

**VILLAGE OF LILY LAKE
KANE COUNTY, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2014

VILLAGE OF LILY LAKE

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VILLAGE OF LILY LAKE

PRINCIPAL OFFICIALS

April 30, 2014

Village President

Jesse Heffernan

Trustees

John Belli
Mary Damisch
Wendy Ivanic
Ashley Reed
Steve Wise

Treasurer

Lisa Engberg

Clerk

Michelle White

INDEPENDENT AUDITOR'S REPORT

The Honorable Village President
Members of the Board of Trustees
Village of Lily Lake

We have audited accompanying financial statements of the governmental activities and each major fund of the Village of Lily Lake as of and for the year ended April 30, 2014, which collectively comprise the Village of Lily Lake's basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the basic financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend upon the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the Village of Lily Lake's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Lily Lake'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 basic 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 basic financial statements referred to previously present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities and each major fund of the Village of Lily Lake as of April 30, 2014 and the respective changes in financial position – modified cash basis for the year then ended in conformity with the basis of accounting as described in Note 1.

Basis of Accounting


We draw attention to Note 1 of the basic financial statements, which describes the basis of accounting. The basic financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

Supplemental Data

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lily Lake's basic financial statements. The individual fund financial information listed as schedules and supplemental data in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules and supplemental data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section was not audited by us, and accordingly, we express no opinion thereon.



Naperville, Illinois
December 1, 2014

VILLAGE OF LILY LAKE

STATEMENT OF NET POSITION MODIFIED CASH BASIS

April 30, 2014

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 769,753
Capital assets, not being depreciated	345,805
Capital assets (net of accumulated depreciation)	<u>705,205</u>
Total assets	<u>1,820,763</u>
LIABILITIES	
Noncurrent liabilities	<u>5,000</u>
NET POSITION	
Invested in capital assets	1,051,010
Restricted	
Highways and streets	192,561
Special service areas	64,867
Park development	63,050
Unrestricted	<u>444,275</u>
Total net position	<u>\$ 1,815,763</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

STATEMENT OF ACTIVITIES MODIFIED CASH BASIS

For the Year Ended April 30, 2014

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense)
	Expenses	Charges for Services	Operating Grants	Capital Grants	Revenue and Change in Net Position
					Primary Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
General government	\$ 129,399	\$ 42,947	\$ -	\$ -	\$ (86,452)
Highways and streets	194,669	-	-	-	(194,669)
Public works	115,398	-	-	-	(115,398)
Total governmental activities	439,466	42,947	-	-	(396,519)
Total primary government	\$ 439,466	\$ 42,947	\$ -	\$ -	(396,519)
General Revenues					
Taxes					
					35,508
					26,267
					79,596
					45,759
					33,654
					20,954
					12,037
					591
					39,640
					294,006
					(102,513)
					1,918,276
					\$ 1,815,763

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE
GOVERNMENTAL FUNDS

BALANCE SHEET
MODIFIED CASH BASIS

April 30, 2014

ASSETS

Cash and investments	\$ 459,514	\$ 177,256	\$ 19,413	\$ 16,728	\$ 20,596	\$ 13,385	\$ 62,861	\$ 769,753
Due from other funds	46,849	15,305	16,037	5,560	10,180	117,564	189	211,684
Total assets	506,363	192,561	35,450	22,288	30,776	130,949	63,050	981,437

LIABILITIES
AND FUND BALANCES

Liabilities								
Deposits	5,000	-	-	-	-	-	-	5,000
Due to other funds	57,088	-	17,848	6,066	11,919	118,763	-	211,684
Total liabilities	62,088	-	17,848	6,066	11,919	118,763	-	216,684

Fund Balances

Restricted								
Highways and streets	-	192,561	-	-	-	-	-	192,561
Special service areas	-	-	17,602	16,222	18,857	12,186	-	64,867
Park development	-	-	-	-	-	-	63,050	63,050
Unrestricted								
Unassigned	444,275	-	-	-	-	-	-	444,275
Total fund balances	444,275	192,561	17,602	16,222	18,857	12,186	63,050	764,753

Total liabilities and fund balances	\$ 506,363	\$ 192,561	\$ 35,450	\$ 22,288	\$ 30,776	\$ 130,949	\$ 63,050	\$ 981,437
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See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION -
MODIFIED CASH BASIS

April 30, 2014

Fund Balances of Governmental Funds	\$ 764,753
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>1,051,010</u>
Net Position of Governmental Activities	<u>\$ 1,815,763</u>

See accompanying notes to financial statements.

