

**Village of Sauk Village,
Illinois**

Annual Financial Report

Year Ended October 31, 2011

Village of Sauk Village, Illinois
ANNUAL FINANCIAL REPORT
Year Ended October 31, 2011

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FINANCIAL SECTION

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Acting Mayor and
Members of the Board of Trustees
Village of Sauk Village, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Sauk Village, as of and for the year ended October 31, 2011, which collectively comprise the Village's basic financial statements, as listed in the table of contents, except as described in the following paragraph. These financial statements are the responsibility of the Village of Sauk Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

We did not audit the financial statements of the Firefighters' Pension Fund, which is a pension trust fund included as a fiduciary fund, whose accounts are included in the basic financial statements. Total assets and revenues of the Firefighters' Pension Fund constitute substantially all of the assets and revenues of the fiduciary fund types. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Firefighters' Pension Fund in the Village's basic financial statements, is based solely on the report of the other auditors. In addition, those statements are as of and for the year ended April 30, 2011, which is consistent with the fiscal year of the Fund.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Management has not included the Police Pension Fund in the Village's financial statements. Accounting principles generally accepted in the United States of America require the Police Pension Fund to be presented as a pension trust fund in the aggregate remaining fund information financial statements. The amount by which this departure would affect the assets, liabilities, net assets, additions, and deductions of the aggregate remaining fund information is not reasonably determinable.

To the Honorable Acting Mayor and
Members of the Board of Trustees
Village of Sauk Village, Illinois

(Continued)

In our opinion, because of the omission of the Police Pension Fund, as discussed previously, the financial statements referred to in the first paragraph of this report do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate remaining fund information of the Village of Sauk Village as of October 31, 2011, or the changes in financial position thereof for the year then ended.

In addition, in our opinion, except for the effects of not including financial information of the Police Pension Fund, as described previously, based on our audit and the reports of the other auditors, the financial statements referred to in the first paragraph of this report present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Sauk Village as of October 31, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note A to the financial statements, the Village adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, during the current fiscal year.

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund and Firefighters' Pension Fund historical data on pages 61 and 62, the other postemployment benefits data on page 63, and the budgetary comparison schedules and notes to required supplementary information on pages 64 and 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The financial statements do not include the management's discussion and analysis, which is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Our opinion on the basic financial statements is not affected by this missing information.

To the Honorable Acting Mayor and
Members of the Board of Trustees
Village of Sauk Village, Illinois

(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Sauk Village's basic financial statements. The other schedules, listed in the table of contents as Other Supplementary Information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the 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 Other Information has 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 it.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
October 31, 2013

BASIC FINANCIAL STATEMENTS

Village of Sauk Village, Illinois
STATEMENT OF NET ASSETS (Deficit)
October 31, 2011

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Current			
Cash and cash equivalents	\$ 10,830,319	\$ 360,783	\$ 11,191,102
Receivables	2,776,659	223,338	2,999,997
Noncurrent			
Internal balances	(67,983)	67,983	-
Land held for resale	1,063,822	-	1,063,822
Unamortized bond issuance costs	1,201,040	-	1,201,040
Capital assets not being depreciated	574,003	7,500	581,503
Capital assets, net of accumulated depreciation	<u>12,579,302</u>	<u>2,741,175</u>	<u>15,320,477</u>
 Total assets	 <u>28,957,162</u>	 <u>3,400,779</u>	 <u>32,357,941</u>
LIABILITIES			
Current			
Accounts payable	1,160,744	62,106	1,222,850
Accrued payroll	141,584	23,131	164,715
Accrued interest	691,461	-	691,461
Deposits payable	-	170,827	170,827
Unearned revenue	165,000	-	165,000
Due to county government	499,937	-	499,937
Other	16,389	-	16,389
Noncurrent			
Due within one year	2,117,298	24,016	2,141,314
Due in more than one year	<u>43,765,629</u>	<u>-</u>	<u>43,765,629</u>
 Total liabilities	 <u>48,558,042</u>	 <u>280,080</u>	 <u>48,838,122</u>
NET ASSETS (Deficit)			
Investment in capital assets, net of related debt	6,853,074	2,748,675	9,601,749
Restricted by enabling legislation	12,562,428	-	12,562,428
Unrestricted	<u>(39,016,382)</u>	<u>372,024</u>	<u>(38,644,358)</u>
 Total net assets (deficit)	 <u>\$ (19,600,880)</u>	 <u>\$ 3,120,699</u>	 <u>\$ (16,480,181)</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
STATEMENT OF ACTIVITIES
Year Ended October 31, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental activities			
General government	\$ 2,229,710	\$ 487,462	\$ 108,019
Public safety	4,394,462	293,955	99,821
Public works	607,098	-	1,256,150
Interest	2,829,322	-	-
Total governmental activities	10,060,592	781,417	1,463,990
Business-type activities			
Waterworks	1,024,031	893,422	-
Sewerage	491,438	646,085	-
Total business-type activities	1,515,469	1,539,507	-
Total	\$ 11,576,061	\$ 2,320,924	\$ 1,463,990

