildings	\$ 95,000	\$ 193,000	\$ 177,966
Equipment			
Broadcast Camera Replacement	45,000	45,000	33,754
Board Room Cameras	-	14,455	12,450
Computer Financial Software	-	194,400	22,133
Equipment Furniture Replacement	45,000	45,000	-
Other Equipment- Mobile Video	172,000	172,000	155,444
Radio Equipment - Police/Fire	127,247	127,247	150,086
Total Equipment	389,247	598,102	373,867
Public Improvement			
Building Improvements	820,500	1,178,000	1,061,175
Infrastructure			
Residential Street Lights	65,000	65,000	19,423
Bike Path	25,000	30,000	-
Kensington Road Improvement	100,000	420,000	354,063
Detention Pond Improvement	180,000	180,000	141,667
Total Infrastructure	370,000	695,000	515,153
Total Expenditures	\$ 1,674,747	\$ 2,664,102	\$ 2,128,161

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Series 2009 Construction - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	\$ -	\$ 7
Expenditures			
Capital Outlay	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	7
Other Financing (Uses)			
Transfers Out	-	(37,000)	(36,865)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (37,000)</u>	(36,858)
Fund Balance - Beginning			<u>36,858</u>
Fund Balance - Ending			<u><u>\$ -</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Downtown Redevelopment Construction - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 241,000	\$ 241,000	\$ 241,350
Property Taxes - Other			
Tax Increment	2,440,000	2,440,000	2,423,330
Interest	1,000	1,000	1,066
Total Revenues	<u>2,682,000</u>	<u>2,682,000</u>	<u>2,665,746</u>
Expenditures			
Capital Outlay			
Public Improvements			
Contractual Services	192,990	192,990	191,975
Public Improvements	2,751,531	2,751,531	2,673,098
Infrastructure	348,000	348,000	93,860
Total Expenditures	<u>3,292,521</u>	<u>3,292,521</u>	<u>2,958,933</u>
Net Change in Fund Balance	<u>\$ (610,521)</u>	<u>\$ (610,521)</u>	(293,187)
Fund Balance - Beginning			<u>1,362,120</u>
Fund Balance - Ending			<u>\$ 1,068,933</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Downtown Redevelopment Construction - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Capital Outlay			
Public Improvements			
Contractual Services			
Audit Services	\$ 990	\$ 990	\$ 960
Other Professional Services	20,000	20,000	19,665
Streetscape Corridor Maintenance	57,000	57,000	56,350
Brick Sidewalk Sealing	75,000	75,000	75,000
Streetscape Furnishing	40,000	40,000	40,000
Total Contractual Services	192,990	192,990	191,975
Public Improvements			
Other Financing Costs	10,000	10,000	-
Property Tax Expense	5,000	5,000	6,969
NWE Sales Tax Rebate	109,000	109,000	98,598
Return of Increment Cook County Collector	2,567,531	2,567,531	2,567,531
Façade Program	60,000	60,000	-
Total Public Improvements	2,751,531	2,751,531	2,673,098
Infrastructure			
Downtown Streetscape Program	328,000	328,000	88,005
Brick Sidewalk	20,000	20,000	5,855
Total Infrastructure	348,000	348,000	93,860
Total Expenditures	\$ 3,292,521	\$ 3,292,521	\$ 2,958,933

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Street Improvement Construction - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Revenues			
Other Taxes			
Home Rule Sales Tax	\$ 1,235,000	\$ 1,235,000	\$ 1,285,012
Municipal Motor Fuel Tax	310,000	310,000	360,802
Intergovernmental			
DCEO Grant	-	-	3,612
Interest	500	500	191
Miscellaneous	5,000	5,000	11,726
Total Revenues	<u>1,550,500</u>	<u>1,550,500</u>	<u>1,661,343</u>
Expenditures			
Capital Outlay			
Contractual Services	30,000	30,000	26,883
Infrastructure			
Street Reconstruction	1,465,500	1,535,850	1,101,950
Total Expenditures	<u>1,495,500</u>	<u>1,565,850</u>	<u>1,128,833</u>
Net Change in Fund Balance	<u>\$ 55,000</u>	<u>\$ (15,350)</u>	532,510
Fund Balance - Beginning			<u>334,442</u>
Fund Balance - Ending			<u>\$ 866,952</u>

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Water and Sewer Fund: The Water and Sewer Fund is a major fund and is used to account for the activities of the water and sewer operations. The Village operates sewerage lift and relief stations and waste water collection systems and the water distribution system.

Parking System Revenue Fund: The Parking System Revenue Fund is a nonmajor fund and is used to account for the provision of public parking services with fees shared with the commuter railroad. All activities are accounted for including administration, operations, maintenance and collection.

Village Parking System Fund: The Village Parking System Fund is a nonmajor fund and is used to account for the provision of Village-owned public parking services including the Village Hall parking deck and leased commuter spaces. All activities are accounted for including administration, operations, maintenance, financing, related debt service and billing and collection.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 10,660,000	\$ 11,555,000	\$ 11,507,264
Operating Expenses			
Administration and Maintenance	12,642,921	14,196,396	11,622,593
Depreciation	-	-	455,628
Total Operating Expenses	12,642,921	14,196,396	12,078,221
Operating Income (Loss)	(1,982,921)	(2,641,396)	(570,957)
Nonoperating Revenues (Expenses)			
Property Taxes	1,516,000	1,516,000	1,507,661
Interest Income	3,000	3,000	3,040
Other Income	41,000	66,000	109,934
Disposal of Capital Assets	-	-	(19,221)
	1,560,000	1,585,000	1,601,414
Change in Net Position	\$ (422,921)	\$ (1,056,396)	1,030,457
Net Position - Beginning			33,055,996
Net Position - Ending			\$ 34,086,453

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Charges for Services			
Water Sales	\$ 7,739,000	\$ 8,464,000	\$ 8,524,850
Sewer Fees	1,960,000	2,130,000	2,130,068
Sewer Construction Charge	805,000	805,000	682,805
Water Penalties	125,000	125,000	87,165
Water Meter Fees	15,000	15,000	17,399
Water and Sewer Taps	15,000	15,000	26,675
Sewer Penalties	-	-	28,729
Miscellaneous	1,000	1,000	9,573
Total Operating Revenues	\$ 10,660,000	\$ 11,555,000	\$ 11,507,264

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration and Maintenance			
Administration and Support			
Personal Services	\$ 389,791	\$ 389,791	\$ 391,187
Employee Benefits	212,667	212,667	245,986
Other Employee Costs	35,941	35,941	24,873
Contractual Services	635,259	705,049	675,262
Utilities	42,900	42,900	33,017
Insurance	79,383	79,383	79,383
Commodities and Supplies	11,660	11,660	8,933
Capital Expenses	7,918	7,918	2,158
Total Administration and Support	1,415,519	1,485,309	1,460,799
Maintenance of Buildings			
Personal Services	143,500	156,500	156,214
Employee Benefits	48,023	48,023	68,558
Contractual Services	61,365	61,365	14,864
Utilities	8,000	8,000	4,191
Commodities and Supplies	1,500	1,500	998
Total Maintenance of Buildings	262,388	275,388	244,825
Maintenance of Grounds			
Personal Services	61,053	61,053	62,999
Employee Benefits	19,380	19,380	20,272
Contractual Services	37,000	37,000	32,665
Commodities and Supplies	5,799	5,799	5,561
Total Maintenance of Grounds	123,232	123,232	121,497
Water Supply Maintenance and Repair			
Personal Services	380,103	393,103	392,911
Employee Benefits	140,933	140,933	144,090
Contractual Services	144,428	144,428	69,019
Utilities	95,000	95,000	66,088
Commodities and Supplies	85,182	85,182	21,951
Total Water Supply Maintenance and Repair	845,646	858,646	694,059

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Water Distribution Maintenance and Repair			
Personal Services	\$ 276,031	\$ 304,031	\$ 298,623
Employee Benefits	94,724	94,724	100,680
Contractual Services	218,302	218,302	185,408
Commodities and Supplies	69,285	69,285	88,242
Capital Expenses	1,344	1,344	-
Total Water Distribution Maintenance and Repair	659,686	687,686	672,953
Water Valve and Hydrant Maintenance			
Personal Services	275,230	282,230	282,826
Employee Benefits	108,553	108,553	111,357
Contractual Services	19,258	19,258	16,620
Commodities and Supplies	93,436	93,436	75,051
Total Water Valve and Hydrant Maintenance	496,477	503,477	485,854
Water Meter Installation, Repair and Replacement			
Personal Services	129,275	162,275	161,255
Employee Benefits	39,133	39,133	46,078
Contractual Services	97,750	97,750	69,893
Commodities and Supplies	4,949	4,949	2,884
Capital Expenses	63,345	63,345	27,938
Total Water Meter Installation, Repair and Replacement	334,452	367,452	308,048
Equipment Maintenance			
Contractual Services	779,287	779,287	779,287
Sanitary Sewer Maintenance and Repair			
Personal Services	209,292	225,292	223,864
Employee Benefits	70,873	70,873	86,651

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Sanitary Sewer Maintenance and Repair - Continued			
Contractual Services	\$ 142,290	\$ 142,290	\$ 124,700
Utilities	22,660	22,660	14,953
Commodities and Supplies	26,152	26,152	25,610
Total Sanitary Sewer Maintenance and Repair	471,267	487,267	475,778
Water System Improvements			
Capital Expenses	1,140,000	2,647,405	316,672
Less Capital Assets Capitalized	-	(345,720)	(6,139)
Total Water System Improvements	1,140,000	2,301,685	310,533
Sanitary System Improvements			
Capital Expenses	1,059,000	1,508,000	1,050,357
Less Capital Assets Capitalized	(200,000)	(477,000)	(212,011)
Total Sanitary System Improvements	859,000	1,031,000	838,346
Improvements to Public Buildings			
Capital Expenses	34,000	34,000	-
Less Capital Assets Capitalized	-	-	-
Total Improvements to Public Buildings	34,000	34,000	-
Lake Michigan Water Acquisition			
Contractual Services	5,221,967	5,261,967	5,230,614
Total Administration and Maintenance	12,642,921	14,196,396	11,622,593
Depreciation	-	-	455,628
Total Operating Expenses	\$ 12,642,921	\$ 14,196,396	\$ 12,078,221

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Net Position - Nonmajor Enterprise Funds
December 31, 2013

	Parking System Revenue	Village Parking System	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ -	\$ 316,808	\$ 316,808
Receivables - Net of Allowances			
Other Taxes	25,230	2,803	28,033
Total Current Assets	25,230	319,611	344,841
Noncurrent Assets			
Capital Assets			
Nondepreciable	-	232,354	232,354
Depreciable	364,800	-	364,800
Accumulated Depreciation	(364,800)	-	(364,800)
Total Noncurrent Assets	-	232,354	232,354
Total Assets	25,230	551,965	577,195

	Parking System Revenue	Village Parking System	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	8,978	496	9,474
Accrued Payroll	1,890	2,623	4,513
Due to Other Funds	212,603	-	212,603
Other Payables	3,195	20,214	23,409
Compensated Absences Payable	142	195	337
Total Current Liabilities	<u>226,808</u>	<u>23,528</u>	<u>250,336</u>
Noncurrent Liabilities			
Compensated Absences Payable	568	781	1,349
Net Other Post-Employment Benefits Obligation Payable	456	1,222	1,678
Total Noncurrent Liabilities	<u>1,024</u>	<u>2,003</u>	<u>3,027</u>
Total Liabilities	<u>227,832</u>	<u>25,531</u>	<u>253,363</u>
NET POSITION			
Investment in Capital Assets	-	232,354	232,354
Unrestricted	(202,602)	294,080	91,478
Total Net Position	<u>\$ (202,602)</u>	<u>\$ 526,434</u>	<u>\$ 323,832</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds
For the Fiscal Year Ended December 31, 2013**

	Parking System Revenue	Village Parking System	Totals
Operating Revenues			
Charges for Services			
Parking Fees	\$ 109,725	\$ 124,733	\$ 234,458
Operating Expenses			
Administration, Maintenance and Improvements	173,346	172,957	346,303
Operating Income (Loss)	(63,621)	(48,224)	(111,845)
Nonoperating Revenues			
Home Rule Sales Tax	93,645	10,405	104,050
Interest Income	-	347	347
	93,645	10,752	104,397
Change in Net Position	30,024	(37,472)	(7,448)
Net Position - Beginning	(232,626)	563,906	331,280
Net Position - Ending	\$ (202,602)	\$ 526,434	\$ 323,832

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Cash Flows - Nonmajor Enterprise Funds
For the Fiscal Year Ended December 31, 2013**

	Parking System Revenue	Village Parking System	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 192,867	\$ 144,385	\$ 337,252
Payments to Suppliers	(151,487)	(152,298)	(303,785)
Payments to Employees	(41,380)	(21,154)	(62,534)
	-	(29,067)	(29,067)
Cash Flows from Investing Activities			
Interest Received	-	347	347
Net Change in Cash and Cash Equivalents	-	(28,720)	(28,720)
Cash and Cash Equivalents - Beginning of Year	-	345,528	345,528
Cash and Cash Equivalents - End of Year	\$ -	\$ 316,808	\$ 316,808
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.			
Operating Income (Loss)	\$ (63,621)	\$ (48,224)	\$ (111,845)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities.			
Other Income	93,645	10,405	104,050
(Increase) Decrease in Current Assets	(10,503)	9,247	(1,256)
Increase (Decrease) in Current Liabilities	(19,521)	(495)	(20,016)
Net Cash Provided by Operating Activities	\$ -	\$ (29,067)	\$ (29,067)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Parking System Revenue - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees			
Parking Fees - Lot A	\$ 60,000	\$ 60,000	\$ 60,423
Parking Fees - Lot C	50,000	50,000	49,302
Total Operating Revenues	110,000	110,000	109,725
Operating Expenses			
Administration, Maintenance and Improvements	295,252	295,252	173,346
Operating Income (Loss)	(185,252)	(185,252)	(63,621)
Nonoperating Revenues			
Home Rule Sales Tax	90,000	90,000	93,645
Interest Income	500	500	-
	90,500	90,500	93,645
Change in Net Position	\$ (94,752)	\$ (94,752)	30,024
Net Position - Beginning			(232,626)
Net Position - Ending			\$ (202,602)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Parking System Revenue - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration, Maintenance and Improvements			
Personal Services	\$ 41,661	\$ 41,661	\$ 36,170
Employee Benefits	21,357	21,357	16,351
Contractual Services	110,944	110,944	105,382
Utilities	10,317	10,317	6,932
Insurance	1,387	1,387	1,387
Commodities and Supplies	9,586	9,586	7,124
Capital Expenses	100,000	100,000	-
Total Operating Expenses	<u>\$ 295,252</u>	<u>\$ 295,252</u>	<u>\$ 173,346</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Village Parking System - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees			
Parking Fees - Lot D	\$ 100,000	\$ 100,000	\$ 106,133
Space Rent - Wille Street Lot	9,000	9,000	12,000
Rental Fees	6,600	6,600	6,600
Total Operating Revenues	115,600	115,600	124,733
Operating Expenses			
Administration, Maintenance and Improvements	296,350	296,350	172,957
Operating Income (Loss)	(180,750)	(180,750)	(48,224)
Nonoperating Revenues			
Home Rule Sales Tax	10,000	10,000	10,405
Interest Income	500	500	347
	10,500	10,500	10,752
Change in Net Position	\$ (170,250)	\$ (170,250)	(37,472)
Net Position - Beginning			563,906
Net Position - Ending			\$ 526,434

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Village Parking System - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration, Maintenance and Improvements			
Personal Services	\$ 21,875	\$ 21,875	\$ 27,994
Employee Benefits	9,860	9,860	11,458
Contractual Services	92,657	92,657	79,597
Insurance	1,158	1,158	1,158
Commodities and Supplies	500	500	-
Capital Expenses	170,300	170,300	52,750
Total Operating Expenses	<u>\$ 296,350</u>	<u>\$ 296,350</u>	<u>\$ 172,957</u>

INTERNAL SERVICE FUNDS

Computer Replacement Fund: The Computer Replacement Fund is used to account for the acquisition of Village computer hardware. Financing is being provided by charges to various Village funds.

Risk Management Fund: The Risk Management Fund is used to account for the servicing and payment of claims for liability, property, casualty coverage, workers' compensation and medical benefits. Financing is being provided by charges in the various Village funds.

Vehicle Replacement Fund: The Vehicle Replacement Fund is used to account for the acquisition and depreciation of Village vehicles. Financing is being provided by charges to the General, Water and Sewer, Parking System Revenue and Village Parking Funds.

