

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

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2017

VILLAGE OF LILY LAKE

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VILLAGE OF LILY LAKE

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VILLAGE OF LILY LAKE

PRINCIPAL OFFICIALS

April 30, 2017

Village President

Rick Overstreet

Trustees

Pam Conn
Mary Rose Damisch
Tim Dell
Janet Marlovits
Christopher Vaughn
Craig Walsh

Treasurer

Lisa Engberg

Clerk

Jesse Heffernan

Karrison LLC

Certified Public Accountant • 1775 Legacy Circle • Naperville, Illinois 60563 • 630.505.3920

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, 2017, 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, 2017 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.

Karwin LLC

Naperville, Illinois
December 20, 2017

VILLAGE OF LILY LAKE

STATEMENT OF NET POSITION
MODIFIED CASH BASIS

April 30, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 585,005
Capital assets, not being depreciated	279,887
Capital assets (net of accumulated depreciation)	<u>1,095,654</u>
Total assets	<u>1,960,546</u>
LIABILITIES	
Occupancy bonds payable	<u>5,000</u>
NET POSITION	
Invested in capital assets	1,375,541
Restricted	
Highways and streets	46,732
Special service areas	109,819
Park development	-
Unrestricted	<u>423,454</u>
Total net position	<u>\$ 1,955,546</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

STATEMENT OF ACTIVITIES MODIFIED CASH BASIS

For the Year Ended April 30, 2017

FUNCTIONS/PROGRAMS					Net (Expense)
					Revenue and
					Change in
					Net Position
					Primary
					Governmental
	Expenses	Charges for Services	Operating Grants	Capital Grants	Activities
PRIMARY GOVERNMENT					
Governmental Activities					
General government	\$ 92,928	\$ 54,754	\$ -	\$ -	\$ (38,174)
Highways and streets	120,156	-	-	-	(120,156)
Public works	98,999	-	-	22,000	(76,999)
Total governmental activities	312,083	54,754	-	22,000	(235,329)
Total primary government	\$ 312,083	\$ 54,754	\$ -	\$ 22,000	(235,329)
General Revenues					
Taxes					
Property					38,566
Motor fuel					25,255
Income					94,546
Sales & use					61,479
Utility					39,993
Telecom					17,314
Franchise fees					14,547
Licenses and permits					49,553
Investment income					269
Miscellaneous					175
Total					341,697
Change in Net Position					106,368
Net Position - May 1					1,849,178
Net Position - April 30					\$ 1,955,546

See accompanying notes to financial statements.

BALANCE SHEET
MODIFIED CASH BASIS

April 30, 2017

ASSETS

Cash and investments	\$ 456,101	\$ -	\$ 50,549	\$ 29,132	\$ 49,223	\$ -	\$ 585,005
Due from other funds	19,085	46,732	-	-	-	-	65,817
Total assets	475,186	46,732	50,549	29,132	49,223	-	650,822

LIABILITIES
AND FUND BALANCES

Liabilities							
Occupancy bonds payable	5,000	-	-	-	-	-	5,000
Due to other funds	46,732	-	2,757	5,853	10,475	-	65,817
Total liabilities	51,732	-	2,757	5,853	10,475	-	70,817
Fund Balances							
Restricted							
Highways and streets	-	46,732	-	-	-	-	46,732
Special service areas	-	-	47,792	23,279	38,748	-	109,819
Park development	-	-	-	-	-	-	-
Unrestricted							
Unassigned	423,454	-	-	-	-	-	423,454
Total fund balances	423,454	46,732	47,792	23,279	38,748	-	580,005
Total liabilities and fund balances	\$ 475,186	\$ 46,732	\$ 50,549	\$ 29,132	\$ 49,223	\$ -	\$ 650,822

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, 2017

Fund Balances of Governmental Funds	\$ 580,005
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>1,375,541</u>
Net Position of Governmental Activities	<u>\$ 1,955,546</u>

See accompanying notes to financial statements.