**VILLAGE OF LILY LAKE
GOVERNMENTAL FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	General	Motor Fuel Tax	Special Service Area 2	Special Service Area 3	Special Service Area 4	Special Service Area 5 & 6	Park Development	Total
Revenues								
Taxes	\$ 215,471	\$ 26,267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,738
Charges for services	193	-	16,037	5,560	10,180	-	-	31,970
Licenses and permits	10,977	-	-	-	-	-	-	10,977
Fines and fees	12,037	-	-	-	-	-	-	12,037
Investment income	561	30	-	-	-	-	-	591
Miscellaneous	39,640	-	-	-	-	-	-	39,640
Total revenues	278,879	26,297	16,037	5,560	10,180	-	-	336,953
Expenditures								
Current								
General government	74,420	-	-	-	-	-	-	74,420
Highways and streets	-	-	16,877	5,667	11,012	39,575	-	73,131
Public works	115,398	-	-	-	-	-	-	115,398
Capital outlay	-	-	-	-	-	-	65,825	65,825
Total expenditures	189,818	-	16,877	5,667	11,012	39,575	65,825	328,774
Net Change in Fund Balances	89,061	26,297	(840)	(107)	(832)	(39,575)	(65,825)	8,179
Fund Balances - May 1 (as restated)	355,214	166,264	18,442	16,329	19,689	51,761	128,875	756,574
Fund Balances - April 30	\$ 444,275	\$ 192,561	\$ 17,602	\$ 16,222	\$ 18,857	\$ 12,186	\$ 63,050	\$ 764,753

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES -
MODIFIED CASH BASIS

For the Year Ended April 30, 2014

Net Change in Fund Balances - Total Governmental Funds	\$ 8,179
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	65,918
Some expenses in the statement of activities (depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(176,610)</u>
Change in Net Position of Governmental Activities	<u>\$ (102,513)</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Lily Lake (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP), except as described in Note 1.d. The Governmental Accounting 9 governmental accounting and reporting principles. The following is a summary of the significant accounting policies of the Village.

a. Reporting Entity

The Village is located in Kane County, Illinois and provides maintenance of highways and streets, public improvements, zoning, and general administrative services.

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

b. Fund Accounting

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

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement restricted or committed revenue sources (special revenue funds), the acquisition or construction of general capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the government not accounted for in some other fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the entity. When these assets are held under the terms of a formal trust agreement, a pension trust fund is used. The Village has no fiduciary funds.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support (the Village has no business-type activities).

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

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

The Village reports the following major governmental funds:

General Fund - is the Village's primary operating fund and accounts for all financial resources of the general government that are not required to be accounted for in other funds.

Motor Fuel Tax Fund - accounts for the revenues received from motor fuel taxes and expenditures for maintenance of roads.

Special Service Areas 2, 3, 4, 5&6 - account for the collections of assessments and expenditures for the repairs/resurfacing of roads in the special service areas.

Park Development Fund accounts for funds assigned for future capital purchases of the Village.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements and the governmental fund financial statements are reported using the current financial resources measurement focus and the modified cash basis of accounting, which is not in accordance with GAAP but is an "other comprehensive basis of accounting." Under the modified cash basis, revenues and additions are recorded when received and expenditures/expenses and deductions are recorded when paid, adjusted for modifications that have substantial support in accounting principles generally accepted in the United States of America. Certain assets and liabilities arising from cash transactions are recorded in the government-wide financial statements. Thus capital assets and related accumulated depreciation and depreciation expense, and long-term debt are recognized.