Vehicle Maintenance Fund: The Vehicle Maintenance Fund is used to account for the maintenance and repair of all Village vehicles. Financing is being provided by charges to various Village funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Net Position - Internal Service Funds
December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Net Position - Internal Service Funds
December 31, 2013

	<u>Computer Replacement</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 487,229
Receivables - Net of Allowances	
Other	-
Due from Other Governments	-
Prepays	-
Inventories	-
Total Current Assets	<u>487,229</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	-
Depreciable	65,253
Accumulated Depreciation	<u>(38,627)</u>
	26,626
Other Assets	
Deposits - Insurance	-
Total Noncurrent Assets	<u>26,626</u>
Total Assets	<u>513,855</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	-
Accrued Payroll	-
Claims Payable	-
Other Payables	-
Compensated Absences Payable	-
Total Current Liabilities	<u>-</u>
Long-Term Liabilities	
Compensated Absences Payable	-
Net Other Post-Employment Benefit Obligation Payable	-
Total Long-Term Liabilities	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Investment in Capital Assets	26,626
Unrestricted	<u>487,229</u>
Total Net Position	<u>\$ 513,855</u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
\$ 2,251,079	\$ 7,532,245	\$ 559,797	\$ 10,830,350
2,624	-	1,980	4,604
-	2,622	9,113	11,735
73,100	-	521	73,621
-	-	291,331	291,331
<u>2,326,803</u>	<u>7,534,867</u>	<u>862,742</u>	<u>11,211,641</u>
-	248,574	-	248,574
-	11,577,571	139,860	11,782,684
-	(7,804,918)	(122,334)	(7,965,879)
-	<u>4,021,227</u>	<u>17,526</u>	<u>4,065,379</u>
521,810	-	-	521,810
<u>521,810</u>	<u>4,021,227</u>	<u>17,526</u>	<u>4,587,189</u>
<u>2,848,613</u>	<u>11,556,094</u>	<u>880,268</u>	<u>15,798,830</u>
27,828	350	62,092	90,270
-	-	82,796	82,796
849,879	-	-	849,879
28,537	-	-	28,537
-	-	30,671	30,671
<u>906,244</u>	<u>350</u>	<u>175,559</u>	<u>1,082,153</u>
-	-	122,682	122,682
-	-	6,696	6,696
-	-	129,378	129,378
<u>906,244</u>	<u>350</u>	<u>304,937</u>	<u>1,211,531</u>
-	4,021,227	17,526	4,065,379
<u>1,942,369</u>	<u>7,534,517</u>	<u>557,805</u>	<u>10,521,920</u>
\$ <u>1,942,369</u>	\$ <u>11,555,744</u>	\$ <u>575,331</u>	\$ <u>14,587,299</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds
For the Fiscal Year Ended December 31, 2013

	<u>Computer Replacement</u>
Operating Revenues	
Charges for Services	\$ -
Contributions	-
Miscellaneous	-
Total Operating Revenues	<u>-</u>
Operating Expenses	
Administration and Maintenance	223,643
Insurance and Claims	-
Depreciation	13,051
Total Operating Expenses	<u>236,694</u>
Operating Income (Loss)	<u>(236,694)</u>
Nonoperating Revenues	
Interest Income	867
Disposal of Capital Assets	-
	<u>867</u>
Change in Net Position	(235,827)
Net Position - Beginning	<u>749,682</u>
Net Position - Ending	<u>\$ 513,855</u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
\$ 6,108,848	\$ 1,416,295	\$ 2,193,313	\$ 9,718,456
1,280,867	-	-	1,280,867
13,379	-	138	13,517
7,403,094	1,416,295	2,193,451	11,012,840
372,268	375	2,157,558	2,753,844
6,554,898	-	-	6,554,898
-	602,137	6,255	621,443
6,927,166	602,512	2,163,813	9,930,185
475,928	813,783	29,638	1,082,655
3,725	7,926	516	13,034
-	70,948	-	70,948
3,725	78,874	516	83,982
479,653	892,657	30,154	1,166,637
1,462,716	10,663,087	545,177	13,420,662
\$ 1,942,369	\$ 11,555,744	\$ 575,331	\$ 14,587,299

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Cash Flows - Internal Service Funds
For the Fiscal Year Ended December 31, 2013**

	<u>Computer Replacement</u>
Cash Flows from Operating Activities	
Interfund Services Provided	\$ -
Payment to Suppliers	(223,643)
Payment to Employees	-
	<u>(223,643)</u>
Cash Flows from Capital and Related Financing Activities	
Disposal of Capital Assets	-
Purchase of Capital Assets	-
	<u>-</u>
Cash Flows from Investing Activities	
Interest Received	<u>867</u>
Net Change in Cash and Cash Equivalents	(222,776)
Cash and Cash Equivalents - Beginning	<u>710,005</u>
Cash and Cash Equivalents - Ending	<u>\$ 487,229</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ (236,694)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities	
Depreciation	13,051
(Increase) Decrease in Current Assets	-
Increase (Decrease) in Current Liabilities	-
	<u>-</u>
Net Cash Provided by Operating Activities	<u>\$ (223,643)</u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
\$ 7,617,013	\$ 1,429,256	\$ 2,288,344	\$ 11,334,613
(7,285,212)	(9,029)	(1,249,105)	(8,766,989)
-	-	(899,495)	(899,495)
331,801	1,420,227	139,744	1,668,129
-	90,948	-	90,948
-	(509,163)	-	(509,163)
-	(418,215)	-	(418,215)
3,725	7,926	516	13,034
335,526	1,009,938	140,260	1,262,948
1,915,553	6,522,307	419,537	9,567,402
\$ 2,251,079	\$ 7,532,245	\$ 559,797	\$ 10,830,350
\$ 475,928	\$ 813,783	\$ 29,638	\$ 1,082,655
-	602,137	6,255	621,443
213,919	12,961	94,893	321,773
(358,046)	(8,654)	8,958	(357,742)
\$ 331,801	\$ 1,420,227	\$ 139,744	\$ 1,668,129

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Computer Replacement - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ -	\$ -	\$
Operating Expenses			
Administration			
Capital Outlay	246,200	246,200	223,643
Depreciation	-	-	13,051
Total Operating Expenses	246,200	246,200	236,694
Operating Income (Loss)	(246,200)	(246,200)	(236,694)
Nonoperating Revenues			
Interest Income	1,000	1,000	867
Change in Net Position	<u>\$ (245,200)</u>	<u>\$ (245,200)</u>	(235,827)
Net Position - Beginning			<u>749,682</u>
Net Position - Ending			<u>\$ 513,855</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Computer Replacement - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration			
Capital Outlay	\$ 246,200	\$ 246,200	\$ 223,643
Depreciation	-	-	13,051
Total Operating Expenses	\$ 246,200	\$ 246,200	\$ 236,694

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 6,213,501	\$ 6,213,501	\$ 6,108,848
Contributions	1,452,000	1,452,000	1,280,867
Miscellaneous	2,000	2,000	13,379
Total Operating Revenues	<u>7,667,501</u>	<u>7,667,501</u>	<u>7,403,094</u>
Operating Expenses			
Administration	343,998	408,998	372,268
Insurance and Claims	7,322,364	7,336,194	6,554,898
Total Operating Expenses	<u>7,666,362</u>	<u>7,745,192</u>	<u>6,927,166</u>
Operating Income (Loss)	1,139	(77,691)	475,928
Nonoperating Revenues			
Interest Income	<u>2,000</u>	<u>2,000</u>	<u>3,725</u>
Income (Loss) Before Transfers	3,139	(75,691)	479,653
Transfers Out	<u>-</u>	<u>(370,000)</u>	<u>-</u>
Change in Net Position	<u>\$ 3,139</u>	<u>\$ (445,691)</u>	479,653
Net Position - Beginning			<u>1,462,716</u>
Net Position - Ending			<u>\$ 1,942,369</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund	\$ 5,262,159	\$ 5,262,159	\$ 5,154,042
Refuse Disposal Fund	33,714	33,714	33,714
Water and Sewer Fund	123,183	123,183	123,183
Parking System Revenue Fund	1,387	1,387	1,387
Village Parking System Fund	1,158	1,158	1,158
Vehicle Maintenance Fund	21,900	21,900	21,900
Library	770,000	770,000	773,464
Total Charges for Services	6,213,501	6,213,501	6,108,848
Contributions			
Employee			
Health Insurance	387,000	387,000	426,088
Additional Life Insurance	9,000	9,000	11,346
Retiree			
Health Insurance	1,056,000	1,056,000	843,433
Total Contributions	1,452,000	1,452,000	1,280,867
Miscellaneous			
Other Reimbursements	2,000	2,000	2,471
Miscellaneous Income	-	-	10,908
Total Miscellaneous	2,000	2,000	13,379
Total Operating Revenues	\$ 7,667,501	\$ 7,667,501	\$ 7,403,094

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Administration			
Casualty and Property Program			
Claims Administration	\$ 27,000	\$ 27,000	\$ 9,496
Other Contractual Services	7,500	11,500	10,950
	<u>34,500</u>	<u>38,500</u>	<u>20,446</u>
Medical Program			
Claims Administration	307,498	307,498	289,567
Workers' Compensation			
Claims Administration	-	61,000	60,114
Capital Outlay			
Other Equipment	2,000	2,000	2,141
	<u>343,998</u>	<u>408,998</u>	<u>372,268</u>
Insurance and Claims			
Casualty and Property Program			
Property Insurance	104,500	106,850	106,821
HELP Excess Liability Insurance	78,500	78,500	74,617
Workers' Compensation Insurance	59,500	70,750	70,747
Faithful Performance Insurance	2,500	2,680	2,678
Surety Bonds	2,000	2,000	-
Other Insurance	2,200	2,250	2,245
Property Claims	1,000	1,000	-
Liability Claims	100,000	100,000	77,745
Workers' Compensation Claims	470,000	470,000	441,593
Auto Claims	20,000	20,000	7,866
Village Property Claims	25,000	25,000	9,366
Unemployment Compensation Claims	10,000	10,000	13,405
Tree Hazard Study	15,000	15,000	4,175
Other Claims	4,500	4,500	3,069
	<u>894,700</u>	<u>908,530</u>	<u>814,327</u>
Medical Program			
Medical Expense - HMO Plan	1,734,300	1,734,300	1,610,938
Medical Expense - Indemnity Plan	4,665,564	4,665,564	4,102,353
Other Medical Claims	1,000	1,000	-
Life Insurance	26,800	26,800	27,280
	<u>6,427,664</u>	<u>6,427,664</u>	<u>5,740,571</u>
	<u>7,322,364</u>	<u>7,336,194</u>	<u>6,554,898</u>
	<u>\$ 7,666,362</u>	<u>\$ 7,745,192</u>	<u>\$ 6,927,166</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,409,350	\$ 1,416,350	\$ 1,416,295
Operating Expenses			
Administration	362,000	725,200	375
Depreciation	-	-	602,137
Total Operating Expenses	362,000	725,200	602,512
Operating Income	1,047,350	691,150	813,783
Nonoperating Revenues			
Interest Income	3,500	8,500	7,926
Disposal of Capital Assets	50,000	91,000	70,948
	53,500	99,500	78,874
Change in Net Position	\$ 1,100,850	\$ 790,650	892,657
Net Position - Beginning			10,663,087
Net Position - Ending			\$ 11,555,744

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund			
Mayor and Board	\$ 2,300	\$ 2,300	\$ 2,300
Manager's Office	2,700	2,700	2,700
Television Services Division	1,700	1,700	1,700
Community Development - Planning	1,500	1,500	1,500
Community Development - Housing	6,000	6,000	6,000
Community Development - Health	1,500	1,500	1,500
Police Department	177,950	184,950	184,895
Fire Department	561,700	561,700	561,700
Public Works Department	353,000	353,000	353,000
Engineering Division	8,900	8,900	8,900
Water and Sewer Fund	263,200	263,200	263,200
Parking System Fund	11,560	11,560	11,560
Village Parking Fund	17,340	17,340	17,340
Total Operating Revenues	<u>\$ 1,409,350</u>	<u>\$ 1,416,350</u>	<u>\$ 1,416,295</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration			
Capital Outlay	\$ 664,000	\$ 1,027,200	\$ 509,538
Less Capital Assets Capitalized	(302,000)	(302,000)	(509,163)
Total Administration	362,000	725,200	375
Depreciation	-	-	602,137
Total Operating Expenses	\$ 362,000	\$ 725,200	\$ 602,512

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,193,313	\$ 2,193,313	\$ 2,193,313
Miscellaneous Income	-	-	138
Total Operating Revenues	<u>2,193,313</u>	<u>2,193,313</u>	<u>2,193,451</u>
Operating Expenses			
Administration and Maintenance	2,153,304	2,209,304	2,157,558
Depreciation	-	-	6,255
Total Operating Expenses	<u>2,153,304</u>	<u>2,209,304</u>	<u>2,163,813</u>
Operating Income (Loss)	40,009	(15,991)	29,638
Nonoperating Revenues			
Interest Income	-	-	516
Change in Net Position	<u>\$ 40,009</u>	<u>\$ (15,991)</u>	30,154
Net Position - Beginning			<u>545,177</u>
Net Position - Ending			<u>\$ 575,331</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund			
Mayor and Board	\$ 3,290	\$ 3,290	\$ 3,290
Manager's Office	3,290	3,290	3,290
Television Services Division	3,510	3,510	3,510
Community Development - Planning	3,290	3,290	3,290
Community Development - Building	4,606	4,606	4,606
Community Development - Housing	23,030	23,030	23,030
Community Development - Health	3,290	3,290	3,290
Police Department	559,513	559,513	559,513
Fire Department	347,201	347,201	347,201
Public Works Department	680,365	680,365	680,365
Engineering Division	35,751	35,751	35,751
Water and Sewer Fund	516,087	516,087	516,087
Parking System Fund	5,045	5,045	5,045
Village Parking Fund	5,045	5,045	5,045
Total Charges for Services	2,193,313	2,193,313	2,193,313
Miscellaneous Income	-	-	138
Total Operating Revenue	\$ 2,193,313	\$ 2,193,313	\$ 2,193,451

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Administration and Maintenance			
Vehicle Division Administration			
Personal Services	\$ 111,041	\$ 111,041	\$ 107,706
Employee Benefits	67,229	88,229	66,256
Other Employee Costs	2,315	2,315	2,277
Contractual Services	7,155	7,155	1,343
Utilities	3,010	3,010	3,069
Commodities and Supplies	1,572	1,572	1,382
Office Equipment	545	545	196
Total Vehicle Division Administration	192,867	213,867	182,229
Vehicle Maintenance Program			
Personal Services	843,001	878,001	838,789
Employee Benefits	324,886	324,886	324,550
Contractual Services	88,583	88,583	76,433
Commodities and Supplies	685,467	685,467	718,120
Other Equipment	18,500	18,500	17,437
Total Vehicle Maintenance Program	1,960,437	1,995,437	1,975,329
Total Administration and Maintenance	2,153,304	2,209,304	2,157,558
Depreciation	-	-	6,255
Total Operating Expenses	\$ 2,153,304	\$ 2,209,304	\$ 2,163,813

FIDUCIARY FUNDS

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund: The Police Pension Fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Police Department. Revenues are provided by the following: Village contributions (made possible by a property tax levy), employee withholdings and investment income.

Firefighters' Pension Fund: The Firefighters' Pension Fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Police Department. Revenues are provided by the following: Village contributions (made possible by a property tax levy), employee withholdings and investment income.

AGENCY FUNDS

Escrow Deposit Fund: The Escrow Deposit Fund is used to account for refundable deposits held by the Village to ensure the completion of public improvements. The money is held by the Village until the improvements are completed.

Flexcomp Escrow Fund: The Flexcomp Escrow Fund is used to account for employee payroll deductions pursuant to Section 125 and Section 132 flexible compensation plans. The money is reimbursed to employees for qualified medical and dependent care expenses, parking and transportation expenses.