General revenues
Taxes
Intergovernmental
Interest
Impact fees
Miscellaneous
Transfers

Total general revenues

Change in net assets

Net assets (deficit) - beginning

Net assets (deficit) - ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (1,634,229)	\$ -	\$ (1,634,229)
(4,000,686)	-	(4,000,686)
649,052	-	649,052
<u>(2,829,322)</u>	<u>-</u>	<u>(2,829,322)</u>
<u>(7,815,185)</u>	<u>-</u>	<u>(7,815,185)</u>
-	(130,609)	(130,609)
<u>-</u>	<u>154,647</u>	<u>154,647</u>
-	24,038	24,038
<u>(7,815,185)</u>	<u>24,038</u>	<u>(7,791,147)</u>
6,777,416	-	6,777,416
2,038,252	-	2,038,252
4,849	-	4,849
437,322	-	437,322
54,636	12,749	67,385
<u>(75,792)</u>	<u>75,792</u>	<u>-</u>
<u>9,236,683</u>	<u>88,541</u>	<u>9,325,224</u>
1,421,498	112,579	1,534,077
<u>(21,022,378)</u>	<u>3,008,120</u>	<u>(18,014,258)</u>
<u>\$ (19,600,880)</u>	<u>\$ 3,120,699</u>	<u>\$ (16,480,181)</u>

Village of Sauk Village, Illinois

Governmental Funds

BALANCE SHEET

October 31, 2011

	General Fund	Debt Service Fund	Sauk Point Industrial Park Fund	LogistiCenter at Sauk Village Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 323,296	\$ 8,785,216	\$ 28,615	\$ 21,644	\$ 1,671,548	\$ 10,830,319
Receivables, net of allowances						
Property taxes	545,450	-	188,408	918,329	382,840	2,035,027
Intergovernmental	404,327	-	-	-	157,439	561,766
Other	141,495	-	-	-	38,371	179,866
Advances to other funds	53,090	-	12,609	215,794	1,341,671	1,623,164
Land held for resale	-	-	-	1,063,822	-	1,063,822
	\$ 1,467,658	\$ 8,785,216	\$ 229,632	\$ 2,219,589	\$ 3,591,869	\$ 16,293,964
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 743,293	\$ -	\$ -	\$ 7,125	\$ 410,326	\$ 1,160,744
Accrued payroll	141,114	-	-	-	470	141,584
Advances from other funds	1,461,459	-	215,660	985	13,043	1,691,147
Unearned revenue	285,572	-	-	-	292,431	578,003
Due to county government	499,937	-	-	-	-	499,937
Other	16,389	-	-	-	-	16,389
	3,147,764	-	215,660	8,110	716,270	4,087,804
Fund balances (deficits)						
Nonspendable						
Advances to other funds	53,090	-	12,609	215,794	1,341,671	1,623,164
Land held for resale	-	-	-	1,063,822	-	1,063,822
Restricted						
Railroad noise and safety improvements	270,000	-	-	-	-	270,000
Special revenue funds	-	-	-	-	858,363	858,363
Debt service funds	-	8,785,216	-	-	-	8,785,216
Capital projects funds	-	-	1,363	931,863	931,214	1,864,440
Unassigned	(2,003,196)	-	-	-	(255,649)	(2,258,845)
	(1,680,106)	8,785,216	13,972	2,211,479	2,875,599	12,206,160
Total fund balance (deficit)	(1,680,106)	8,785,216	13,972	2,211,479	2,875,599	12,206,160
Total liabilities and fund balance	\$ 1,467,658	\$ 8,785,216	\$ 229,632	\$ 2,219,589	\$ 3,591,869	\$ 16,293,964