The Village reports unearned revenue on its financial statements, if applicable. Unearned revenues arise when resources are received by the Village before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the Village has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Deposits and Investments

Cash and cash equivalents consist of demand deposits.

Investments of the Village's operating funds with maturities of one year or more from the date of purchase, other than nonnegotiable certificates of deposit, are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase and nonnegotiable certificates of deposit are stated at cost or amortized cost. All other investments which do not consider market rates are stated at cost.

f. Interfund Receivables and Payables

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

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Assets	Years
Buildings and building improvements	20
Roads	20
Drainage project	20
Park equipment	10

h. Long-Term Obligations

In the government-wide financial statements, general long-term debt and other long-term obligations, if any, are reported as liabilities in the statement of net position.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance rests with the Village Board. Any residual fund balance is reported as unassigned.

The Village has no flow of funds assumption, and therefore applies the flow of funds methodology of GASB Statement No. 54 which prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

The Village has not established fund balance reserve policies for any of its governmental funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the Village. Investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

j. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

2. PROPERTY TAX CALENDAR

The Village does not levy property taxes.

3. DEPOSITS AND INVESTMENTS

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 75% of the institutions capital stock and surplus. As of April 30, 2014 the Village had \$176,084 of deposits which were uninsured and uncollateralized.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

3. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments

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, safety of principal, liquidity and rate of return.

The Village maintains a cash and investment pool that is available for use by all funds

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by United States governmental agencies. Illinois Funds is rated AAA.

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

4. CAPITAL ASSETS

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

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	279,887	-	-	279,887
Construction in progress	-	65,918	-	65,918
	<u>279,887</u>	<u>65,918</u>	<u>-</u>	<u>345,805</u>
Capital assets being depreciated				
Village Hall	518,148	-	-	518,148
Roads	4,370,851	-	-	4,370,851
Indian Creek Drainage Project	406,658	-	-	406,658
Park Equipment	87,392	-	-	87,392
	<u>5,383,049</u>	<u>-</u>	<u>-</u>	<u>5,383,049</u>
Less accumulated depreciation				
Village Hall	259,070	25,907	-	284,977
Roads	4,143,354	121,631	-	4,264,985
Indian Creek Drainage Project	81,332	20,333	-	101,665
Park Equipment	17,478	8,739	-	26,217
	<u>4,501,234</u>	<u>176,610</u>	<u>-</u>	<u>4,677,844</u>
Total capital assets being depreciated	<u>881,815</u>	<u>(176,610)</u>	<u>-</u>	<u>705,205</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	<u>1,161,702</u>	<u>(110,692)</u>	<u>-</u>	<u>1,051,010</u>

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

GOVERNMENTAL ACTIVITIES	
General government	54,979
Highways and streets	<u>121,631</u>
Total	<u>176,610</u>

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2014

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health, and natural disasters. Employee health risk is covered by commercial insurance purchased from independent third parties. The amount of coverage has not decreased, and the amount of any settlements has not exceeded coverage in any of the past three years.

6. RESTATEMENT - PRIOR PERIOD ADJUSTMENTS

Fund Balance of the General Fund and Net Assets were restated by \$24,643 to correct prior period errors in recording expenditures. Additionally, Fund Balance and Net Assets of the General Fund were reduced by \$41,594 and Fund Balance and Net Assets of the Special Service Area 5 & 6 Fund were increased by \$41,594, to correct prior errors in reporting.

7. INTERFUND RECEIVABLES AND PAYABLES

The following balances are expected to be repaid within one year.