Library Bonds Escrow Fund: The Library Bonds Escrow Fund is used to account for the accumulation of resources for the 2002 Library bond issue payments.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Position
December 31, 2013**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 2,363,473	\$ 1,653,554	\$ 4,017,027
Investments			
State and Local Obligations	2,375,581	1,415,166	3,790,747
U.S. Government and Agency Obligations	10,028,328	10,164,514	20,192,842
Corporate Bonds and Obligations	9,126,012	8,531,412	17,657,424
Mutual Funds	31,312,634	31,789,923	63,102,557
Accrued Interest Receivable	136,720	121,436	258,156
Prepays	596	1,103	1,699
Due from Other Funds	61,251	53,408	114,659
Total Assets	55,404,595	53,730,516	109,135,111
LIABILITIES			
Accounts Payable	28,619	14,101	42,720
NET POSITION			
Held in Trust for Pension Benefits	\$ 55,375,976	\$ 53,716,415	\$ 109,092,391

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Position
For the Fiscal Year Ended December 31, 2013**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 2,631,038	\$ 2,371,347	\$ 5,002,385
Contributions - Plan Members	803,650	599,222	1,402,872
Total Contributions	3,434,688	2,970,569	6,405,257
Investment Income			
Interest Earned	810,761	684,371	1,495,132
Net Change in Fair Value	6,174,091	6,851,343	13,025,434
	6,984,852	7,535,714	14,520,566
Less Investment Expenses	(96,219)	(86,243)	(182,462)
Net Investment Income	6,888,633	7,449,471	14,338,104
Miscellaneous Income			
	1,841	-	1,841
Total Additions	10,325,162	10,420,040	20,745,202
Deductions			
Administration	51,339	44,006	95,345
Benefits and Refunds	3,820,498	3,893,174	7,713,672
Total Deductions	3,871,837	3,937,180	7,809,017
Change in Net Position	6,453,325	6,482,860	12,936,185
Net Position - Beginning	48,922,651	47,233,555	96,156,206
Net Position - Ending	\$ 55,375,976	\$ 53,716,415	\$ 109,092,391

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 2,634,221	\$ 2,634,221	\$ 2,631,038
Contributions - Plan Members	782,000	782,000	803,650
Total Contributions	<u>3,416,221</u>	<u>3,416,221</u>	<u>3,434,688</u>
Investment Income			
Interest Earned	734,500	819,500	810,761
Net Change in Fair Value	1,540,000	6,170,000	6,174,091
	<u>2,274,500</u>	<u>6,989,500</u>	<u>6,984,852</u>
Less Investment Expenses	(87,000)	(87,000)	(96,219)
Net Investment Income	<u>2,187,500</u>	<u>6,902,500</u>	<u>6,888,633</u>
Miscellaneous Income	<u>-</u>	<u>-</u>	<u>1,841</u>
Total Additions	<u>5,603,721</u>	<u>10,318,721</u>	<u>10,325,162</u>
Deductions			
Administration	58,750	69,750	51,339
Benefits and Refunds	3,847,666	3,847,666	3,820,498
Total Deductions	<u>3,906,416</u>	<u>3,917,416</u>	<u>3,871,837</u>
Change in Net Position	<u>\$ 1,697,305</u>	<u>\$ 6,401,305</u>	6,453,325
Net Position - Beginning			<u>48,922,651</u>
Net Position - Ending			<u>\$ 55,375,976</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 2,325,247	\$ 2,325,247	\$ 2,371,347
Contributions - Plan Members	607,000	607,000	599,222
Total Contributions	<u>2,932,247</u>	<u>2,932,247</u>	<u>2,970,569</u>
Investment Income			
Interest Earned	687,000	691,000	684,371
Net Change in Fair Value	1,568,000	6,345,000	6,851,343
	<u>2,255,000</u>	<u>7,036,000</u>	<u>7,535,714</u>
Less Investment Expenses	(89,000)	(89,000)	(86,243)
Net Investment Income	<u>2,166,000</u>	<u>6,947,000</u>	<u>7,449,471</u>
Total Additions	<u>5,098,247</u>	<u>9,879,247</u>	<u>10,420,040</u>
Deductions			
Administration	60,000	60,000	44,006
Benefits and Refunds	3,799,991	3,924,991	3,893,174
Total Deductions	<u>3,859,991</u>	<u>3,984,991</u>	<u>3,937,180</u>
Change in Net Position	<u>\$ 1,238,256</u>	<u>\$ 5,894,256</u>	6,482,860
Net Position - Beginning			<u>47,233,555</u>
Net Position - Ending			<u>\$ 53,716,415</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
December 31, 2013**

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	\$ 1,443,227	\$ 3,960,208	\$ 3,891,825	\$ 1,511,610
Due from Other Funds	-	31,683	31,683	-
Other Receivables	370	11,765	12,135	-
Total Assets	\$ 1,443,597	\$ 4,003,656	\$ 3,935,643	\$ 1,511,610
LIABILITIES				
Deposits Payable	\$ 1,402,648	\$ 1,657,331	\$ 1,555,706	\$ 1,504,273
Due to Other Funds	40,000	283,001	323,001	-
Other Liabilities	635	714,173	707,587	7,221
Due to Library	314	1,570,129	1,570,327	116
Total Liabilities	\$ 1,443,597	\$ 4,224,634	\$ 4,156,621	\$ 1,511,610
Escrow Deposit Fund				
ASSETS				
Cash and Investments	\$ 1,359,752	\$ 1,972,422	\$ 1,859,530	\$ 1,472,644
Due from Other Funds	-	31,683	31,683	-
Other Receivables	370	11,765	12,135	-
Total Assets	1,360,122	2,015,870	1,903,348	1,472,644
LIABILITIES				
Deposits Payable	\$ 1,359,487	\$ 1,391,555	\$ 1,285,619	\$ 1,465,423
Due to Other Funds	-	266,330	266,330	-
Other Liabilities	635	714,173	707,587	7,221
Total Liabilities	\$ 1,360,122	\$ 2,372,058	\$ 2,259,536	\$ 1,472,644

	Beginning Balances	Additions	Deductions	Ending Balances
Flexcomp Escrow Fund				
ASSETS				
Cash and Investments	\$ 83,161	\$ 417,657	\$ 461,968	\$ 38,850
LIABILITIES				
Deposits Payable	\$ 43,161	\$ 265,776	\$ 270,087	\$ 38,850
Due to Other Funds	40,000	16,671	56,671	-
Total Liabilities	\$ 83,161	\$ 282,447	\$ 326,758	\$ 38,850
Library Bonds Escrow Fund				
ASSETS				
Cash and Investments	\$ 314	\$ 1,570,129	\$ 1,570,327	\$ 116
LIABILITIES				
Due to Library	\$ 314	\$ 1,570,129	\$ 1,570,327	\$ 116

SUPPLEMENTAL SCHEDULES

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of General Long-Term Debt

**Long-Term Debt Payable by Governmental Funds
December 31, 2013**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of General Long-Term Debt

**Long-Term Debt Payable by Governmental Funds
December 31, 2013**

	General Obligation Bonds of 2009	General Obligation Refunding Bonds of 2009B	Taxable General Obligation Bonds of 2009C	General Obligation Refunding Bonds of 2011B	General Obligation Refunding Bonds of 2012C
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AMOUNTS TO BE PROVIDED FOR THE
RETIREMENT OF GENERAL LONG-
TERM DEBT

	\$ 9,800,000	\$ 2,635,000	\$ 2,650,000	\$ 5,015,000	\$ 1,745,000
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GENERAL LONG-TERM DEBT PAYABLE

General Obligation Bonds Payable	\$ 9,800,000	\$ 2,635,000	\$ 2,650,000	\$ 5,015,000	\$ 1,745,000
IEPA Flood Loan Contracts Payable	-	-	-	-	-
Installment Notes Payable	-	-	-	-	-
Compensated Absences Payable	-	-	-	-	-
Net Pension Obligation	-	-	-	-	-
Net Other Post-Employment Benefits Obligation	-	-	-	-	-
	\$ 9,800,000	\$ 2,635,000	\$ 2,650,000	\$ 5,015,000	\$ 1,745,000

General Obligation Bonds of 2013	IEPA Flood Loans	Installment Notes	Compensated Absences	Net Pension Obligation	Net Other Post- Employment Benefits Obligation	Totals
\$ 9,800,000	\$ 1,139,512	\$ 2,475,000	\$ 3,720,228	\$ 613,449	\$ 581,981	\$ 40,175,170
\$ 9,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,645,000
-	1,139,512	-	-	-	-	1,139,512
-	-	2,475,000	-	-	-	2,475,000
-	-	-	3,720,228	-	-	3,720,228
-	-	-	-	613,449	-	613,449
-	-	-	-	-	581,981	581,981
\$ 9,800,000	\$ 1,139,512	\$ 2,475,000	\$ 3,720,228	\$ 613,449	\$ 581,981	\$ 40,175,170

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Bonds of 2009
December 31, 2013**

Date of Issue	March 11, 2009
Date of Maturity	December 1, 2028
Authorized Issue	\$10,000,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 4.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2013	-	\$ -	\$ 417,262	\$ 417,262	2014	\$ 208,631	2014	\$ 208,631
2014	-	-	417,262	417,262	2015	208,631	2015	208,631
2015	-	-	417,262	417,262	2016	208,631	2016	208,631
2016	-	-	417,262	417,262	2017	208,631	2017	208,631
2017	-	-	417,262	417,262	2018	208,631	2018	208,631
2018	-	-	417,262	417,262	2019	208,631	2019	208,631
2019	-	-	417,262	417,262	2020	208,631	2020	208,631
2020	-	-	417,262	417,262	2021	208,631	2021	208,631
2021	-	-	417,262	417,262	2022	208,631	2022	208,631
2022	41-247	1,035,000	417,262	1,452,262	2023	208,631	2023	208,631
2023	248-559	1,560,000	375,864	1,935,864	2024	187,932	2024	187,932
2024	560-889	1,650,000	313,464	1,963,464	2025	156,732	2025	156,732
2025	890-1239	1,750,000	244,164	1,994,164	2026	122,082	2026	122,082
2026	1240-1609	1,850,000	168,914	2,018,914	2027	84,457	2027	84,457
2027	1610-2000	1,955,000	87,976	2,042,976	2028	43,988	2028	43,988
		<u>\$ 9,800,000</u>	<u>\$ 5,363,002</u>	<u>\$ 15,163,002</u>	<u>\$ 2,681,501</u>		<u>\$ 2,681,501</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2009B
December 31, 2013**

Date of Issue	December 22, 2009
Date of Maturity	December 1, 2021
Authorized Issue	\$3,430,000
Denomination of Bonds	\$5,000
Interest Rate	2.50% - 3.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2013	160-218	\$ 295,000	\$ 85,725	\$ 380,725	2014	\$ 42,862	2014	\$ 42,863
2014	219-279	305,000	78,350	383,350	2015	39,175	2015	39,175
2015	280-342	315,000	70,725	385,725	2016	35,362	2016	35,363
2016	343-406	320,000	61,275	381,275	2017	30,637	2017	30,638
2017	407-472	330,000	51,675	381,675	2018	25,837	2018	25,838
2018	473-540	340,000	40,125	380,125	2019	20,062	2019	20,063
2019	541-612	360,000	27,375	387,375	2020	13,687	2020	13,688
2020	613-686	370,000	13,875	383,875	2021	6,937	2021	6,938
		<u>\$ 2,635,000</u>	<u>\$ 429,125</u>	<u>\$ 3,064,125</u>		<u>\$ 214,559</u>		<u>\$ 214,566</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**Taxable General Obligation Bonds of 2009C
December 31, 2013**

Date of Issue	December 22, 2009
Date of Maturity	December 1, 2029
Authorized Issue	\$2,650,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 5.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2013	1-5	\$ 25,000	\$ 135,023	\$ 160,023	2014	\$ 67,511	2014	\$ 67,512
2014	6-13	40,000	134,272	174,272	2015	67,136	2015	67,136
2015	14-24	55,000	132,933	187,933	2016	66,467	2016	66,466
2016	25-39	75,000	130,842	205,842	2017	65,421	2017	65,421
2017	40-58	95,000	127,655	222,655	2018	63,828	2018	63,827
2018	59-82	120,000	123,380	243,380	2019	61,690	2019	61,690
2019	83-110	140,000	118,100	258,100	2020	59,050	2020	59,050
2020	111-142	160,000	111,520	271,520	2021	55,760	2021	55,760
2021	143-242	500,000	104,000	604,000	2022	52,000	2022	52,000
2022	243-330	440,000	79,500	519,500	2023	39,750	2023	39,750
2023	-	-	57,500	57,500	2024	28,750	2024	28,750
2024	-	-	57,500	57,500	2025	28,750	2025	28,750
2025	-	-	57,500	57,500	2026	28,750	2026	28,750
2026	-	-	57,500	57,500	2027	28,750	2027	28,750
2027	-	-	57,500	57,500	2028	28,750	2028	28,750
2028	331-530	1,000,000	57,500	1,057,500	2029	28,750	2029	28,750
		<u>\$ 2,650,000</u>	<u>\$ 1,542,225</u>	<u>\$ 4,192,225</u>	<u>\$ 771,113</u>		<u>\$ 771,112</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011B
December 31, 2013**

Date of Issue	July 29, 2011
Date of Maturity	December 1, 2020
Authorized Issue	\$5,160,000
Denomination of Bonds	\$5,000
Interest Rate	2.52%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2013	30-161	\$ 660,000	\$ 126,378	\$ 786,378	2014	\$ 63,189	2014	\$ 63,189
2014	162-297	680,000	109,746	789,746	2015	54,873	2015	54,873
2015	298-435	695,000	92,610	787,610	2016	46,305	2016	46,305
2016	436-578	715,000	75,096	790,096	2017	37,548	2017	37,548
2017	579-725	735,000	57,078	792,078	2018	28,539	2018	28,539
2018	726-876	755,000	38,556	793,556	2019	19,278	2019	19,278
2019	877-1032	775,000	19,530	794,530	2020	9,765	2020	9,765
		<u>\$ 5,015,000</u>	<u>\$ 518,994</u>	<u>\$ 5,533,994</u>		<u>\$ 259,497</u>		<u>\$ 259,497</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2012C
December 31, 2013**

Date of Issue	January 3, 2012
Date of Maturity	December 1, 2022
Authorized Issue	\$2,975,000
Denomination of Bonds	\$5,000
Interest Rate	3.10%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2013		\$ -	\$ 54,096	\$ 54,096	2014	\$ 27,048	2014	\$ 27,048
2014		-	54,096	54,096	2015	27,048	2015	27,048
2015		-	54,096	54,096	2016	27,048	2016	27,048
2016		-	54,096	54,096	2017	27,048	2017	27,048
2017		-	54,096	54,096	2018	27,048	2018	27,048
2018		-	54,096	54,096	2019	27,048	2019	27,048
2019		-	54,096	54,096	2020	27,048	2020	27,048
2020	247-418	860,000	54,096	914,096	2021	27,048	2021	27,048
2021	419-595	885,000	27,436	912,436	2022	13,718	2022	13,718
		<u>\$ 1,745,000</u>	<u>\$ 460,204</u>	<u>\$ 2,205,204</u>	<u>\$ 230,102</u>		<u>\$ 230,102</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Bonds of 2013
December 31, 2013**

Date of Issue	September 10, 2013
Date of Maturity	December 1, 2033
Authorized Issue	\$9,800,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 4.125%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2013		\$ -	\$ 453,196	\$ 453,196	2014	\$ 268,218	2014	\$ 184,978
2014		-	369,956	369,956	2015	184,978	2015	184,978
2015		-	369,956	369,956	2016	184,978	2016	184,978
2016		-	369,956	369,956	2017	184,978	2017	184,978
2017		-	369,956	369,956	2018	184,978	2018	184,978
2018		-	369,956	369,956	2019	184,978	2019	184,978
2019	1-111	555,000	369,956	924,956	2020	184,978	2020	184,978
2020	112-225	570,000	353,306	923,306	2021	176,653	2021	176,653
2021	226-342	585,000	336,206	921,206	2022	168,103	2022	168,103
2022	343-463	605,000	318,656	923,656	2023	159,328	2023	159,328
2023	464-588	625,000	300,506	925,506	2024	150,253	2024	150,253
2024	589-718	650,000	275,506	925,506	2025	137,753	2025	137,753
2025	719-853	675,000	249,506	924,506	2026	124,753	2026	124,753
2026	854-993	700,000	222,506	922,506	2027	111,253	2027	111,253
2027	994-1139	730,000	194,506	924,506	2028	97,253	2028	97,253
2028	1140-1291	760,000	165,307	925,307	2029	82,653	2029	82,654
2029	1292-1449	790,000	134,907	924,907	2030	67,453	2030	67,454
2030	1450-1613	820,000	103,307	923,307	2031	51,653	2031	51,654
2031	1614-1783	850,000	70,507	920,507	2032	35,253	2032	35,254
2032	1784-1960	885,000	36,507	921,507	2033	18,253	2033	18,254
		<u>\$ 9,800,000</u>	<u>\$ 5,434,165</u>	<u>\$ 15,234,165</u>	<u>\$ 2,758,700</u>		<u>\$ 2,675,465</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0744) Contract Payable of 1994
December 31, 2013**