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
Governmental Funds
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS (DEFICIT)
October 31, 2011

Total fund balance - governmental funds \$ 12,206,160

Amounts reported for governmental activities in the statement of net assets (deficit) differ from the governmental funds balance sheet because:

Certain revenues that are unearned in the fund financial statements because they are not considered available are recognized as revenue in the government-wide financial statements 413,003

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. 13,153,305

Bond issuance costs that are recorded as an expenditure in the fund financial statements are an asset that is amortized over the life of the related bonds in the government-wide financial statements. 1,201,040

Premiums on bonds that are recorded as other financing sources in the fund financial statements are liabilities that are amortized over the life of the related bonds in the government-wide financial statements. (462,552)

Certain liabilities, including bonds payable, capital leases, accrued interest, compensated absences, net pension obligations, net other postemployment benefit obligations, and claims payable, do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds. (46,111,836)

Net assets (deficit) - governmental activities \$ (19,600,880)

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)

Year Ended October 31, 2011

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Sauk Point Industrial Park Fund</u>	<u>LogistiCenter at Sauk Village Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Property taxes	\$ 1,848,213	\$ -	\$ 1,099,314	\$ 2,840,392	\$ 1,068,774	\$ 6,856,693
Licenses and permits	254,506	-	-	-	-	254,506
Charges for services	728,006	-	-	-	333,914	1,061,920
Intergovernmental	1,451,012	-	-	-	950,052	2,401,064
Fines and forfeitures	193,917	-	-	-	-	193,917
Impact fees	-	437,322	-	-	-	437,322
Interest	444	626	-	11	3,768	4,849
Contributions and donations	413,019	-	-	-	-	413,019
Miscellaneous	18,009	4,300	-	4,903	27,424	54,636
Total revenues	<u>4,907,126</u>	<u>442,248</u>	<u>1,099,314</u>	<u>2,845,306</u>	<u>2,383,932</u>	<u>11,677,926</u>
Expenditures						
Current						
General government	1,779,641	10,641	329	42,204	132,056	1,964,871
Public safety	3,226,212	-	-	-	517,553	3,743,765
Public works	167,559	-	-	-	134,985	302,544
Debt service						
Principal	-	1,989,000	-	-	79,418	2,068,418
Interest	-	1,668,912	-	-	23,533	1,692,445
Capital outlay	43,105	-	-	-	716,899	760,004
Total expenditures	<u>5,216,517</u>	<u>3,668,553</u>	<u>329</u>	<u>42,204</u>	<u>1,604,444</u>	<u>10,532,047</u>
Excess (deficiency) of revenues over expenditures	<u>(309,391)</u>	<u>(3,226,305)</u>	<u>1,098,985</u>	<u>2,803,102</u>	<u>779,488</u>	<u>1,145,879</u>
Other financing sources (uses)						
Transfers in	212,905	3,297,982	-	-	20,344	3,531,231
Transfers (out)	<u>(20,344)</u>	<u>-</u>	<u>(1,223,996)</u>	<u>(2,075,470)</u>	<u>(287,213)</u>	<u>(3,607,023)</u>
Total other financing sources (uses)	<u>192,561</u>	<u>3,297,982</u>	<u>(1,223,996)</u>	<u>(2,075,470)</u>	<u>(266,869)</u>	<u>(75,792)</u>
Net change in fund balances	(116,830)	71,677	(125,011)	727,632	512,619	1,070,087
Fund balances (deficits)						
Beginning of year	<u>(1,563,276)</u>	<u>8,713,539</u>	<u>138,983</u>	<u>1,483,847</u>	<u>2,362,980</u>	<u>11,136,073</u>
End of year	<u>\$ (1,680,106)</u>	<u>\$ 8,785,216</u>	<u>\$ 13,972</u>	<u>\$ 2,211,479</u>	<u>\$ 2,875,599</u>	<u>\$ 12,206,160</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
 THE STATEMENT OF ACTIVITIES
Year Ended October 31, 2011