Fund	Due From	Due To
General	\$ 46,849	\$ 57,088
Motor Fuel Tax	15,305	-
Special Service Area 2	16,037	17,848
Special Service Area 3	5,560	6,066
Special Service Area 4	10,180	11,919
Special Service Area 5 & 6	117,564	118,763
Park Development	189	-
	<u>\$ 211,684</u>	<u>\$ 211,684</u>

VILLAGE OF LILY LAKE
GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		
Taxes		
Property - road and bridge	\$	35,508
Income		79,596
Sales		26,975
Use		18,784
Utility		33,654
Telecom		20,954
Charges for services		
Copies		193
Licenses - liquor		2,500
Permits		
Administration fee		4,877
Culvert		3,600
Fines and fees		
Cable television franchise		12,037
Investment income		561
Miscellaneous		39,640
Total revenues		<u>278,879</u>
Expenditures		
General government	\$ 148,320	74,420
Public works	127,500	115,398
Total expenditures	<u>\$ 275,820</u>	<u>189,818</u>
Net Change in Fund Balance		89,061
Fund Balance - May 1 (as restated)		<u>355,214</u>
Fund Balance - April 30		<u>\$ 444,275</u>

See independent auditor's report.

**VILLAGE OF LILY LAKE
MOTOR FUEL TAX FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		
Taxes		
Motor fuel		\$ 26,267
Investment income		<u>30</u>
Total revenues		<u>26,297</u>
Expenditures		
Street contractual services	\$ 25,000	-
Engineering	5,000	-
Street maintenance services	<u>25,000</u>	<u>-</u>
Total expenditures	<u>\$ 55,000</u>	<u>-</u>
Net Change in Fund Balance		26,297
Fund Balance - May 1		<u>166,264</u>
Fund Balance - April 30		<u><u>\$ 192,561</u></u>

See independent auditor's report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 2 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments		\$ 16,037
Total revenues		<u>16,037</u>
Expenditures - streets		
Administration		
Legal	\$ 1,000	-
Bank fees	100	-
Commodities		
Salt	3,200	2,495
Contractual services		
Engineering	1,700	1,683
Maintenance	500	-
Snow removal	6,400	7,583
Streetlights/insurance	5,500	5,116
Total expenditures	<u>\$ 18,400</u>	<u>16,877</u>
Net Change in Fund Balance		(840)
Fund Balance - May 1		<u>18,442</u>
Fund Balance - April 30		<u><u>\$ 17,602</u></u>

See independent auditor's report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 3 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments		\$ 5,560
Total revenues		5,560
Expenditures - streets		
Administration		
Legal	\$ 1,000	-
Bank fees	100	-
Commodities		
Salt	1,100	857
Contractual services		
Engineering	1,700	1,683
Maintenance	500	503
Snow removal	2,300	2,131
Streetlights/insurance	1,000	493
Total expenditures	\$ 7,700	5,667
Net Change in Fund Balance		(107)
Fund Balance - May 1		16,329
Fund Balance - April 30		\$ 16,222

See independent auditor's report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 4 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments		\$ 10,180
Total revenues		<u>10,180</u>
Expenditures - streets		
Administration		
Legal	\$ 1,000	-
Bank fees	100	-
Commodities		
Salt	2,600	1,932
Contractual services		
Engineering	1,700	1,683
Maintenance	500	-
Snow removal	5,100	6,027
Streetlights/insurance	6,000	1,370
Total expenditures	<u>\$ 17,000</u>	<u>11,012</u>
Net Change in Fund Balance		(832)
Fund Balance - May 1		<u>19,689</u>
Fund Balance - April 30		<u>\$ 18,857</u>

See independent auditor's report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 5 & 6 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments		\$ -
Total revenues		-
Expenditures - streets		
Administration		
Administration	\$ 30,000	-
Legal	90,000	38,675
Contractual services		
Maintenance	10,000	900
Total expenditures	\$ 130,000	39,575
Net Change in Fund Balance		(39,575)
Fund Balance - May 1 (as restated)		51,761
Fund Balance - April 30		\$ 12,186

See independent auditor's report.