Date of Issue	May 1, 1994
Date of Maturity	May 1, 2014
Authorized Issue	\$3,695,354
Interest Rate	3.36%
Interest Dates	May 1 and November 1
Principal Maturity Dates	May 1 and November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2014	40	\$ 126,134	\$ 2,119	\$ 128,253

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0857) Contract Payable of 1994
December 31, 2013**

Date of Issue	June 10, 1994
Date of Maturity	December 10, 2014
Authorized Issue	\$1,711,672
Interest Rate	3.36%
Interest Dates	June 10 and December 10
Principal Maturity Dates	June 10 and December 10
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2014	39-40	\$ 117,336	\$ 2,966	\$ 120,302

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0855) Contract Payable of 1997
December 31, 2013**

Date of Issue	November 1, 1997
Date of Maturity	November 1, 2017
Authorized Issue	\$1,203,550
Interest Rate	2.89%
Interest Dates	May 1 and November 1
Principal Maturity Dates	May 1 and November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2014	33-34	\$ 72,516	\$ 8,236	\$ 80,752
2015	35-36	74,628	6,124	80,752
2016	37-38	76,800	3,952	80,752
2017	39-40	79,035	1,717	80,752
		<u>\$ 302,979</u>	<u>\$ 20,029</u>	<u>\$ 323,008</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-1087) Contract Payable of 1999
December 31, 2013**

Date of Issue	December 1, 1999
Date of Maturity	June 3, 2019
Authorized Issue	\$1,760,422
Interest Rate	2.625%
Interest Dates	June 3 and December 3
Principal Maturity Dates	June 3
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2014	29-30	\$ 101,600	\$ 14,906	\$ 116,506
2015	31-32	104,285	12,221	116,506
2016	33-34	107,040	9,466	116,506
2017	35-36	109,868	6,638	116,506
2018	37-38	112,771	3,735	116,506
2019	39	57,499	754	58,253
		<u>\$ 593,063</u>	<u>\$ 47,720</u>	<u>\$ 640,783</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**Installment Note Payable of 2012
December 31, 2013**

Date of Issue	December 31, 2012
Date of Maturity	December 1, 2019
Authorized Issue	\$2,500,000
Denomination of Bonds	\$5,000
Interest Rate	0.91%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Mount Prospect State Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2014	3-4	\$ 135,000	\$ 22,522	\$ 157,522	2014	\$ 11,261	2014	\$ 11,261
2015	5-6	400,000	21,294	421,294	2015	10,647	2015	10,647
2016	7-8	415,000	17,654	432,654	2016	8,827	2016	8,827
2017	9-10	420,000	13,878	433,878	2017	6,939	2017	6,939
2018	11-12	515,000	10,056	525,056	2018	5,028	2018	5,028
2019	13-14	590,000	5,369	595,369	2019	2,684	2019	2,685
		<u>\$ 2,475,000</u>	<u>\$ 90,773</u>	<u>\$ 2,565,773</u>		<u>\$ 45,386</u>		<u>\$ 45,387</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of Insurance in Force
December 31, 2013**

Insurance Carrier/Description of Coverage	Self-Insured Retention	Specific Excess Limit	Aggregate Excess Limit	Expiration Date of Policy
Federal Insurance Company/Chubb				
Property and Inland Marine	\$ 25,000	\$ 92,717,046	\$ None	01/01/14
Fiduciary Liability - Police Pension	25,000	5,000,000	5,000,000	08/01/14
Fiduciary Liability - Fire Pension	25,000	5,000,000	5,000,000	08/01/14
Contingent Tax Interruption	25,000	9,000,000	9,000,000	01/01/14
Safety National Insurance Company				
Workers' Compensation	600,000	Statutory	1,000,000	01/01/14
Self-Insured				
General Liability	2,000,000	None	None	N/A
Automobile Liability	2,000,000	None	None	N/A
Employee Practices Liability	2,000,000	None	None	N/A
Police Professional Liability	2,000,000	None	None	N/A
Public Officials Liability	2,000,000	None	None	N/A
High-Level Excess Liability Pool				
Excess Liability	2,000,000	12,000,000	12,000,000	04/30/18
Travelers				
Public Employees Dishonesty	5,000	500,000	None	05/01/14
Depositors Forgery	1,000	100,000	None	05/01/14
Liberty Mutual				
Public Officials Bond - President	None	100,000	100,000	05/01/14
Public Officials Bond - Manager	None	100,000	100,000	05/01/14
Public Officials Bond - Village Treasurer	None	250,000	250,000	05/01/14
Intergovernmental Personal Benefit Cooperative				
Employee & Retiree Health Insurance	30,000/75,000	None	None	06/30/14
Alternative Service Concept				
Workers' Comp. Claims Administration	N/A	N/A	N/A	N/A
Gallagher Bassett				
Liability Claims Administration	N/A	N/A	N/A	N/A

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

	2004	2005	2006
Governmental Activities			
Net Investment in Capital Assets	\$ 25,864,656	\$ 23,851,038	\$ 24,671,547
Restricted	4,644,869	4,828,517	4,197,018
Unrestricted	5,629,961	13,689,604	18,553,994
Total Governmental Activities Net Position	\$ 36,139,486	\$ 42,369,159	\$ 47,422,559
Business-Type Activities			
Net Investment in Capital Assets	\$ 17,471,099	\$ 17,846,548	\$ 18,321,345
Unrestricted	6,261,987	5,808,766	6,172,718
Total Business-Type Activities Net Position	\$ 23,733,086	\$ 23,655,314	\$ 24,494,063
Primary Government			
Net Investment in Capital Assets	\$ 43,335,755	\$ 41,697,586	\$ 42,992,892
Restricted	4,644,869	4,828,517	4,197,018
Unrestricted	11,891,948	19,498,370	24,726,712
Total Primary Government Net Position	\$ 59,872,572	\$ 66,024,473	\$ 71,916,622

Data Source: Audited Financial Statements

2007	2008	2009	2010	2011	2012	2013
\$ 26,114,472	\$ 29,663,909	\$ 27,741,453	\$ 30,020,260	\$ 53,524,378	\$ 48,521,357	\$ 48,152,760
3,178,963	2,367,670	4,497,173	4,891,298	2,828,903	3,547,328	3,045,922
23,151,760	21,216,625	20,277,880	18,296,001	20,019,184	24,952,139	24,153,907
\$ 52,445,195	\$ 53,248,204	\$ 52,516,506	\$ 53,207,559	\$ 76,372,465	\$ 77,020,824	\$ 75,352,589
\$ 19,437,672	\$ 20,776,324	\$ 22,412,134	\$ 23,044,064	\$ 26,892,474	\$ 26,566,375	\$ 26,352,289
6,833,310	6,852,644	5,996,007	5,927,430	5,167,986	6,820,901	8,057,996
\$ 26,270,982	\$ 27,628,968	\$ 28,408,141	\$ 28,971,494	\$ 32,060,460	\$ 33,387,276	\$ 34,410,285
\$ 45,552,144	\$ 50,440,233	\$ 50,153,587	\$ 53,064,324	\$ 80,416,852	\$ 75,087,732	\$ 74,505,049
3,178,963	2,367,670	4,497,173	4,891,298	2,828,903	3,547,328	3,045,922
29,985,070	28,069,269	26,273,887	24,223,431	25,187,170	31,773,040	32,211,903
\$ 78,716,177	\$ 80,877,172	\$ 80,924,647	\$ 82,179,053	\$ 108,432,925	\$ 110,408,100	\$ 109,762,874

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
December 31, 2013 (Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities										
General Government	\$ 7,081,460	\$ 3,090,918	\$ 5,110,605	\$ 5,777,024	\$ 6,682,541	\$ 7,192,572	\$ 6,541,405	\$ 6,992,107	\$ 6,233,324	\$ 7,356,433
Public Safety	21,314,705	21,660,877	23,336,436	24,565,640	26,646,855	27,172,360	27,303,165	27,276,948	28,134,173	29,771,502
Highways and Streets	11,357,935	9,364,421	10,888,397	11,512,271	13,540,232	12,101,419	12,924,872	18,141,803	15,853,017	18,570,593
Health	3,545,694	3,642,891	3,863,140	4,085,316	4,163,354	4,194,045	4,133,883	4,289,103	4,407,533	4,459,897
Welfare	1,518,387	1,465,197	1,344,516	1,759,776	1,744,504	2,316,995	2,039,805	1,902,841	1,909,062	1,868,952
Culture and Recreation	287,955	237,024	272,826	221,806	409,066	367,635	322,553	353,308	406,606	443,171
Interest on Long-Term Debt	1,409,929	1,350,049	1,360,081	728,640	837,127	1,047,961	1,146,789	1,329,499	1,033,923	1,016,337
Total Governmental Activities Expenses	46,516,065	40,811,377	46,176,001	48,650,473	54,023,679	54,392,987	54,412,472	60,285,609	57,977,638	63,486,885
Business-Type Activities										
Water and Sewer	8,398,983	8,954,899	9,200,271	8,839,710	9,179,399	9,393,148	9,950,591	10,444,247	11,129,942	12,078,221
Commuter Parking	292,580	369,825	409,041	259,434	263,394	233,701	284,607	327,224	345,715	346,303
Total Business-Type Activities Expenses	8,691,563	9,324,724	9,609,312	9,099,144	9,442,793	9,626,849	10,235,198	10,771,471	11,475,657	12,424,524
Total Primary Government Expenses	\$ 55,207,628	\$ 50,136,101	\$ 55,785,313	\$ 57,749,617	\$ 63,466,472	\$ 64,019,836	\$ 64,647,670	\$ 71,057,080	\$ 69,453,295	\$ 75,911,409
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$ 3,626,755	\$ 3,626,936	\$ 4,750,937	\$ 5,057,855	\$ 5,045,338	\$ 6,705,200	\$ 6,271,966	\$ 6,343,828	\$ 7,068,010	\$ 6,908,188
Public Safety	1,864,447	2,029,632	2,096,875	2,658,824	2,242,952	1,580,052	1,486,144	1,545,333	1,412,279	1,583,328
Highways and Streets	158,101	135,151	176,019	231,468	169,615	237,786	135,641	108,865	126,660	269,066
Other Activities	261,470	280,083	288,914	305,467	320,488	65,933	70,964	32,040	39,163	41,220
Operating Grants and Contributions	2,472,301	556,072	513,703	594,223	1,800,781	2,551,348	2,338,965	2,749,168	1,974,867	2,356,665
Capital Grants and Contributions	66,138	1,894,095	2,106,688	2,812,836	764,283	406,734	443,278	65,905	72,175	288,752
Total Governmental Activities Program Revenues	8,449,212	8,521,969	9,933,136	11,660,673	10,343,457	11,547,053	10,746,958	10,845,139	10,693,154	11,447,219
Business-Type Activities										
Charges for Services										
Water and Sewer	6,404,006	7,400,759	8,506,767	8,888,249	8,774,681	8,500,396	8,916,621	9,081,731	10,990,923	11,507,264
Commuter Parking	161,617	205,215	207,085	210,036	269,400	218,735	210,324	219,040	225,214	234,458
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	6,565,623	7,605,974	8,713,852	9,098,285	9,044,081	8,719,131	9,126,945	9,300,771	11,216,137	11,741,722
Total Primary Government Program Revenues	\$ 15,014,835	\$ 16,127,943	\$ 18,646,988	\$ 20,758,958	\$ 19,387,538	\$ 20,266,184	\$ 19,873,903	\$ 20,145,910	\$ 21,909,291	\$ 23,188,941

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense) Revenue										
Governmental Activities	\$ (38,066,853)	\$ (32,289,408)	\$ (36,242,865)	\$ (36,989,800)	\$ (43,680,222)	\$ (42,845,934)	\$ (43,665,514)	\$ (49,440,470)	\$ (47,284,484)	\$ (52,039,666)
Business-Type Activities	(2,125,940)	(1,718,750)	(895,460)	(859)	(398,712)	(907,718)	(1,108,253)	(1,470,700)	(259,520)	(682,802)
Total Primary Government										
Net Revenue (Expense)	<u>\$ (40,192,793)</u>	<u>\$ (34,008,158)</u>	<u>\$ (37,138,325)</u>	<u>\$ (36,990,659)</u>	<u>\$ (44,078,934)</u>	<u>\$ (43,753,652)</u>	<u>\$ (44,773,767)</u>	<u>\$ (50,911,170)</u>	<u>\$ (47,544,004)</u>	<u>\$ (52,722,468)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	\$ 12,785,975	\$ 13,775,669	\$ 15,183,214	\$ 15,817,195	\$ 15,942,106	\$ 16,543,215	\$ 17,165,849	\$ 17,942,394	\$ 18,385,422	\$ 18,890,542
Utility	-	-	-	-	-	4,519,175	4,589,221	4,624,678	4,658,265	3,891,713
Business District	-	-	-	-	-	-	-	-	283,706	317,527
Sales	11,502,755	11,871,553	12,720,614	12,773,695	14,862,634	4,061,202	4,392,753	4,673,134	4,750,232	5,035,998
Telecommunication	2,523,576	2,802,467	2,471,590	2,741,121	2,770,473	-	-	-	-	-
Other	8,096,054	9,509,376	9,537,327	9,712,568	10,346,444	1,524,823	1,598,056	1,976,997	2,408,064	2,952,665
Intergovernmental										
State Sales and Use	-	-	-	-	-	9,761,726	11,110,707	11,411,781	11,877,115	13,254,358
Income Taxes	-	-	-	-	-	4,573,162	4,428,176	4,328,196	4,759,513	5,161,051
Replacement Taxes	-	-	-	-	-	338,134	362,532	357,596	358,286	396,999
Charitable Games Tax	-	-	-	-	-	-	-	3,986	4,090	4,090
Investment Income	207,562	433,605	908,782	924,989	416,673	187,793	67,001	29,043	42,452	29,785
Miscellaneous	153,629	126,411	101,242	42,868	93,781	605,006	633,902	235,167	278,293	436,703
Transfers	-	-	10,433	-	-	-	8,370	-	-	-
Contributions	-	-	-	-	51,120	-	-	-	-	-
Total Governmental Activities	<u>35,269,551</u>	<u>38,519,081</u>	<u>40,933,202</u>	<u>42,012,436</u>	<u>44,483,231</u>	<u>42,114,236</u>	<u>44,356,567</u>	<u>45,582,972</u>	<u>47,805,438</u>	<u>50,371,431</u>
Business-Type Activities										
Property Tax	1,495,756	1,533,910	1,527,407	1,504,501	1,505,394	1,520,602	1,513,114	1,526,828	1,515,605	1,507,661
Sales Tax	-	-	-	-	92,154	82,882	89,942	107,576	99,795	104,050
Investment Income	61,017	107,068	217,235	262,430	159,150	26,646	1,653	836	517	3,387
Miscellaneous	(2,913)	-	-	-	-	56,761	75,267	73,858	(29,581)	90,713
Transfers	-	-	(10,433)	-	-	-	(8,370)	-	-	-
Total Business-Type Activities	<u>1,553,860</u>	<u>1,640,978</u>	<u>1,734,209</u>	<u>1,766,931</u>	<u>1,756,698</u>	<u>1,686,891</u>	<u>1,671,606</u>	<u>1,709,098</u>	<u>1,586,336</u>	<u>1,705,811</u>
Total Primary Government	<u>\$ 36,823,411</u>	<u>\$ 40,160,059</u>	<u>\$ 42,667,411</u>	<u>\$ 43,779,367</u>	<u>\$ 46,239,929</u>	<u>\$ 43,801,127</u>	<u>\$ 46,028,173</u>	<u>\$ 47,292,070</u>	<u>\$ 49,391,774</u>	<u>\$ 52,077,242</u>
Changes in Net Position										
Governmental Activities	\$ (2,797,302)	\$ 6,229,673	\$ 4,690,337	\$ 5,022,636	\$ 803,009	\$ (731,698)	\$ 691,053	\$ (3,857,498)	\$ 520,954	\$ (1,668,235)
Business-Type Activities	(572,080)	(77,772)	838,749	1,766,072	1,357,986	779,173	563,353	238,398	1,326,816	1,023,009
Total Primary Government	<u>\$ (3,369,382)</u>	<u>\$ 6,151,901</u>	<u>\$ 5,529,086</u>	<u>\$ 6,788,708</u>	<u>\$ 2,160,995</u>	<u>\$ 47,475</u>	<u>\$ 1,254,406</u>	<u>\$ (3,619,100)</u>	<u>\$ 1,847,770</u>	<u>\$ (645,226)</u>

Data Source: Audited Financial Statements

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

	2004	2005	2006	2007
General Fund				
Reserved	\$ 219,694	\$ 312,499	\$ 73,529	\$ 40,910
Unreserved	8,037,820	10,203,878	11,733,539	12,774,003
Nonspendable	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	\$ 8,257,514	\$ 10,516,377	\$ 11,807,068	\$ 12,814,913
All Other Governmental Funds				
Reserved	\$ 4,727,748	\$ 4,958,811	\$ 4,333,108	\$ 3,329,107
Unreserved, Reported in:				
Special Revenues Funds	1,744,656	1,556,490	1,844,687	2,028,077
Debt Service Funds	-	-	-	-
Capital Projects Funds	(1,357,855)	161,614	1,447,070	2,315,134
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	\$ 5,114,549	\$ 6,676,915	\$ 7,624,865	\$ 7,672,318

The Village implemented GASB 54 in Fiscal Year 2011.