Net change in fund balances - total governmental funds	\$ 1,070,087
Amounts reported for governmental activities in the statement of activities are different because:	
Certain revenues that are unearned in the fund financial statements because they are not considered available are recognized as revenue in the government-wide financial statements.	(120,044)
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. This is the amount by which depreciation expense exceeded capital asset additions.	(30,806)
Bond issuance costs are recorded as an expenditure in the fund financial statements, but the cost is recorded as an asset in the statement of net assets that is amortized over the life of the related bonds.	(90,264)
Premiums on bonds are recorded as other financing sources in the fund financial statements, but the premium is recorded as a liability in the statement of net assets that is amortized over the life of the related bonds.	26,208
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt, increases in compensated absences, and increases in accrued interest payable consume the current financial resources of governmental funds.	<u>566,317</u>
Change in net assets (deficit) - governmental activities	<u><u>\$ 1,421,498</u></u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Enterprise Funds

STATEMENT OF NET ASSETS

October 31, 2011

	Waterworks Fund	Sewerage Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current			
Cash and cash equivalents	\$ -	\$ 360,783	\$ 360,783
Receivables, net	129,407	93,931	223,338
	<u> </u>	<u> </u>	<u> </u>
Total current assets	129,407	454,714	584,121
	<u> </u>	<u> </u>	<u> </u>
Noncurrent			
Advances to other funds	4,594	108,030	112,624
Capital assets not being depreciated	7,500	-	7,500
Capital assets, net of accumulated depreciation	2,199,587	541,588	2,741,175
	<u> </u>	<u> </u>	<u> </u>
Total noncurrent assets	2,211,681	649,618	2,861,299
	<u> </u>	<u> </u>	<u> </u>
Total assets	2,341,088	1,104,332	3,445,420
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES			
Accounts payable	46,698	15,408	62,106
Accrued payroll	13,299	9,832	23,131
Compensated absences	11,149	12,867	24,016
Advances from other funds	40,047	4,594	44,641
Deposits	170,827	-	170,827
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	282,020	42,701	324,721
	<u> </u>	<u> </u>	<u> </u>
NET ASSETS			
Invested in capital assets, net of related debt	2,207,087	541,588	2,748,675
Unrestricted (deficit)	(148,019)	520,043	372,024
	<u> </u>	<u> </u>	<u> </u>
Total net assets	\$ 2,059,068	\$ 1,061,631	\$ 3,120,699
	<u> </u>	<u> </u>	<u> </u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
 Enterprise Funds
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN NET ASSETS
Year Ended October 31, 2011

	Waterworks Fund	Sewerage Fund	Total
Operating revenues			
Charges for services	\$ 893,422	\$ 646,085	\$ 1,539,507
Meter sales	7,080	-	7,080
Miscellaneous	5,669	-	5,669
Total operating revenues	<u>906,171</u>	<u>646,085</u>	<u>1,552,256</u>
Operating expenses			
Operations	832,967	465,490	1,298,457
Depreciation	191,064	25,948	217,012
Total operating expenses	<u>1,024,031</u>	<u>491,438</u>	<u>1,515,469</u>
Operating income (loss)	(117,860)	154,647	36,787
Other financing sources			
Transfers in	<u>37,896</u>	<u>37,896</u>	<u>75,792</u>
Change in net assets	(79,964)	192,543	112,579
Net assets			
Beginning of year	<u>2,139,032</u>	<u>869,088</u>	<u>3,008,120</u>
End of year	<u>\$ 2,059,068</u>	<u>\$ 1,061,631</u>	<u>\$ 3,120,699</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Enterprise Funds