**VILLAGE OF LILY LAKE
PARK DEVELOPMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Revenues		\$ -
Expenditures		
Contractual services		
Electricity	\$ 500	-
Equipment maintenance	500	-
Landscape/sign maintenance	3,000	91
Insurance	-	5,713
	<u>4,000</u>	<u>5,804</u>
Capital improvements		
Equipment	90,000	60,000
Landscaping and sign	15,000	21
Parking lot and paving	4,500	-
	<u>109,500</u>	<u>60,021</u>
Total expenditures	<u>\$ 113,500</u>	<u>65,825</u>
Net Change in Fund Balance		(65,825)
Fund Balance - May 1		<u>128,875</u>
Fund Balance - April 30		<u>\$ 63,050</u>

See independent auditor's report.

**VILLAGE OF LILY LAKE
GENERAL FUND**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Administration		
Personnel		
Appointed	\$ 12,500	\$ 12,480
Elected	7,500	6,500
Employee	13,575	13,572
FICA/medicare/payroll taxes	2,200	1,038
	<u>35,775</u>	<u>33,590</u>
Contractual services		
Legal - general	12,000	71
Accounting services	15,000	13,095
Printing	500	105
Insurance - liability	7,000	6,256
Code hearing officer	900	300
Miscellaneous services	200	-
	<u>35,600</u>	<u>19,827</u>
Commodities		
Office supplies	1,500	906
Postage	400	75
	<u>1,900</u>	<u>981</u>
Other Expenditures		
Subscriptions	1,000	209
Dues	800	738
Publications	1,500	53
Miscellaneous	100	103
	<u>3,400</u>	<u>1,103</u>
Capital outlay		
Equipment	500	125
	<u>500</u>	<u>125</u>
Total administration	<u>\$ 77,175</u>	<u>\$ 55,626</u>

See independent auditor's report.

VILLAGE OF LILY LAKE
GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
MODIFIED CASH BASIS

For the Year Ended April 30, 2014

	Original and Final	Actual
Public works		
Contractual services		
Engineering	\$ 15,000	\$ 11,703
Snow removal	28,500	31,951
Salt storage (rent)	600	600
Maintenance services	65,000	60,758
Capital improvements	5,000	-
	<u>114,100</u>	<u>105,012</u>
Commodities		
Bulk salt	<u>13,400</u>	<u>10,386</u>
Total public works	<u>127,500</u>	<u>115,398</u>
Development		
Contractual services		
Building inspections	15,500	2,595
Engineering	4,000	2,429
	<u>19,500</u>	<u>5,024</u>
Other expenditures		
Grants	100	-
Publications	1,000	39
Training/education	30	-
Other	100	-
	<u>1,230</u>	<u>39</u>
Total development	<u>\$ 20,730</u>	<u>\$ 5,063</u>

See independent auditor's report.

VILLAGE OF LILY LAKE
GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
MODIFIED CASH BASIS

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
Community center		
Contractual services		
Equipment maintenance	\$ 2,500	\$ 1,424
Telephone	3,000	3,087
Building services	3,000	5,460
Lawn care	3,600	3,110
Other	200	-
Janitorial services	1,200	316
	<u>13,500</u>	<u>13,397</u>
Capital improvements		
Parking lot paving and lighting	<u>5,000</u>	<u>-</u>
Total community center	<u>18,500</u>	<u>13,397</u>
Finance		
Other expenditures		
Bank fees	<u>15</u>	<u>34</u>
Other contractual services		
Police protection	6,000	-
Animal control	900	300
Total other contractual services	<u>6,900</u>	<u>300</u>
Contingency		
Contingencies	<u>25,000</u>	<u>-</u>
Total expenditures	<u>\$ 275,820</u>	<u>\$ 189,818</u>

See independent auditor's report.

VILLAGE OF LILY LAKE

NOTES TO SUPPLEMENTAL DATA

April 30, 2014

1. BUDGETS

An annual budget and appropriation ordinance (budget) is prepared. The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

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 budget may be amended by the governing body.

The budget is adopted on a modified cash basis.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, no supplementary appropriations were necessary.

2. EXCESS OF EXPENDITURES OVER BUDGET

Total expenditures for the year were not in excess of budgeted expenditures.