Data Source: Audited Financial Statements

2008	2009	2010	2011	2012	2013
\$ 228,750	\$ 88,492	\$ 53,536	\$ -	\$ -	\$ -
12,312,075	10,110,989	10,364,455	-	-	-
-	-	-	100,590	98,150	297,762
-	-	-	10,704,282	11,466,179	11,580,820
<u>\$ 12,540,825</u>	<u>\$ 10,199,481</u>	<u>\$ 10,417,991</u>	<u>\$ 10,804,872</u>	<u>\$ 11,564,329</u>	<u>\$ 11,878,582</u>
\$ 2,523,221	\$ 4,762,560	\$ 2,188,376	\$ -	\$ -	\$ -
2,043,378	1,674,387	2,148,898	-	-	-
(908,466)	(485,274)	(78,844)	-	-	-
303,492	1,965,761	2,459,761	-	-	-
-	-	-	147,130	144,114	132,464
-	-	-	2,828,903	3,625,715	3,166,583
-	-	-	3,564,914	7,525,930	15,705,506
-	-	-	(5,578)	(664)	(689)
<u>\$ 3,961,625</u>	<u>\$ 7,917,434</u>	<u>\$ 6,718,191</u>	<u>\$ 6,535,369</u>	<u>\$ 11,295,095</u>	<u>\$ 19,003,864</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

	2004	2005	2006	2007
Revenues				
Taxes	\$ 22,722,306	\$ 24,897,774	\$ 25,829,233	\$ 26,460,490
Licenses, Permits and Fees	3,024,016	3,135,996	3,216,982	3,445,370
Intergovernmental	14,616,333	15,459,395	16,664,264	17,783,855
Charges for Services	1,748,460	1,710,556	3,226,074	3,780,453
Fines and Forfeits	554,741	581,439	521,473	720,673
Investment Income	207,562	433,605	908,782	924,989
Miscellaneous	758,805	822,285	489,097	557,279
Total Revenues	43,632,223	47,041,050	50,855,905	53,673,109
Expenditures				
General Government	4,346,454	4,463,740	4,901,739	5,298,202
Public Safety	20,940,441	21,677,185	23,205,517	24,767,992
Highways and Streets	7,459,168	7,265,128	7,555,575	9,204,868
Health	3,545,174	3,650,121	3,873,480	4,102,547
Welfare	1,516,610	1,482,943	1,366,367	1,786,121
Culture and Recreation	274,491	284,229	333,148	281,737
Capital Outlay	11,481,777	2,040,534	3,470,144	2,437,381
Debt Service				
Principal	4,468,949	3,205,838	2,605,399	3,529,734
Interest and Fiscal Charges	1,456,454	1,318,154	1,264,364	1,044,123
Total Expenditures	55,489,518	45,387,872	48,575,733	52,452,705
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,857,295)	1,653,178	2,280,172	1,220,404
Other Financing Sources (Uses)				
Proceeds from Debt Issuance	705,000	-	-	-
Premium on Debt Issuance	-	-	-	-
Payment to Escrow Agent	-	-	-	-
Transfers In	794,938	989,519	1,344,953	105
Transfers Out	(794,938)	(989,519)	(1,386,484)	(165,211)
Disposal of Capital Assets	45,000	2,168,051	-	-
	750,000	2,168,051	(41,531)	(165,106)
Net Change in Fund Balances	\$ (11,107,295)	\$ 3,821,229	\$ 2,238,641	\$ 1,055,298
Debt Service as a Percentage of Noncapital Expenditures	12.02%	10.08%	8.07%	8.78%

Data Source: Audited Financial Statements

2008	2009	2010	2011	2012	2013
\$ 27,287,056	\$ 26,648,415	\$ 27,740,802	\$ 29,217,203	\$ 30,485,689	\$ 31,088,445
3,094,828	3,748,456	3,394,211	3,356,816	3,657,586	3,589,368
19,104,781	17,274,500	18,719,087	18,895,261	18,862,827	21,103,909
3,618,419	3,832,341	3,789,976	3,974,677	4,417,110	4,408,987
720,351	529,655	556,178	548,993	403,036	430,960
416,673	137,142	55,457	23,103	36,491	16,751
533,460	834,738	781,149	406,118	629,892	1,167,196
54,775,568	53,005,247	55,036,860	56,422,171	58,492,631	61,805,616
5,725,191	5,796,151	5,240,716	5,284,168	5,827,275	7,452,147
25,906,274	26,384,953	26,935,085	26,992,535	28,022,943	29,233,562
9,168,071	8,291,493	7,450,823	7,681,534	7,734,185	9,094,846
4,156,319	4,188,172	4,128,010	4,286,754	4,405,184	4,457,548
1,736,791	2,316,995	2,039,805	1,902,841	1,909,062	1,868,952
381,892	358,207	313,125	346,068	399,366	435,931
6,623,970	14,296,659	7,739,590	7,274,213	4,761,739	8,588,414
4,149,735	1,425,219	1,046,203	1,377,700	1,479,732	1,537,312
891,181	1,023,907	1,124,236	1,057,464	959,812	913,882
58,739,424	64,081,756	56,017,593	56,203,277	55,499,298	63,582,594
(3,963,856)	(11,076,509)	(980,733)	218,894	2,993,333	(1,776,978)
-	16,080,000	-	5,160,000	5,475,000	9,800,000
-	124,535	-	-	-	-
-	(3,513,925)	-	(5,139,582)	(2,949,150)	-
809,422	635,100	450,000	80,089	-	239,977
(833,242)	(635,100)	(450,000)	(115,342)	-	(239,977)
2,895	364	-	-	-	-
(20,925)	12,690,974	-	(14,835)	2,525,850	9,800,000
\$ (3,984,781)	\$ 1,614,465	\$ (980,733)	\$ 204,059	\$ 5,519,183	\$ 8,023,022
9.00%	4.55%	4.12%	4.35%	4.40%	4.01%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Levy Years
December 31, 2013 (Unaudited)**

Tax Levy Year	Residential Property	Commercial Property
2003	\$ 823,558,021	\$ 339,716,638
2004	940,125,430	374,813,387
2005	1,016,362,276	381,718,354
2006	1,048,895,640	357,812,772
2007	1,227,488,556	412,588,412
2008	1,343,275,031	414,537,434
2009	1,452,220,540	387,256,513
2010	1,330,339,716	332,297,825
2011	1,242,549,785	298,578,904
2012	1,141,783,464	281,197,939

Note: Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Data Source: Office of the Cook County Clerk

Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value as a Percentage of Actual Value
\$ 158,341,177	\$ 271,107	\$ 1,321,886,943	0.874	\$ 3,965,660,829	33.333%
175,903,709	334,619	1,491,177,145	0.801	4,473,531,435	33.333%
196,556,462	338,630	1,594,975,722	0.827	4,784,927,166	33.333%
190,150,899	450,150	1,597,309,461	0.846	4,791,928,383	33.333%
229,739,726	508,622	1,870,325,316	0.750	5,610,975,948	33.333%
221,110,772	572,793	1,979,496,030	0.732	5,938,488,090	33.333%
177,285,176	649,124	2,017,411,353	0.754	6,052,234,059	33.333%
171,115,770	927,196	1,834,680,507	0.829	5,504,041,521	33.333%
152,864,606	959,506	1,694,952,801	0.936	5,084,858,403	33.333%
145,136,294	656,385	1,568,774,082	1.051	4,706,322,246	33.333%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Levy Years
December 31, 2013 (Unaudited)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Village Direct Tax Rates										
Corporate	0.480	0.444	0.457	0.469	0.416	0.393	0.399	0.377	0.444	0.501
Bonds and Interest	0.078	0.070	0.092	0.083	0.071	0.093	0.076	0.098	0.105	0.113
Garbage	0.173	0.154	0.122	0.126	0.110	0.090	0.089	0.098	0.109	0.121
Police Pension	0.070	0.065	0.081	0.085	0.077	0.078	0.102	0.137	0.147	0.167
Firefighters' Pension	0.073	0.068	0.075	0.083	0.076	0.078	0.088	0.119	0.131	0.149
Total Direct Tax Rate	0.874	0.801	0.827	0.846	0.750	0.732	0.754	0.829	0.936	1.051
Overlapping Rates										
Mount Prospect Library	0.487	0.475	0.466	0.482	0.439	0.441	0.450	0.519	0.582	0.646
County of Cook	0.630	0.593	0.533	0.500	0.446	0.415	0.394	0.423	0.462	0.531
Consolidated Elections	0.029	-	0.014	-	0.012	-	0.021	-	0.025	-
Forest Preserve District	0.059	0.060	0.060	0.057	0.053	0.051	0.049	0.051	0.058	0.063
Metropolitan Water Reclamation District	0.361	0.347	0.315	0.284	0.263	0.252	0.261	0.274	0.320	0.370
Suburban TB Sanitarium	0.004	0.001	0.005	0.005	-	-	-	-	-	-
Township of Elk Grove	0.051	0.046	0.044	0.044	0.040	0.041	0.044	0.049	0.056	0.064
Township of Maine	0.079	0.071	0.070	0.073	0.065	0.064	0.067	0.075	0.085	0.096
Township of Wheeling	0.047	0.042	0.041	0.043	0.038	0.038	0.039	0.043	0.048	0.052
General Assistance Elk Grove	0.011	0.007	0.009	0.009	0.008	0.009	0.010	0.011	0.012	0.014
General Assistance Maine	0.016	0.015	0.015	0.016	0.015	0.015	0.016	0.018	0.021	0.023
General Assistance Wheeling	0.010	0.009	0.009	0.010	0.009	0.009	0.009	0.005	0.009	0.009
Road and Bridge Elk Grove	0.010	0.009	0.009	0.009	0.009	0.009	0.010	0.011	0.013	0.014
Road and Bridge Maine	0.040	0.036	0.036	0.038	0.034	0.033	0.034	0.038	0.043	0.049
Road and Bridge Wheeling	0.013	0.012	0.012	0.013	0.012	0.012	0.012	0.014	0.015	0.016
Northwest Mosquito Abatement District	0.010	0.009	0.009	0.009	0.008	0.008	0.008	0.009	0.010	0.011
Arlington Heights High School #214	1.982	1.818	1.759	1.823	1.621	1.587	1.636	1.839	2.067	2.324
Community College District #512	0.310	0.279	0.281	0.288	0.260	0.256	0.258	0.295	0.334	0.373
Arlington Heights Park District	0.516	0.466	0.453	0.461	0.404	0.379	0.392	0.450	0.496	0.545

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Village of Mount Prospect										
Special Service Area #6	0.418	0.298	-	-	-	-	-	-	-	-
Special Service Area #5	0.141	0.125	0.117	0.118	0.101	0.096	0.095	0.105	0.114	0.122
School District #59	2.127	1.972	1.933	2.013	1.791	1.810	1.945	2.129	2.422	2.673
Mount Prospect Park District	0.498	0.455	0.459	0.474	0.411	0.407	0.411	0.453	0.502	0.557
School District #57	3.019	2.740	2.643	2.694	2.334	2.246	2.195	2.521	2.748	3.041
School District #25	3.653	3.156	3.225	3.295	2.890	2.807	2.510	2.813	3.101	3.416
River Trails Park District	0.517	0.484	0.480	0.484	0.428	0.422	0.433	0.510	0.553	0.632
School District #26	3.313	2.948	2.880	3.047	2.698	2.696	2.703	3.131	3.458	3.873
Prospect Heights Park District	0.730	0.662	0.640	0.658	0.561	0.544	0.523	0.595	0.661	0.746
School District #23	3.344	2.987	2.880	2.948	2.418	2.363	2.253	2.571	2.869	3.273
School District #21	3.575	3.262	3.394	3.502	3.154	3.161	3.209	3.658	4.164	4.556
Des Plaines Park District	0.444	0.427	0.350	0.356	0.312	0.300	0.317	0.338	0.379	0.425
Prospect Heights Old Town Sanitary	0.082	0.073	0.071	0.074	0.039	0.015	0.015	0.017	0.020	0.023
Elk Grove Rural Fire Protection District	0.660	0.722	0.841	1.039	0.895	0.971	1.032	1.055	1.121	1.096
Prospect Heights Rural Fire Protection District	0.819	0.731	0.767	0.795	0.693	0.677	0.652	0.755	0.845	0.934
High School District #207	2.012	1.795	1.757	1.826	1.602	1.577	1.617	1.782	1.995	2.215
Community College District #535	0.186	0.161	0.158	0.166	0.141	0.140	0.140	0.160	0.196	0.219
School District #62	2.228	2.475	2.501	2.627	2.350	2.329	2.492	2.741	3.107	3.490
Total Tax Rate for Property Located in the Village of Mount Prospect, Elk Grove Township and School District #59	7.584	6.997	6.840	6.961	6.212	6.114	6.346	6.997	7.913	8.813
Share of Total Tax Rate Levied by the Village of Mount Prospect for Village Purposes	11.5%	11.4%	12.1%	12.2%	12.1%	12.0%	11.9%	11.8%	11.8%	11.9%
Total Tax Rate for Property Located in the Village of Mount Prospect, Wheeling Township and School District #26	8.768	7.974	7.787	7.999	7.121	7.000	7.100	7.990	8.940	9.998
Share of Total Tax Rate Levied by the Village of Mount Prospect for Village Purposes	10.0%	10.0%	10.6%	10.6%	10.5%	10.5%	10.6%	10.4%	10.5%	10.5%

Note: Property Tax Rates are per \$100 of Assessed Valuation
Data Source: Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Principal Property Tax Payers - Current Levy Year and Nine Levy Years Ago
December 31, 2013 (Unaudited)**

Taxpayer	2012 Levy			2003 Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Randhurst Shopping Center	\$ 28,960,930	1	1.85%	\$ 64,198,633	1	4.86%
CRP Holdings	18,996,312	2	1.21%			
Ramco Gershenson Prop	17,492,627	3	1.12%			
Golf Plaza I & II	16,227,376	4	1.03%			
Home Properties Colony	12,165,956	5	0.78%	22,055,464	3	1.67%
LIT Industrial Limited	8,418,483	6	0.54%			
First Industrial	8,186,150	7	0.52%			
KRCV Corp	7,723,968	8	0.49%			
Cummins-Allison Corp.	7,643,111	9	0.48%			
Huntington Square	7,405,643	10	0.47%	7,808,785	10	0.59%
1st Industrial LP				23,479,995	2	1.78%
Stomad Ctrs. Mt. Prospect				17,292,392	4	1.31%
E Prop. Tax Dept. 117				13,890,225	5	1.05%
Mt. Shire Apartments				12,090,305	6	0.91%
Colub & Company				9,776,576	7	0.74%
Bayshore Management Co				8,045,821	8	0.61%
Cabot Partners				7,878,684	9	0.60%
	<u>\$ 133,220,556</u>		<u>8.49%</u>	<u>\$ 186,516,880</u>		<u>14.11%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuation were overlooked.