STATEMENT OF CASH FLOWS

Year Ended October 31, 2011

	Waterworks Fund	Sewerage Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 927,745	\$ 665,686	\$ 1,593,431
Cash paid to suppliers	(349,566)	(67,810)	(417,376)
Cash paid to employees	(492,130)	(377,790)	(869,920)
Net cash provided by operating activities	<u>86,049</u>	<u>220,086</u>	<u>306,135</u>
Cash flows from noncapital financing activities			
Transfers in	37,896	37,896	75,792
Changes in advances to/from other funds, net	(269,983)	102,400	(167,583)
Net cash provided by (used in) noncapital financing activities	<u>(232,087)</u>	<u>140,296</u>	<u>(91,791)</u>
Cash flows from capital financing activities			
Purchases of capital assets	(42,731)	-	(42,731)
Net increase (decrease) in cash and cash equivalents	(188,769)	360,382	171,613
Cash and cash equivalents			
Beginning of year	<u>188,769</u>	<u>401</u>	<u>189,170</u>
End of year	<u>\$ -</u>	<u>\$ 360,783</u>	<u>\$ 360,783</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
 Enterprise Funds
 STATEMENT OF CASH FLOWS (Continued)
Year Ended October 31, 2011

	<u>Waterworks Fund</u>	<u>Sewerage Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ (117,860)	\$ 154,647	\$ 36,787
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	191,064	25,948	217,012
Decrease (increase) in assets			
Receivables	20,456	19,601	40,057
Increase (decrease) in liabilities			
Accounts payable	(23,841)	11,358	(12,483)
Accrued payroll	13,299	7,418	20,717
Compensated absences	1,813	1,114	2,927
Deposits	1,118	-	1,118
Net cash provided by operating activities	<u>\$ 86,049</u>	<u>\$ 220,086</u>	<u>\$ 306,135</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
Fiduciary Fund - Agency Fund
STATEMENT OF ASSETS AND LIABILITIES
October 31, 2011

	<u>Agency Fund</u>
	<u>Flexible Benefits</u>
ASSETS	
Cash and cash equivalents	\$ <u>6,758</u>
LIABILITIES	
Due to employees	\$ <u>6,758</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
Fiduciary Fund - Firefighters' Pension Trust Fund
STATEMENT OF NET ASSETS
April 30, 2011

	<u>Pension Trust Fund</u>
	<u>Firefighters' Pension</u>
ASSETS	
Cash and cash equivalents	\$ <u>145,431</u>
 NET ASSETS	
Held in trust for pension benefits	\$ <u>145,431</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
 Fiduciary Fund - Firefighters' Pension Trust Fund
 STATEMENT OF CHANGES IN PLAN NET ASSETS
Year Ended April 30, 2011

	Pension Trust Fund
	Firefighters' Pension
Additions	
Contributions	
Employer	\$ 9,978
Members	5,727
Total contributions	15,705
Investment income	
Net appreciation in fair value of investments	402
Interest	77
Net investment income	479
Total additions	16,184
Deductions	
Administrative expense	500
Total deductions	500
Change in net assets	15,684
Net assets held in trust for pension benefits	
Beginning of year	129,747
End of year	\$ 145,431

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
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October 31, 2011

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Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Sauk Village (the "Village") was incorporated in 1957. The Village is located in Cook County, Illinois, with a small portion located in Will County, Illinois. The Village operates under the mayor-trustee form of government. The Village Board consists of five elected members that exercise all powers of the Village but are accountable to their constituents for their actions. The Village provides the following services as authorized by its charter: public safety (police, fire, civil defense and emergency), highways and streets, parks and playgrounds, sanitation, water and sewer, public improvements, planning and zoning, and general administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the Village's significant accounting policies:

1. **Reporting Entity**

As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- a. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- b. Fiscal dependency on the primary government.

Based on the above criteria, the Village does not have any component units.

2. **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets (deficit) and the statement of activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed 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 services.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide and Fund Financial Statements (Continued)

The statement of net assets (deficit) presents the Village's non-fiduciary assets and liabilities with the difference reported as net assets in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets arise when constraints placed on the use of net assets are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function 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 contributions 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 as general revenues.