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

For the Year Ended April 30, 2017

	General	Motor Fuel Tax	Service Area 2	Service Area 3	Service Area 4	Park Development	Total
Revenues							
Taxes	\$ 251,898	\$ 25,255	\$ -	\$ -	\$ -	\$ -	\$ 277,153
Charges for services	-	-	27,515	8,339	18,900	-	54,754
Licenses and permits	28,153	-	-	-	-	-	28,153
Fines and fees	35,947	-	-	-	-	-	35,947
Grants	22,000	-	-	-	-	-	22,000
Investment income	269	-	-	-	-	-	269
Miscellaneous	175	-	-	-	-	-	175
Total revenues	338,442	25,255	27,515	8,339	18,900	-	418,451
Expenditures							
Current							
General government	67,021	-	-	-	-	-	67,021
Highways and streets	-	44,000	8,489	900	4,823	-	58,212
Public works	351,212	-	-	-	-	-	351,212
Capital outlay	-	-	-	-	-	10,328	10,328
Total expenditures	418,233	44,000	8,489	900	4,823	10,328	486,773
Excess (Deficiency) of Revenues over Expenditures	(79,791)	(18,745)	19,026	7,439	14,077	(10,328)	(68,322)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	19,754	19,754
Transfers (out)	(19,754)	-	-	-	-	-	(19,754)
Total	(19,754)	-	-	-	-	19,754	-
Net Change in Fund Balances	(99,545)	(18,745)	19,026	7,439	14,077	9,426	(68,322)
Fund Balances - May 1	522,999	65,477	28,766	15,840	24,671	(9,426)	648,327
Fund Balances - April 30	\$ 423,454	\$ 46,732	\$ 47,792	\$ 23,279	\$ 38,748	\$ -	\$ 580,005

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, 2017

Net Change in Fund Balances - Total Governmental Funds	\$ (68,322)
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	306,082
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>(131,392)</u>
Change in Net Position of Governmental Activities	<u>\$ 106,368</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS

April 30, 2017

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 Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following is a summary of the significant accounting policies of the 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. As of the date of this report, 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, 2017

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, and 4 – 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, 2017

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, 2017

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 acquisition 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, 2017

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, 2017

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, 2017, the Village had \$100,080 of deposits which were uninsured and uncollateralized.

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2017

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, 2017 was as follows:

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2017

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 279,887	-	-	\$ 279,887
Construction in progress	322,114	-	322,114	-
	<u>602,001</u>	<u>-</u>	<u>322,114</u>	<u>279,887</u>
Capital assets being depreciated				
Village Hall	518,148	-	-	518,148
Roads	4,370,851	619,440	-	4,990,291
Indian Creek Drainage Project	406,658	-	-	406,658
Park Equipment	223,329	8,758	-	232,087
	<u>5,518,986</u>	<u>628,198</u>	<u>-</u>	<u>6,147,184</u>
Less accumulated depreciation				
Village Hall	336,793	25,907	-	362,700
Roads	4,370,851	61,944	-	4,432,795
Indian Creek Drainage Project	142,331	20,333	-	162,664
Park Equipment	70,163	23,208	-	93,371
	<u>4,920,138</u>	<u>131,392</u>	<u>-</u>	<u>5,051,530</u>
Total capital assets being depreciated	<u>598,848</u>	<u>496,806</u>	<u>-</u>	<u>1,095,654</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 1,200,849</u>	<u>\$ 496,806</u>	<u>322,114</u>	<u>\$ 1,375,541</u>

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

GOVERNMENTAL ACTIVITIES	
General government	25,907
Highways and streets	61,944
Public works	43,541
Total	<u>\$ 131,392</u>

VILLAGE OF LILY LAKE

NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2017

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.

7. INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 19,085	\$ 46,732
Motor Fuel Tax	46,732	-
Special Service Area 2	-	2,757
Special Service Area 3	-	5,853
Special Service Area 4	-	10,475
	<u>\$ 65,817</u>	<u>\$ 65,817</u>

8. SUBSEQUENT EVENTS

The Village has evaluated subsequent events through December 20, 2017, the date on which the financial statements were available to be issued.

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, 2017

	Original and Final Budget	Actual
Revenues		
Taxes		
Property - road and bridge		\$ 38,566
Income		94,546
Sales		37,218
Use		24,261
Utility		39,993
Telecom		17,314
Licenses and permits		
Administration fee		12,792
Culvert		900
Building inspection fees		11,186
Liquor licenses		3,275
Fines and fees		
Fines and penalties		19,900
Variance/special use		1,500
Cable television franchise		14,547
Grants		22,000
Investment income		269
Miscellaneous		175
Total revenues		<u>338,442</u>
Expenditures		
General government	\$ 208,150	67,021
Public works	345,350	351,212
Total expenditures	<u>\$ 553,500</u>	<u>418,233</u>
Excess (Deficiency) of Revenues over Expenditures		(79,791)
Other Financing Uses		
Transfers (Out)		<u>(19,754)</u>
Net Change in Fund Balance		(99,545)
Fund Balance - May 1		<u>522,999</u>
Fund Balance - April 30		<u>\$ 423,454</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, 2017

	Original and Final Budget	Actual
Revenues		
Taxes		
Motor fuel	\$ 24,000	\$ 25,255
Total revenues	24,000	25,255
Expenditures		
Capital improvements	24,000	44,000
Total expenditures	24,000	44,000
Net Change in Fund Balance	<u>\$ -</u>	(18,745)
Fund Balance - May 1		<u>65,477</u>
Fund Balance - April 30		<u><u>\$ 46,732</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, 2017

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments	\$ 25,650	\$ 27,515
Total revenues	<u>25,650</u>	<u>27,515</u>
Expenditures - streets		
Administration		
Bank fees	100	-
Commodities		
Salt	3,200	332
Contractual services		
Engineering	500	495
Insurance - casualty	350	-
Legal	1,000	-
Maintenance	8,000	-
Snow removal	6,500	2,141
Streetlights/insurance	<u>6,000</u>	<u>5,521</u>
Total expenditures	<u>25,650</u>	<u>8,489</u>
Net Change in Fund Balance	<u>\$ -</u>	19,026
Fund Balance - May 1		<u>28,766</u>
Fund Balance - April 30		<u>\$ 47,792</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, 2017

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments	\$ 9,061	\$ 8,339
Total revenues	9,061	8,339
Expenditures - streets		
Administration		
Bank fees	100	-
Commodities		
Salt	1,700	115
Contractual services		
Insurance - casualty	500	-
Maintenance	4,061	-
Snow removal	2,500	744
Streetlights	200	41
Total expenditures	9,061	900
Net Change in Fund Balance	\$ -	7,439
Fund Balance - May 1		15,840
Fund Balance - April 30		\$ 23,279

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, 2017

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments	\$ 16,700	\$ 18,900
Total revenues	16,700	18,900
Expenditures - streets		
Administration		
Bank fees	100	-
Commodities		
Salt	2,600	266
Contractual services		
Engineering	500	-
Insurance - casualty	500	-
Legal	1,000	-
Maintenance	4,000	2,464
Snow removal	5,200	1,713
Streetlights	5,500	380
Total expenditures	19,400	4,823
Net Change in Fund Balance	<u>\$ (2,700)</u>	14,077
Fund Balance - May 1		<u>24,671</u>
Fund Balance - April 30		<u>\$ 38,748</u>