Data Source: Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2004	2003	\$ 11,539,756	\$ 11,107,262	96.25%	\$ 313,849	\$ 11,421,111	98.97%
2005	2004	11,939,893	11,534,824	96.61%	113,225	11,648,049	97.56%
2006	2005	13,175,689	12,222,889	92.77%	657,014	12,879,903	97.76%
2007	2006	13,506,574	12,369,490	91.58%	879,920	13,249,410	98.10%
2008	2007	14,014,838	13,648,416	97.39%	(72,940)	13,575,476	96.87%
2009	2008	14,472,269	14,137,805	97.69%	30,812	14,168,617	97.90%
2010	2009	15,194,636	14,856,084	97.77%	(17,210)	14,838,874	97.66%
2011	2010	15,194,635	14,961,411	98.47%	51,220	15,012,631	98.80%
2012	2011	15,852,352	15,614,490	98.50%	133,479	15,747,969	99.34%
2013	2012	16,477,871	16,278,228	98.79%	-	16,278,228	98.79%

Data Source: Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Taxable Sales by Category - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	2004	2005	2006	2007
General Merchandise	\$ 1,181,411	\$ 1,163,392	\$ 1,191,814	\$ 1,207,238
Food	849,930	901,597	883,285	1,042,920
Drinking and Eating Places	498,789	547,681	566,627	583,799
Apparel	156,900	124,284	157,184	149,857
Furniture and H.H. and Radio	283,729	230,378	280,088	274,809
Lumber, Building, Hardware	916,388	907,954	869,944	801,315
Automobile and Filling Stations	756,261	1,185,563	1,267,636	1,333,637
Drugs and Miscellaneous Retail	2,565,793	2,210,598	2,682,731	2,454,600
Agriculture and All Others	653,924	714,534	819,090	853,036
Manufacturers	101,044	115,036	105,704	110,189
Total	\$ 7,964,169	\$ 8,101,017	\$ 8,824,103	\$ 8,811,400
Number of Taxpayers	1,105	1,125	1,168	1,149
Village Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%

Note: Data available for calendar year only. The fiscal year of Village of Mount Prospect is same as the calendar year. Excludes Home Rule Sales Tax portion.

Data Source: Illinois Department of Revenue

2008	2009	2010	2011	2012	2013
\$ 1,099,957	\$ 800,080	\$ 1,054,791	\$ 946,021	\$ 1,186,217	\$ 1,171,771
1,069,087	1,005,043	944,631	895,984	862,501	876,288
564,572	522,897	544,118	596,008	661,285	764,653
68,774	33,425	37,444	216,301	118,034	149,317
243,339	225,436	224,221	237,392	255,967	240,289
704,972	650,987	668,852	683,905	670,057	750,191
1,277,713	1,176,389	1,358,572	1,585,870	1,681,146	1,508,700
3,608,854	3,272,273	3,699,398	3,393,072	3,422,047	4,081,740
1,245,594	1,275,048	1,726,693	1,924,871	2,073,142	2,616,771
184,057	93,616	129,476	135,019	110,009	182,433
\$ 10,066,919	\$ 9,055,194	\$ 10,388,196	\$ 10,614,443	\$ 11,040,405	\$ 12,342,153
900	795	800	839	861	883
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Business District Sales Tax by Category - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	2004	2005	2006	2007
General Merchandise	\$ -	\$ -	\$ -	\$ -
Food	-	-	-	-
Drinking and Eating Places	-	-	-	-
Apparel	-	-	-	-
Furniture and H.H. and Radio	-	-	-	-
Lumber, Building, Hardware	-	-	-	-
Automobile and Filling Stations	-	-	-	-
Drugs and Miscellaneous Retail	-	-	-	-
Agriculture and All Others	-	-	-	-
Manufacturers	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -
Village Direct Sales Tax Rate	0.00%	0.00%	0.00%	0.00%

Note: Data available for calendar year only. The fiscal year of Village of Mount Prospect is same as the calendar year.

* Amount reported net of IDOR 2% compliance administration and enforcement charge.

Data Source: Illinois Department of Revenue

2008	2009	2010	2011	2012*	2013*
\$ -	\$ -	\$ -	\$ -	\$ 89,393	\$ 88,289
-	-	-	-	18,898	19,146
-	-	-	-	29,413	40,954
-	-	-	-	16,341	15,594
-	-	-	-	16,287	17,106
-	-	-	-	90,668	101,338
-	-	-	-	-	-
-	-	-	-	17,747	29,896
-	-	-	-	4,959	5,203
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ 283,706	\$ 317,526
0.00%	0.00%	0.00%	0.00%	0.00%	0.25%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Home Rule Sales Taxes by Category - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	2004	2005	2006	2007
General Merchandise	\$ 789,838	\$ 778,634	\$ 793,949	\$ 811,505
Food	185,355	169,411	160,335	197,945
Drinking and Eating Places	368,000	405,729	420,844	434,613
Apparel	117,774	93,186	117,804	112,251
Furniture and H.H. and Radio	210,821	172,592	209,656	205,312
Lumber, Building, Hardware	683,934	678,295	649,820	598,495
Automobile and Filling Stations	217,502	420,491	464,579	494,408
Drugs and Miscellaneous Retail	373,206	407,301	387,350	381,387
Agriculture and All Others	517,294	524,602	592,983	621,576
Manufacturers	71,726	83,868	76,697	80,093
Total	\$ 3,535,450	\$ 3,734,109	\$ 3,874,017	\$ 3,937,585
Number of Taxpayers	1,105	1,125	1,168	1,149
Village Direct Sales Tax Rate	0.75%	0.75%	0.75%	0.75%

Note: Data available for calendar year only. The fiscal year of Village of Mount Prospect is same as the calendar year. Interest income included in warrants is not reflected in this schedule.

* Excluding additional allocations received (excluded from IDOR Online report as well).

Data Source: Illinois Department of Revenue

	2008	2009	2010	2011	2012*	2013*
\$	967,261	\$ 693,008	\$ 811,120	\$ 749,509	\$ 900,240	\$ 885,410
	261,398	248,128	266,766	254,207	238,050	240,013
	558,908	519,177	539,414	592,596	656,376	754,898
	68,267	33,424	37,442	153,487	117,928	148,991
	240,192	223,116	220,694	232,711	251,253	235,936
	701,258	646,990	665,409	680,356	665,891	743,492
	640,842	596,221	697,383	891,042	922,948	948,339
	413,511	407,587	484,085	432,639	454,001	509,608
	819,975	647,829	632,050	659,611	514,937	492,238
	180,157	89,263	126,598	131,640	107,183	179,710
\$	4,851,769	\$ 4,104,744	\$ 4,480,961	\$ 4,777,798	\$ 4,828,807	\$ 5,138,635
	900	795	800	839	861	883
	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Fiscal Year	State Rate	County Rate	Regional Transportation Rate	Village Direct Rate	Home Rule Sales Tax Rate	Total Sales Tax Rate
2004	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2005	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2006	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2007	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2008	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%
2009	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%
2010	5.00%	1.50%	1.00%	1.00%	1.00%	9.50%
2011	5.00%	1.50%	1.00%	1.00%	1.00%	9.50%
2012*	5.00%	1.25%	1.00%	1.00%	1.00%	9.25%
2013*	5.00%	1.00%	1.00%	1.00%	1.00%	9.00%

*Business District is assessed additional 0.25% Sales Tax.

Data Source: State of Illinois

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	Governmental Activities		
	General Obligation Bonds	Tax Increment Financing Bonds	IEPA Loan Payable (1)
2004	\$ 20,013,590	\$ 4,175,000	\$ 5,656,470
2005	17,974,452	3,365,000	5,215,348
2006	16,540,764	2,570,000	4,760,147
2007	14,760,000	1,655,000	4,290,413
2008	13,105,000	-	3,805,678
2009	24,770,000	-	3,305,459
2010	24,240,000	-	2,789,256
2011	23,630,000	-	2,256,556
2012	22,790,000	-	1,706,824
2013	31,645,000	-	1,139,512

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

*See the Demographic and Economic Statistics Schedule for personal income and population data.

- (1) The Village entered into five installment contracts with the Illinois Environmental Protection Agency to provide funds for the construction of flood control projects. The contracts are for a 20-year period with equal semi-annual installments.
- (2) In 2012, the Village entered into an installment note to make stormwater improvements. The loan is payable in annual installments over a seven year period. Previously, the Village entered into an installment note to purchase property in the Downtown Redevelopment TIF District for future improvements.

Data Source: Audited Financial Statements

Installment Note (2)	Business-Type Activities General Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita*
\$ -	\$ 79,600	\$ 29,924,660	2.01%	\$ 531.85
705,000	-	27,259,800	1.83%	484.49
705,000	-	24,575,911	1.65%	436.79
355,000	-	21,060,413	1.41%	374.31
-	-	16,910,678	1.14%	300.55
-	-	28,075,459	1.89%	498.99
-	-	27,029,256	1.82%	480.39
-	-	25,886,556	1.44%	477.90
2,500,000	-	26,996,824	1.47%	498.40
2,475,000	-	35,259,512	1.94%	638.54

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2004	\$ 24,188,590	\$ 36,785	\$ 24,151,805	0.61%	\$ 429.25
2005	21,339,452	419,317	20,920,135	0.47%	371.81
2006	19,110,764	465,990	18,644,774	0.39%	331.37
2007	16,415,000	94,398	16,320,602	0.34%	290.07
2008	13,105,000	-	13,105,000	0.23%	232.92
2009	24,770,000	-	24,770,000	0.42%	440.24
2010	24,240,000	-	24,240,000	0.40%	430.82
2011	23,630,000	131,372	23,498,628	0.43%	433.82
2012	22,790,000	135,817	22,654,183	0.45%	418.23
2013	31,645,000	121,491	31,523,509	0.67%	570.88

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Assessed Value and Actual Value of Taxable Property Schedule for property value data.

(2) See the Demographic and Economic Statistics Schedule for the population data.

Data Sources: Audited Financial Statements
Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of Direct and Overlapping Governmental Activities Debt
December 31, 2013 (Unaudited)**

Governmental Unit	(1) Gross Debt	(2) Percentage Debt Applicable to Village	(3) Village's Share of Debt
Village of Mount Prospect	\$ 35,259,512	100.00%	\$ 35,259,512
Mount Prospect Public Library	12,575,000	100.000%	12,575,000
Cook County	3,747,395,000	1.154%	43,244,938
Forest Preserve District of Cook County	179,655,000	1.154%	2,073,219
Metropolitan Water Reclamation District	2,431,691,000	1.178%	28,645,320
Community College District #535	23,510,000	0.012%	2,821
Community College District #512	175,310,000	8.898%	15,599,084
School District #214	44,695,000	18.093%	8,086,666
School District #207	9,800,000	0.055%	5,390
School District #57	8,565,000	94.918%	8,129,727
School District #25	-	2.574%	-
School District #26	11,200,000	76.832%	8,605,184
School District #23	8,565,000	7.093%	607,515
School District #21	44,265,000	3.082%	1,364,247
School District #59	8,750,000	14.613%	1,278,638
Arlington Heights Park District	10,040,000	1.570%	157,628
Des Plaines Park District	5,915,000	1.675%	99,076
Mount Prospect Park District	4,380,000	62.876%	2,753,969
Prospect Heights Park District	-	14.222%	-
	6,726,311,000		133,228,422
	\$ 6,761,570,512		\$ 168,487,934

(1) Gross bonded debt excluding outstanding general obligation (alternate revenue bonds) which are expected to be paid from sources other than general taxation.

(2) Determined by ratio of 2012 assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in Village of Mount Prospect.

(3) Amount in column (2) multiplied by amount in column (1).

Data Source: Comprehensive Annual Financial Report for Cook County, Illinois (2012) and Metropolitan Water Reclamation District of Greater Chicago (2012) and Office of the County Clerk for all other Governmental Units (2013).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Legal Debt Margin December 31, 2013 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of legal debt margin.

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Fiscal Year	(1) Population	(2) Equalized Assessed Value	Personal Income	(1) Per Capita Personal Income	(3) Unemployment Rate
2004	56,265	\$ 1,491,177,145	\$ 1,488,996,960	\$ 26,464	4.60%
2005	56,265	1,594,975,722	1,488,996,960	26,464	4.40%
2006	56,265	1,597,309,461	1,488,996,960	26,464	3.20%
2007	56,265	1,870,325,316	1,488,996,960	26,464	3.40%
2008	56,265	1,979,496,030	1,488,996,960	26,464	4.50%
2009	56,265	2,017,411,353	1,488,996,960	26,464	7.90%
2010	56,265	1,834,680,507	1,488,996,960	26,464	7.80%
2011	54,167	1,694,952,801	1,798,831,903	33,209	7.40%
2012	54,167	1,568,774,082	1,841,786,334	34,002	6.60%
2013	55,219	N/A	1,817,754,261	32,919	6.70%

Note: 2013 Equalized Assessed Valuation is unavailable until 2014.

Data Sources:

- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Office of the Cook County Clerk
- (3) IDES Local Area Unemployment Statistics

N/A - Not Available

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2013 (Unaudited)**

Employer	2013			2004		
	Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
Caremark Rx, Inc.	1240	1	2.29%	750	1	1.33%
Bosch Tools	650	2	1.20%	450	2	0.80%
Cummins-Allison Corp.	475	3	0.88%	200	9	0.36%
Village of Mount Prospect	306	4	0.56%	331	3	0.59%
Rauland Borg	300	5	0.55%			
Mount Prospect S.D. 57	271	6	0.50%	230	8	0.41%
Comcast	250	7	0.46%			
Carson Pirie Scott	246	8	0.45%			
Jewel Food Stores Inc.	240	9	0.44%			
Township High School No. 214	225	10	0.42%	240	7	0.43%
Advance Mechanical Systems, Inc.				250	4	0.44%
Commonwealth Edison				250	5	0.44%
Bank One				245	6	0.44%
Cardone Record Services				180	10	0.32%
	<u>4,203</u>		<u>7.75%</u>	<u>3,126</u>		<u>5.56%</u>

Data Source: Village Records, 2004 Illinois Manufacturers Directory, 2004 Illinois Services Directory

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function/Program	2004	2005	2006
Public Representation/Community and Civic Services	1.05	1.05	1.05
General Government			
Village Administration			
Administration	13.65	15.15	15.45
Finance	15.00	15.00	15.00
Total Village Administration	28.65	30.15	30.45
Community Development			
Community Development	20.90	20.90	20.90
Community Development/CDBG	1.20	1.20	1.20
Total Community Development	22.10	22.10	22.10
Human Services Department	8.70	7.60	7.60
Public Safety and Protection			
Police Department	105.50	105.50	110.50
Fire Department	80.70	80.70	83.90
Total Public Safety and Protection	186.20	186.20	194.40
Public Works Department			
Administration	3.35	3.35	3.35
Streets/Buildings/Parking	14.60	14.60	14.60
Forestry	11.80	10.80	10.80
Engineering	7.90	7.90	8.30
Water/Sewer	25.75	25.75	25.55
Refuse Disposal	2.90	2.90	2.90
Parking	-	-	-
Vehicle Maintenance	9.10	9.10	8.90
Total Public Works Department	75.40	74.40	74.40
Village Total	322.10	321.50	330.00

Data Source: Village Budget

2007	2008	2009	2010	2011	2012	2013
1.05	1.05	1.05	1.05	2.10	2.10	2.10
16.45	16.95	16.95	14.95	14.95	15.45	15.45
15.00	15.00	15.00	13.00	13.00	13.00	13.00
31.45	31.95	31.95	27.95	27.95	28.45	28.45
22.90	23.40	23.15	20.48	20.48	17.75	18.50
1.20	1.20	1.20	1.25	1.25	1.25	1.00
24.10	24.60	24.35	21.73	21.73	19.00	19.50
7.60	7.60	10.60	9.50	9.50	9.50	9.50
111.50	111.50	111.50	97.83	97.83	99.50	100.50
84.20	84.20	82.20	74.75	74.75	74.50	74.50
195.70	195.70	193.70	172.58	172.58	174.00	175.00
3.35	3.35	3.35	2.85	2.85	2.85	2.85
14.80	14.60	14.80	11.35	11.85	11.85	12.45
10.80	10.80	10.80	10.70	9.75	9.75	9.25
8.30	8.30	8.30	8.00	8.00	8.00	8.00
26.15	26.15	26.15	26.50	25.00	25.00	24.75
2.90	2.90	2.90	2.90	2.90	2.90	2.90
-	-	-	-	0.90	0.90	0.90
8.90	9.10	10.90	10.90	10.90	10.90	10.75
75.20	75.20	77.20	73.20	72.15	72.15	71.85
335.10	336.10	338.85	306.01	306.01	305.20	306.40

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function/Program	2004	2005	2006
Finance Department			
Vehicle Stickers Issued	38,969	38,425	38,973
Utility Bills	86,429	85,894	100,846
Real Estate Transfer Tax Stamps Sold	1,774	1,903	1,624
Community Development			
Building Division			
Permits Issued	3,429	3,217	2,866
Plan Reviews	473	744	787
Building Code Inspections	13,364	14,364	9,590
Environmental Health Division			
Food Service Inspections	404	364	400
Multi-Family Buildings Inspections	654	414	583
Swimming Pools/Spa Inspections	30	6	33
Public Safety			
Police			
Number of Crimes	4,548	3,834	3,247
Number of Service Calls	43,656	30,387	25,443
Number of Arrests	2,032	1,740	1,855
Moving Violations	7,947	7,383	6,522
Parking Citations	6,799	8,194	7,641
Fire			
Fire Calls	1,882	1,837	1,647
EMS Calls	3,229	3,443	3,679
Fire Prevention Inspections	2,305	2,692	4,388
Training Hours	25,180	22,397	21,865
Public Works			
Streets			
Street Resurfacing (Miles)	9.00	5.00	9.00
Crack Filling (Pounds)	56,520	58,700	47,390
Leaves Removed (Cubic Yards)	18,096	16,897	14,302
Water			
Water Mains Installed (Lineal Feet)	1,150	3,250	3,000
Water Purchased (1,000 Gallons)	1,491,000	1,491,251	1,501,699
Sanitary Sewers Cleaned (Feet)	45,000	45,000	70,000
Refuse (Single/Multi-Family)			
Solid Waste Collected (Tons)	37,465	33,019	32,188
Recycling (Tons)	6,685	7,348	6,890

*2013 are estimated amounts. Final figures are not available at time of printing report.