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

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Basis of Presentation - Fund Accounting

The accounts of the Village are organized on the basis of funds, which are considered as separate accounting entities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The Village's resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into generic fund types and broad fund categories as follows:

a. Governmental Fund Types

Governmental funds are those through which governmental functions of the Village are financed. The Village's expendable financial resources (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is based upon the determination of changes in financial position, rather than upon net income determination. The following are the Village's governmental fund types:

- i. The *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.
- ii. *Special revenue funds* are used to account for the proceeds of specific revenue sources (other than debt service or capital projects) that are legally restricted to expenditures for specified purposes. The Village's special revenue funds are the Fire Protection, Motor Fuel Tax, Emergency Telephone System, Police Seizure, and Working Cash funds.
- iii. *Debt service funds* are used to account for the accumulation of resources for debt service payments. The Village has one such fund - the Debt Service Fund.
- iv. *Capital projects funds* are used to account for the use of resources for capital improvements. The Village's capital projects funds are the Sauk Pointe Industrial Park, Logisticenter at Sauk Village, Utility Tax, Community Development Block Grant, Sauk Plaza Redevelopment Plan, SurreyBrook Plaza, and the Municipal Building funds.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. **Basis of Presentation - Fund Accounting** (Continued)

b. **Proprietary Fund Types**

Proprietary funds are used to account for the Village's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income.

- i. *Enterprise funds* are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Village's enterprise funds are the Waterworks and Sewerage funds.

c. **Fiduciary Fund Types**

Fiduciary funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

- i. *Pension trust funds* are accounted for in essentially the same manner as proprietary funds, since capital maintenance is critical. The Police Pension Fund (not included in this report) and the Firefighters' Pension Fund are the Village's pension trust funds, and are audited by other auditors.
- ii. *Agency funds* are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The Flexible Benefits Fund is the Village's sole agency fund.

4. **Fund Balance**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), which was adopted by the Village as of the fiscal year ended October 31, 2011. In the fund financial statements, governmental funds now report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or land held for resale.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Fund Balance (Continued)

- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision making authority (the Village Board). The Village Board commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the Village removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At October 31, 2011, the Village had no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the Village's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Trustees or the individual the Village Board delegates the authority to assign amounts to be used for specific purposes. The Village Board has not delegated this authority as of October 31, 2011. At October 31, 2011, the Village had no assigned fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

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

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

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers property taxes as available if they are collected within 60 days of the end of the current fiscal period. A six-month availability period is used for revenue recognition for all other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All taxes are reported as general revenues.

Property taxes, interest revenue, and charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

The *Sauk Pointe Industrial Park Fund* is a capital projects fund which accounts for the revenue generated from the tax incremental finance district for office and light manufacturing development.

The *Logisticenter at Sauk Village Fund* is a capital projects fund which accounts for the revenue generated from the tax incremental finance district to finance the first phase development and construction of a one hundred and fifty-acre intermodal transportation facility.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Village reports the following major proprietary funds:

The *Waterworks Fund* accounts for the provision of potable water services to the residents of the Village. All activities necessary to provide such services are accounted for in this Fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The *Sewerage Fund* accounts for the provision of sewerage services to the residents of the Village. All activities necessary to provide such services are accounted for in this Fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The Village's proprietary funds apply all applicable GASB pronouncements as well as relevant Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case the GASB pronouncements prevail.

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 enterprise funds are charges to customers for sales and services. 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.

The Village reports unearned revenue on its balance sheet. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue also arises when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

6. Cash Equivalents

The Village considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Receivables

The recognition of receivables associated with nonexchange transactions is as follows:

- Derived tax receivables (such as sales, income, and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables such as grants are recognized when all eligibility requirements have been met.

8. Investments

Investments are stated at fair value. Due to the nature of the Village's and Firefighters Trust Pension Funds' investments, fair value equals cost. No amortization is made to interest income for discounted federal securities. Gains and losses on the sale of investments are recorded as interest income at the date of sale or maturity.

9. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered, and for lending/borrowing purposes. These receivables and payables are classified as "due from/to other funds" (the current portion of interfund transactions) or "advance from/to other fund" (the noncurrent portion of interfund transactions) on the fund balance sheets.

Advances between funds are offset by a fund balance reserve, in applicable governmental funds, to indicate that they are not available for appropriation and are not expendable, available financial resources.