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, 2017

	Original and Final Budget	Actual
Revenues	\$ -	\$ -
Expenditures		
Contractual services		
Equipment maintainance	250	265
Landscape/sign maintenance	16,000	446
Insurance	1,200	673
Electricity	3,000	186
	<u>20,450</u>	<u>1,570</u>
Capital improvements		
Equipment	5,000	3,574
Landscaping and sign	10,000	5,184
	<u>15,000</u>	<u>8,758</u>
Total expenditures	<u>35,450</u>	<u>10,328</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (35,450)</u>	(10,328)
Other Financing Sources		
Transfers in		19,754
Net Change in Fund Balance		9,426
Fund Balance - May 1		<u>(9,426)</u>
Fund Balance - April 30		<u>\$ -</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, 2017

	Original and Final Budget	Actual
Administration		
Personnel		
Appointed	\$ 12,500	\$ 9,900
Elected	7,800	6,200
Employee	18,500	18,089
Medicare	1,400	324
Social security	5,800	1,383
Employee taxes	2,400	96
Administration	-	73
	<u>48,400</u>	<u>36,065</u>
Contractual services		
Legal - general	35,000	11,993
Accounting services	7,500	6,515
Printing	250	-
Insurance - liability	8,000	8,067
Code hearing officer	1,200	-
Miscellaneous	-	10
	<u>51,950</u>	<u>26,585</u>
Commodities		
Office supplies	2,000	1,389
Postage	800	94
	<u>2,800</u>	<u>1,483</u>
Other Expenditures		
Subscriptions/website	1,500	665
Dues	1,100	913
Publications	1,000	215
Community relations	500	95
Training and education	350	-
Miscellaneous	1,000	1,000
	<u>5,450</u>	<u>2,888</u>
Capital outlay		
Furniture	500	-
	<u>500</u>	<u>-</u>
Total administration	<u>\$ 109,100</u>	<u>\$ 67,021</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, 2017

	Original and Final	Actual
Public works		
Contractual services		
Engineering	\$ 45,000	\$ 31,837
Snow removal	29,000	9,577
Salt storage (rent)	600	-
Maintenance services	256,000	270,950
	<u>330,600</u>	<u>312,364</u>
Commodities		
Bulk salt	14,000	1,486
	<u>14,000</u>	<u>1,486</u>
Capital outlay		
Capital improvements	-	8,649
	<u>-</u>	<u>8,649</u>
Other Expenditures		
Grants	100	-
Publications	300	-
Training and education	350	-
	<u>750</u>	<u>-</u>
	<u>750</u>	<u>-</u>
Total public works	<u>345,350</u>	<u>322,499</u>
Development		
Contractual services		
Building inspections	5,500	8,566
Engineering	4,000	4,848
Planning	4,000	-
	<u>13,500</u>	<u>13,414</u>
Other expenditures		
Grants	100	-
Publications	300	116
Training and education	350	-
	<u>750</u>	<u>116</u>
	<u>750</u>	<u>116</u>
Total development	<u>\$ 14,250</u>	<u>\$ 13,530</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, 2017

	Original and Final Budget	Actual
Community center		
Contractual services		
Equipment maintenance	\$ 4,000	\$ 1,584
Telephone	3,000	2,504
Animal control	300	-
Building services	10,000	938
Lawn care	5,500	4,636
Police protection	1,000	780
Janitorial services	900	706
	<u>24,700</u>	<u>11,148</u>
Capital improvements		
Landscaping and sign	1,000	698
Parking lot paving and lighting	6,000	519
Village hall	33,000	2,783
	<u>40,000</u>	<u>4,000</u>
Total community center	<u>64,700</u>	<u>15,148</u>
Finance		
Other expenditures		
Bank fees	50	35
Training & education	50	-
	<u>100</u>	<u>35</u>
Contingency		
Contingencies	<u>20,000</u>	<u>-</u>
Total expenditures	<u>\$ 553,500</u>	<u>\$ 418,233</u>

See independent auditor's report.

VILLAGE OF LILY LAKE

NOTES TO SUPPLEMENTAL DATA

April 30, 2017

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.

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

Motor Fuel Tax fund expenditures for the year were in excess of budgeted expenditures by \$20,000. The excess was retention of 2015 Road Improvements Program paid in full in fiscal 2017.