Data Source: Village Records

2007	2008	2009	2010	2011	2012	2013*
38,851	39,208	39,650	40,018	39,834	43,092	43,898
97,677	86,577	86,458	86,057	86,701	90,147	152,360
1,249	947	986	1,086	1,022	1,282	1,474
2,801	2,687	2,415	2,922	2,821	2,278	2,400
553	452	420	505	515	595	500
8,438	7,631	8,564	8,783	8,508	9,154	8,700
392	340	394	400	394	405	400
476	279	491	664	664	565	585
62	59	28	-	-	-	-
4,295	4,242	3,921	3,696	3,359	3,178	3,100
26,694	25,631	23,600	22,028	19,943	19,184	19,500
1,928	1,769	1,736	1,898	1,845	1,602	1,500
7,985	8,723	10,355	10,139	7,026	5,979	6,300
9,438	10,690	10,256	11,317	9,363	7,640	7,900
2,273	2,019	1,817	1,888	2,350	1,892	1,905
3,518	3,487	3,535	3,465	3,590	3,885	4,125
3,652	3,264	4,258	3,790	3,418	3,308	3,500
22,837	21,073	23,851	24,313	23,578	21,340	22,257
7.00	5.00	5.80	5.00	4.70	5.20	6.00
57,660	55,000	57,118	46,846	40,871	51,885	49,153
15,187	16,272	18,970	15,424	14,843	12,569	13,000
3,200	8,079	5,475	5,475	-	-	-
1,440,716	1,369,479	1,346,272	1,296,556	1,287,525	1,341,268	1,284,779
70,000	30,000	55,150	55,150	54,236	58,922	65,000
32,928	32,101	30,231	31,963	32,264	31,385	31,022
6,728	6,644	6,154	6,117	6,644	6,028	6,149

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function/Program	2004	2005	2006
Public Safety			
Police			
Stations	1	1	1
Patrol Vehicles	36	38	39
Fire			
Fire Stations	3	3	3
Fire Engines/Vehicles	25	23	22
Public Works			
Residential Streets (Miles)	134	134	134
Water			
Water Mains (Miles)	163	163	164
Fire Hydrants	2,230	2,200	2,309
Storage Capacity (Gallons)	8.8M	8.8M	8.8M
Wastewater			
Sanitary Sewers (Miles)	93	93	93
Storm Sewers (Miles)	123	123	123
Combined Sewers (Miles)	59	59	59

Data Source: Various Village Departments

2007	2008	2009	2010	2011	2012	2013
1	1	1	1	1	1	1
35	35	34	34	34	33	33
3	3	3	3	3	3	3
22	22	22	22	22	20	23
134	134	134	134	134	134	135
166	166	166	162	162	161	161
2,328	2,328	2,328	2,295	2,295	2,274	2,274
8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M
93	93	93	71	71	71	71
123	124	124	128	128	135	135
59	59	59	54	54	53	54

**VILLAGE OF MOUNT PROSPECT, COOK COUNTY, ILLINOIS
FINANCIAL INFORMATION**

STATEMENT OF INDEBTEDNESS

	Amount Applicable as of December 31, 2013	As Per Cent of		Per Capita 2000 Census 54,167
		Assessed Value	Estimated True Value	
Assessed Valuation of Taxable Real Property, 2012	\$ 1,607,021,964 ⁽³⁾	100.00%	33.33%	\$ 29,667.92
Estimated True Value of Taxable Real Property, 2012	4,821,065,892	300.00%	100.00%	89,003.75
Direct Bonded Debt payable from Property Taxes (1)				
Payable From Property taxes	\$ 31,645,000	1.97%	0.66%	\$ 584.21
Self-Supporting Debt	1,614,512	0.10%	0.03%	29.81
Total Direct Bonded Debt	\$ 33,259,512	2.07%	0.69%	\$ 614.02
Overlapping Bonded Debt Payable from Property Taxes (2)				
Schools	\$ 43,679,272	2.72%	0.91%	\$ 806.38
Other Than Schools	89,549,150	5.57%	1.86%	1,653.20
Total Overlapping Bonded Debt	\$ 133,228,422	8.29%	2.76%	\$ 2,459.59
Total Direct and Overlapping Bonded Debt	\$ 166,487,934	10.36%	3.45%	\$ 3,073.60
Total Direct and Overlapping Bonded Debt Excl. Self-Supporting	\$ 164,873,422	10.26%	3.42%	\$ 3,043.80

- Notes: 1. The Village is a home-rule unit under the Illinois constitution and, therefore, has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt.
2. See "Detailed Overlapping Bonded Indebtedness Payable From Property Taxes at December 31, 2013".
3. The Village's 2012 equalized assessed valuation includes \$38,247,882 incremental valuation in the Village's tax increment financial district.

**RETIREMENT SCHEDULE OF OUTSTANDING VILLAGE GENERAL OBLIGATION BONDED DEBT
(Note 1)
(As of December 31, 2013)**

Due Calendar Date	Principal Maturities			Debt Service Tax Levies	
	Source of Payments	Total Maturities		Levy Year	Property Taxes
	Property Taxes (2)	Annual Amount	Cumul. Percent		
2014	980,000	980,000	3.1%	2013	2,251,681
2015	1,025,000	1,025,000	6.3%	2014	2,188,683
2016	1,065,000	1,065,000	9.7%	2015	2,202,583
2017	1,110,000	1,110,000	13.2%	2016	2,218,528
2018	1,160,000	1,160,000	16.9%	2017	2,237,723
2019	1,215,000	1,215,000	20.7%	2018	2,258,376
2020	2,690,000	2,690,000	29.2%	2019	2,836,320
2021	1,985,000	1,985,000	35.5%	2020	2,910,060
2022	1,085,000	1,085,000	38.9%	2021	2,854,905
2023	2,080,000	2,080,000	45.5%	2022	2,895,419
2024	2,185,000	2,185,000	52.4%	2023	2,918,869
2025	2,300,000	2,300,000	59.7%	2024	2,946,469
2026	2,425,000	2,425,000	67.3%	2025	2,976,169
2027	2,550,000	2,550,000	75.4%	2026	2,998,919
2028	2,685,000	2,685,000	83.9%	2027	3,024,981
2029	1,760,000	1,760,000	89.4%	2028	1,982,806
2030	790,000	790,000	91.9%	2029	924,906
2031	820,000	820,000	94.5%	2030	923,306
2032	850,000	850,000	94.1%	2031	920,506
2033	885,000	885,000	100.0%	2032	921,506
	\$31,645,000	\$31,645,000			

- Notes: 1. The Village is a home rule unit under the 1970 Illinois Constitution and as such has no debt limit, nor is it required to seek referendum approval for the issuance of general obligation debt. The Village has entered into five installment contracts with the Illinois EPA (excluded from the table above) to provide funding for a portion of the Village's storm water/flood control program. The installment contracts (each with semi-annual payments) have final maturities on July 12, 2013, May 1, 2014, December 10, 2014, November 1, 2017 and June 3, 2019. Total principal outstanding on the IEPA installment contracts was \$1,614,512 as of December 31, 2013. Debt service is being paid from the Village's 1/4 cent home rule sales tax instituted effective September 1, 1991 for the purpose of funding the Village's \$18.6 million flood control program.
2. Excludes the Series 2006 Library Refunding Bonds and the Series 2011A Library Refunding Bonds. An intergovernmental agreement between the Village and the Mount Prospect Public Library requires the Library to levy taxes sufficient to cover 100% of the debt service (\$12,575,000) on the Library Bonds.

**DEBT RATIOS AND PER CAPITAL DEBT—LAST TEN GENERAL OBLIGATION BOND SALES
(Note 1)**

Village Issue		Ratio to Estimated Actual Value				Per Capita (3)	
		Direct Debt		Direct & Overlapping Debt		Direct & Overlapping Debt	
		Including Self-Supporting	Excluding Self-Supporting (2)	Including Self-Supporting	Excluding Self-Supporting (2)	Including Self-Supporting	Excluding Self-Supporting (2)
Sale Date	Amount						
May 21, 2002	20,500,000	1.34%	0.86%	4.03%	3.55%	2,360.04	2,077.65
January 21, 2003	12,235,000	1.39%	1.05%	3.77%	3.43%	2,544.05	2,316.16
December 15, 2006	10,000,000	0.78%	0.69%	2.72%	2.63%	2,362.39	2,287.21
February 17, 2009	10,000,000	0.72%	0.72%	2.45%	2.45%	2,445.85	2,445.85
December 1, 2009	3,430,000	0.70%	0.70%	2.47%	2.47%	2,749.42	2,749.42
December 1, 2009	2,650,000	0.70%	0.70%	2.47%	2.47%	2,749.42	2,749.42
July 29, 2011	4,100,000	0.60%	0.60%	2.80%	2.80%	2,921.82	2,921.82
July 29, 2011	5,160,000	0.60%	0.60%	2.80%	2.80%	2,921.82	2,921.82
January 3, 2012	2,975,000	0.60%	0.60%	2.80%	2.80%	2,921.82	2,921.82
September 10, 2013	9,800,000	0.92%	0.92%	3.42%	3.42%	3,042.80	3,043.80

- Notes: 1. Information in table pulled from applicable Official Statements.
2. Excludes the Village's general obligation bonds which are payable from non-property taxes.
3. Village population estimates used in these calculations were 56,265 in 2001-2009, and 54,167 beginning in 2010.

EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES (Note 1)

Tax Levy Year (2)	Real Property			
	Net For General Taxing Purposes (3)	Plus Incremental Valuation	Total For All Taxing Purposes (4)	Increase Over Prior Year
2007	1,870,325,316	46,887,069	1,917,212,385	16.9%
2008	1,979,496,030	48,422,280	2,027,918,310	5.8%
2009	2,017,411,353	47,418,968	2,064,830,321	1.8%
2010	1,834,680,507	48,715,123	1,883,395,630	(8.8%)
2011	1,694,952,801	42,659,295	1,737,612,096	(7.7%)
2012	1,568,774,082	38,247,882	1,607,021,964	(7.5%)

- Notes: 1. Property in Cook County is separated into two primary classifications for assessment purposes (10% for residential and 25% for commercial property). After the assessor establishes the fair market value of a parcel of land, the value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established—tax rates are applied to the equalized valuation.
2. Under the current triennial reassessment system in Cook County, the Village was most recently reassessed in 2010.
3. Excludes four categories of exemptions: the Senior Citizens' Homestead Exemption; the General Homestead Exemption; the Senior Citizens' Tax Freeze Homestead Exemption and the Long-Term Homeowner Exemption.
4. The Village's tax rate is calculated based on the village's Net Equalized Assessed Valuation (shown in this table as "Net for General Taxing Purposes") and is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocation fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".

**DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES AT
DECEMBER 31, 2013**

SCHOOL DISTRICTS:	Percent of Village's 2013 Real Property in Taxing Body	Gross Bonded Debt (1)	Village's Applicable Share of Gross Debt to be Paid From Property Taxes (2)	
			Percent	Amount
Elementary Districts:				
Mount Prospect No. 57	34.8%	8,565,000	94.918%	8,129,727
River Trails No. 26	28.2%	11,200,000	76.832%	8,605,184
Community Consolidated No. 59	27.7%	8,750,000	14.613%	1,278,638
Wheeling Community Consolidated No. 21	3.5%	44,265,000	3.082%	1,364,247
Prospect Heights No. 23	2.9%	8,565,000	7.093%	607,515
Arlington Heights No. 25	2.8%	-	2.574%	-
High School Districts:				
Wheeling/Elk Grove No. 214	99.8%	44,695,000	18.093%	8,086,666
Maine Township No. 207	0.2%	9,800,000	0.055%	5,390
Community Colleges:				
Oakton No. 535	0.2%	23,510,000	0.012%	2,821
Harper No. 512	99.8%	175,310,000	8.898%	15,599,084
Total Schools				43,679,272
OTHER THAN SCHOOL DISTRICTS:				
Cook County, Including Forest Preserve District	100.0%	3,927,050,000	1.154%	45,318,157
Metropolitan Water Reclamation District	100.0%	2,431,691,000	1.178%	28,645,320
Mount Prospect Public Library	100.0%	12,575,000	100.000%	12,575,000
Park Districts:				
Mount Prospect	64.3%	4,380,000	62.876%	2,753,969
Arlington Heights	2.5%	10,040,000	1.570%	157,628
Des Plaines	1.6%	5,915,000	1.675%	99,076
Prospect Heights	3.6%	-	14.222%	-
Total Other Than Schools				89,549,150

- Notes: 1. Excludes principal amounts outstanding on "alternate bonds" issued pursuant to Public Act 85-1419, which are considered to be self-supporting since they are payable from user fees or other pledged non-property tax sources.
2. Village's share based upon 2012 Real Property valuations.

TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION (Note 1)

Village of Mount Prospect:	Levy Years				
	2008	2009	2010	2011	2012
Bonds and Interest	\$ 0.093	\$ 0.076	\$ 0.098	\$ 0.105	\$ 0.113
Pensions (Police, Fire)	0.156	0.190	0.257	0.278	0.316
Corporate	0.393	0.399	0.377	0.444	0.501
Garbage	0.090	0.089	0.097	0.109	0.121
Total Village	\$ 0.732	\$ 0.754	\$ 0.829	\$ 0.936	\$ 1.051
Cook County, Including Forest Preserve District	0.466	0.443	0.474	0.520	0.594
Metropolitan Water Reclamation District	0.252	0.261	0.274	0.320	0.370
Mount Prospect Park District	0.407	0.411	0.453	0.502	0.557
Mount Prospect Public Library	0.441	0.450	0.519	0.582	0.646
Special Service Area No. 5	0.096	0.095	0.105	0.114	0.122
Community Consolidated School District No. 59	1.810	1.945	2.129	2.422	2.673
Township High School District No. 214	1.587	1.636	1.839	2.067	2.324
Harper College No. 512	0.256	0.258	0.295	0.334	0.373
All Other	0.067	0.093	0.080	0.116	0.103
Total (2)	\$ 6.114	\$ 6.346	\$ 6.997	\$ 7.913	\$ 8.813
Village as a Percent of Total	12.0%	11.9%	11.8%	11.8%	11.9%

- Notes: 1. As a home rule unit under the 1970 Illinois Constitution, the Village has no statutory tax rate or levy limitations.
2. Tax rate applicable to the largest tax code in the Village and most recent available from Cook County.

**TAX EXTENSIONS AND COLLECTIONS
(Village Purposes Only)**

Levy Year	Collection Year	Total Taxes Extended	Total Taxes Collected as of December 31, 2013 (Note 1)	
			Amount	Percent (2)
2008	2009	14,472,269	14,191,667	98.06%
2009	2010	15,194,636	14,950,031	98.39%
2010	2011	15,194,635	15,121,878	99.52%
2011	2012	15,852,352	15,614,490	98.50%
2012	2013	16,477,871	16,278,228	98.79%

- Notes:
1. Source: Cook County Treasurer's Office. Tax payments, including late payments and proceeds from tax sales, are shown as collections in the year when due. The "Amount Collected" is not the same as distributions to the Village because tax refunds (pursuant to court orders, first time homestead exemptions other exemptions, etc.) are deducted from "Amount Collected" and interest earnings are added to "Amount Collected" in calculating the distributions.
 2. Cook County property taxes are payable in two installments: the first on March 1, and the second on the latter of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill and is 55% of the prior year's bill. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

TEN LARGEST TAXPAYERS

Rank	Taxpayer	Business/Properties	Equalized Assessed Valuation (1)	Percent of Village (2)
1	Randhurst Casto Conger	Shopping Center	\$ 28,960,930	1.85%
2	CRP Holdings	Real Estate	18,996,312	1.21%
3	Ramco Gershenson Prop	Shopping Center	17,492,627	1.12%
4	Golf Plaza I & II	Shopping Center	16,227,376	1.03%
5	Home Properties Colony	Colony Square Apartments	12,165,956	0.78%
6	LIT Industrial Limited	Real Estate	8,418,483	0.54%
7	First Industrial	Real Estate	8,186,150	0.52%
8	KRCV Corp.	Real Estate	7,723,968	0.49%
9	Cummins-Allison Corp.	Manufacturing	7,643,111	0.49%
10	Huntington Square	Apartments	7,405,643	0.47%
			<u>\$ 133,220,556</u>	<u>8.49%</u>

- Notes:
1. Valuations as of January 1, 2012 for 2013 tax purposes.
 2. Total 2012 Village valuation excluding incremental valuation in the Village's tax increment district is \$1,568,774,082.

2006 AND 2012 TAX BASE DISTRIBUTION BY PROPERTY CLASSIFICATION*

Classification	Village of Mount Prospect				
	Taxable Valuation			Percent of Total	
	2006	2012	% Increase	2006	2012
Residential	1,048,895,640	1,141,783,464	8.86%	65.67%	72.78%
Commercial	357,812,772	281,197,939	-21.41%	22.40%	17.92%
Industrial	190,150,899	145,136,294	-23.67%	11.90%	9.25%
Railroad	450,150	656,385	45.81%	0.03%	0.04%
Total	1,597,309,461	1,568,774,082	-1.79%	100.00%	100.00%

* Excludes the incremental valuation in the Village's tax increment financing district (classified as commercial valuation). A breakdown by property classification of the Village's levy year 2013 valuation is not available as of the date of this report.

GENERAL FUND (Note 1)

Summary Statement of Revenues, Expenditures and Changes in Fund Balance (Fiscal Years Ending December 31)

	Actual					
	2009	2010	2011	2012	2013	
					Budget	Actual
Revenues:						
Property Taxes	10,738,759	11,719,530	11,596,829	12,099,210	12,767,000	12,645,791
Sales Taxes	9,055,194	10,388,196	11,809,779	12,252,909	13,290,000	13,627,166
State Income Taxes	4,573,162	4,428,176	4,328,196	4,759,513	5,165,000	5,161,051
Licenses, Permits & Fees	3,672,054	3,394,211	3,356,816	3,657,586	3,563,500	3,589,368
Utility Taxes	4,519,175	5,709,895	4,624,678	4,658,265	5,032,000	4,658,265
Charges for Service	1,691,169	1,655,275	1,694,638	1,741,906	1,790,400	1,858,829
Fines & Forfeits	529,655	556,178	548,993	403,036	473,000	430,960
Interest Income	64,955	43,540	23,067	29,927	35,000	6,561
Food & Beverage Tax	751,121	790,965	867,630	710,328	740,000	719,190
Real Estate Transfer Tax	405,300	379,942	363,194	515,330	855,000	853,617
All Other Revenues	2,864,926	1,646,416	1,959,168	1,789,713	962,098	1,445,740
Total Revenues	\$ 38,865,470	\$ 40,712,324	\$ 41,172,988	\$ 42,617,723	\$ 44,672,998	\$ 44,996,538
Expenditures:						
General Government						
Public Representation Division	119,564	155,765	108,809	110,257	123,490	114,948
Village Manager's Office	3,416,827	2,842,920	2,939,764	3,106,851	3,438,300	3,185,452
Finance Department	1,564,367	1,571,136	1,561,758	1,505,295	1,869,017	1,843,581
Community Development - Administration	649,803	625,171	628,017	644,281	710,707	661,459
Benefit Payments	45,590	45,724	45,861	46,004	46,151	46,150
Total General Government	\$ 5,796,151	\$ 5,240,716	\$ 5,284,209	\$ 5,412,688	\$ 6,187,665	\$ 5,851,590
Public Safety:						
Code Enforcement	859,191	909,852	837,639	739,004	800,604	711,081
Police Department	14,150,722	14,512,406	14,657,035	15,286,394	15,964,552	15,783,921
Fire & Emergency Protection Department	11,338,494	11,443,146	11,448,614	11,946,079	12,781,150	12,678,986
Emergency Events	-	-	-	-	2,010	1,182
Total Public Safety	\$ 26,348,407	\$ 26,865,404	\$ 26,943,288	\$ 27,971,477	\$ 29,548,316	\$ 29,175,170
Highways & Streets	6,424,112	5,925,170	6,587,426	6,307,158	7,662,650	7,341,461
Health	126,152	125,512	137,445	143,295	156,163	142,062
Welfare	1,518,685	1,573,887	1,487,707	1,624,282	1,653,536	1,569,824
Culture & Recreation	358,207	313,125	346,032	399,366	485,296	435,931
Net Transfers (In)/Out	635,100	450,000	-	-	(370,000)	166,247
Total Expenditures	\$ 41,206,814	\$ 40,493,814	\$ 40,786,107	\$ 41,858,266	\$ 45,323,626	\$ 44,682,285
Revenues Over (Under) Expenditures	\$ (2,341,344)	\$ 218,510	\$ 386,881	\$ 759,457	\$ (650,628)	\$ 314,253
Ending Fund Balance	\$ 10,199,481	\$ 10,417,991	\$ 10,804,872	\$ 11,564,329	\$ 10,913,701	\$ 11,878,582

Balance Sheet – December 31

Assets:	2009	2010	2011	2012	2013
Cash & Investments	\$ 3,478,913	\$ 4,067,456	\$ 5,512,091	\$ 7,352,604	\$ 6,886,656
Receivables					
Property Taxes	11,796,455	12,668,700	12,125,463	12,657,923	14,543,097
Other Taxes	882,194	5,553,370	5,707,230	5,290,786	5,711,586
All Other	453,866	484,576	461,664	448,569	492,912
Due From Other Funds	2,054,902	1,563,298	568,815	91,318	212,603
Due From Other Governments	3,839,368	409,880	94,142	274,942	53,602
All Other Assets	<u>88,492</u>	<u>53,536</u>	<u>100,590</u>	<u>98,150</u>	<u>297,762</u>
Total Assets	<u>\$ 22,594,190</u>	<u>\$ 24,800,816</u>	<u>\$ 24,569,995</u>	<u>\$ 26,214,292</u>	<u>\$ 28,198,218</u>
Liabilities & Fund Balance					
Accounts Payable	\$ 466,189	\$ 669,697	\$ 530,670	\$ 621,570	\$ 334,043
Deferred Revenues					
Property Taxes	11,635,298	11,392,567	11,991,724	12,554,622	14,396,036
All Other Liabilities	293,222	2,320,561	1,242,729	1,473,771	1,589,557
Fund Balance:					
Nonspendable	88,492	53,536	100,590	98,150	297,762
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Unassigned	<u>10,110,989</u>	<u>10,364,455</u>	<u>10,704,282</u>	<u>11,466,179</u>	<u>11,580,820</u>
Total Fund Balance	<u>\$ 10,199,481</u>	<u>\$ 10,417,991</u>	<u>\$ 10,804,872</u>	<u>\$ 11,564,329</u>	<u>\$ 11,878,582</u>
Total Liabilities & Fund Balance	<u>\$ 22,594,190</u>	<u>\$ 24,800,816</u>	<u>\$ 24,569,995</u>	<u>\$ 26,214,292</u>	<u>\$ 28,198,218</u>

- Notes: 1. This condensed financial information for the years ending December 31, 2009-2013 has been excerpted from the full Comprehensive Annual Financial Reports of the Village. The accounting policies of the Village conform to GAAP and are disclosed in the audited financial statements. A summary of some of the policies are: The General Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred.

COMBINED STATEMENT—ALL FUNDS (Note 1)

**Fund Balances 2009-2012 and Summary 2013 Revenues, Excess Revenues and Fund Balance
(Fiscal Years Ended December 31)**

					Fiscal Year Ended December 31, 2013			
	2009	2010	2011	2012	Revenue Incl. Transfers		Revenue (Under) Expenditures	Fund Balance
					Property Tax	Total		
Governmental Fund Types (2):								
General Fund *	\$ 10,199,481	\$ 10,417,991	\$ 10,804,872	\$ 11,564,329	\$ 12,645,791	\$ 44,996,538	\$ 314,253	\$ 11,878,582
Special Revenue Funds:								
Motor Fuel Tax	\$ (448,734)	\$ (230,294)	\$ 336,394	\$ 509,470	\$ -	\$ 1,582,776	\$ (170,609)	\$ 338,861
Community Development Block Grant	-	-	-	-	-	299,128	-	-
Refuse Disposal *	2,255,013	2,261,635	2,146,149	2,355,748	1,846,553	4,404,855	89,369	2,445,117
Asset Seizure	50,411	60,205	54,000	40,479	-	16,882	2,180	42,659
DEA shared Funds	19,209	16,749	4,909	4,919	-	6,595	6,595	11,514
DUI Fines	27,153	41,302	44,132	55,431	-	35,108	9,856	65,287
Foreign Fire Tax Fund	121,037	116,134	171,030	227,346	-	63,603	46,000	273,346
Justice Assistant Grant Fund	-	-	10,203	835	-	-	(835)	-
Business District Fund	-	-	77,195	434,120	-	963,408	(434,037)	89
Total Special Revenue	\$ 2,024,089	\$ 2,265,731	\$ 2,644,012	\$ 3,628,348	\$ 1,846,553	\$ 7,372,355	(451,481)	\$ 3,176,867
Debt Service *	(485,124)	(78,844)	131,372	135,817	-	1,733,518	2,438,868	(14,326)
Capital Projects (3)	6,378,469	4,531,304	3,559,985	7,530,930	2,644,680	16,799,655	8,174,576	15,705,506
Total Governmental	\$ 18,116,915	\$ 17,136,182	\$ 17,340,241	\$ 22,859,424	\$ 18,870,542	\$ 71,805,616	\$ 8,023,022	\$ 30,882,446
Proprietary & Fiduciary Fund Types								
Enterprise Funds (4):								
Water and Sewer *	\$ 28,090,349	\$ 31,469,468	31,708,474	33,055,996	\$ 1,507,661	\$ 11,620,238	\$ 1,030,457	\$ 34,086,453
Village Parking System	317,792	352,594	351,986	331,280	-	338,855	(7,448)	323,832
Internal Service Funds (5)	15,009,510	14,308,173	13,484,444	13,420,682	-	11,096,822	1,166,637	14,587,299
Pension Trust Funds:								
Police Pension	41,020,480	44,540,311	44,777,147	48,922,851	-	10,325,160	6,453,324	55,375,975
Firefighter's Pension	40,800,750	43,860,979	43,864,977	47,233,555	-	10,420,040	6,482,861	53,718,416
Total Proprietary & Fiduciary	\$ 125,238,881	\$ 134,531,525	\$ 134,059,823	\$ 142,964,144	\$ 1,507,661	\$ 43,801,115	\$ 15,125,831	\$ 158,089,975
Discretely Presented Component Unit:								
Mount Prospect Public Library	5,043,284	5,660,784	6,816,490	8,069,424	\$ 10,088,851	\$ 10,389,745	\$ 1,357,864	\$ 9,427,288
Total All Funds (Memo Only)	\$ 148,399,080	\$ 157,328,491	\$ 158,214,076	\$ 173,892,992	\$ 30,467,054	\$ 125,796,476	\$ 24,506,717	\$ 198,399,709

* Designated as major funds.

	2009	2010	2011	2012	2013
Cash & Investments at 12/31 (8):					
General Fund	\$ 3,478,913	\$ 4,067,456	\$ 5,512,091	\$ 7,352,604	\$ 6,886,656
Internal Service Funds	10,350,298	9,720,037	10,014,805	9,567,402	10,830,350
Refuse Disposal	2,005,380	1,885,464	1,969,567	2,022,049	2,231,180
Other Special Revenue Funds	227,363	258,648	592,878	1,179,343	1,575,859
Debt Service Funds	163,099	438,301	-	20,636	113,267
Subtotal	\$ 16,225,053	\$ 16,369,906	\$ 18,089,141	\$ 20,142,034	\$ 21,637,311
Capital Project Funds	8,621,164	3,635,004	3,221,653	6,657,075	15,487,737
Water & Sewer	3,648,859	3,148,880	2,709,829	4,356,739	5,382,441
Other Enterprise Funds	438,421	369,051	330,277	345,528	316,808
Pension Trust Funds	81,418,602	87,488,289	88,669,220	95,892,376	4,017,027
Other Fiduciary Funds	1,411,976	1,228,743	1,189,052	1,443,227	1,511,610
Discretely Presented Component Unit	4,688,713	4,070,978	5,485,383	6,321,919	7,121,643
Total	\$ 116,432,788	\$ 116,308,851	\$ 119,694,355	\$ 135,158,898	\$ 55,474,577

- Notes: 1. This condensed financial information for the years ending December 31, 2009-2013 has been excerpted from the full Comprehensive Annual Financial Reports of the Village. The accounting policies of the village conform to GAAP and are disclosed in the audited financial statements. A summary of some of the policies are: All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets; expenditures are recognized when the related fund liability is incurred. All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. This table excludes the Village's Expendable Trust Funds and Agency Funds. The Village's Comprehensive Annual Financial Report for the year ended December 31, 2013 included an unqualified "Independent Auditor's Report". Similar unqualified opinions were included in the Village's Comprehensive Annual Financial Reports for the years ending December 31, 2009-2012. The "Independent Auditor's Report" included in the latest audit states, in part:
- "In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Mount Prospect, Illinois, as of December 31, 2013, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America."*
- The Village's property tax revenue recognition policy conforms to the provisions of "NCGA Interpretation 3, Revenue Recognition Property Taxes." The current net tax levy receivable is recognized in the balance sheet along with a corresponding amount of deferred revenue. In addition, the debt service payments and liabilities related to the current net tax levy are not reflected in the Debt Service Funds; the un-matured principal is reflected in the General Long-Term Debt Account Group.
 - Includes the Capital Improvement Fund, which accounts for the resources used to provide for mid-sized capital projects. Financing is provided by one-quarter cent home rule sales tax, developer contributions, transfers from other funds, interest income, and bond proceeds.
 - Fund balances shown for the Enterprise Funds are total fund equity, including contributed capital and retained earnings, and the column "Revenue Over Expenditures" represents the change in that amount.
 - The Village created a Risk Management Fund in 1984 to account for the servicing and payment of claims for liability, property, casualty coverage and Workers' Compensation. Financing is provided by charges to the various Village funds. The Village created a Vehicle Replacement Fund in fiscal year 1991 to account for the acquisition and depreciation of Village vehicles. Financing is provided by charges to the General, Water and Sewer, and Parking Funds. The Village created a Vehicle Maintenance Fund in 1996 to account for maintenance and repair of all Village vehicles except Fire Department vehicles. In 1997, the Village created a Computer Replacement Fund to account for the acquisition and depreciation of Village computer hardware.
 - Excludes agency funds.

CAPITAL ASSETS (Note)
(December 31, 2013)

	Governmental Activities		Business Type Activities
Capital Assets Not Being Depreciated		Capital Assets Not Being Depreciated	
Land	\$ 10,291,446	Land	\$ 17,551,172
Construction in Progress	\$ 601,934	Construction in Progress	\$ 231,018
Total Assets Not Being Depreciated	\$ 10,893,380	Total Assets Not Being Depreciated	\$ 17,782,190
Capital Assets Being Depreciated		Capital Assets Being Depreciated	
Buildings	\$ 38,009,332	Buildings and Improvements	\$ 4,694,456
Improvements Other Than Buildings	384,000	Equipment	3,646,309
Infrastructure and All Other	101,753,416	Infrastructure	18,892,491
Total Capital Assets Being Depreciated	\$ 140,146,748	Total Capital Assets Being Depreciated	\$ 27,233,256
Less Accumulated Depreciation	\$ 77,227,424	Less Accumulated Depreciation	\$ 18,663,157
Total Capital Assets Being Depreciated, Net	\$ 62,919,324	Total Capital Assets Being Depreciated, Net	\$ 8,570,099
Net Assets	\$ 73,812,704	Net Assets	\$ 26,352,289

Note: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$20,000, except for infrastructure for which the cost is \$50,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.