10. Land Held for Resale

The Village values its land held for resale at the lower of cost or market.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having a useful life greater than four years with an initial individual cost of more than \$5,000 for machinery and equipment, \$25,000 for property and buildings, and \$50,000 for infrastructure. 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.

Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend assets' lives, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Years</u>
Buildings and improvements	20 - 40
Waterworks and sewerage systems	10 - 40
Machinery and equipment	5 - 25
Vehicles	4 - 15
Water meters	10 - 20
Infrastructure	15 - 40

12. Compensated Absences

Accumulated vacation and sick leave that are expected to be liquidated with expendable, available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay them, typically the General Fund. Accumulated vacation and sick leave that are not expected to be liquidated with expendable, available financial resources are reported as long-term debt on the government-wide statement of net assets. Accumulated vacation and sick leave of the proprietary funds is recorded as expenses and liabilities of that fund as the benefits accrue to employees.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. 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 or business-type activities statement of net assets. Items such as premiums, discounts, bond issuance costs and gains or losses on bond sales are capitalized and amortized over the life of the related debt.

In the governmental fund financial statements, 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.

14. Restrictions of Net Assets

The government-wide statement of net assets reports net assets restricted by enabling legislation which consist of the following:

<u>Net assets restricted for:</u>	<u>Amount</u>
Road improvements	\$ 208,167
Public safety	910,420
Emergency 911 services	22,703
Tax increment financing projects	2,701,326
Debt service	<u>8,719,812</u>
Total net assets restricted by enabling legislation	\$ <u><u>12,562,428</u></u>

15. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Assets (Deficit)

The governmental funds balance sheet includes a reconciliation between fund balance – governmental funds and net assets (deficit) – governmental activities as reported in the government-wide statement of net assets (deficit).

One element of that reconciliation explains that “Certain liabilities, do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds.” The details of this difference are as follows:

Alternate revenue bonds payable	\$ 42,351,275
General obligation bonds payable	525,000
Capital leases payable	401,824
Accrued interest	691,461
Compensated absences payable	74,247
Net IMRF pension obligation	61,406
Net pension obligations	1,541,494
Net other postemployment benefit obligation	301,141
Claims payable	<u>163,988</u>
Net total long-term liabilities not reported in governmental funds	<u>\$ 46,111,836</u>

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net assets - governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that “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.” The details of this difference are as follows:

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

(Continued)

Capital outlay	\$ 760,004
Depreciation expense	<u>(790,810)</u>
Net total amount by which depreciation expense exceeded capital outlay	<u><u>\$ (30,806)</u></u>

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt, consume the current financial resources of governmental funds." The details of this difference are as follows:

Increase in accrued interest	\$ (440,100)
Interest accreted - capital appreciation bonds	(632,721)
Principal payments on alternate revenue bonds	1,940,000
Principal payments on general obligation bonds	49,000
Principal payments on capital leases	79,418
Net increase in net pension obligation	(368,986)
Net increase in other postemployment benefits obligation	(153,898)
Net decrease in compensated absences	3,592
Net decrease in claims liability	<u>90,012</u>
Net changes in current financial resources	<u><u>\$ 566,317</u></u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE C - DEPOSITS AND INVESTMENTS

1. Village Deposits and Investments

Deposits with Financial Institutions

The Village maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is included in cash and cash equivalents on the governmental funds balance sheet or the enterprise funds net assets. In addition, deposits are separately held by several of the Village's funds.

Custodial risk for deposits with financial institutions is the risk that, in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. At October 31, 2011, the carrying amount of the Village's deposits was \$1,377,396 with bank balances totaling \$1,626,191. At October 31, 2011, all of the Village's deposits were insured or collateralized.

The Village had a balance of \$1,793 of cash on hand, at October 31, 2011.

Investments

The Village's investment policy, which is consistent with state statutes, authorizes the Village to invest in deposits in interest-bearing savings accounts, interest-bearing certificates of deposits or interest-bearing time deposits, insured savings and loan institutions, the Illinois Funds, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations, obligations of the U.S. Treasury and U.S. Agencies, or other securities guaranteed by the full faith and credit of the United States of America. The investment policy limits the Village's deposits to financial institutions that are members of the FDIC system.

The following table presents the Village's investments and maturities as of October 31, 2011:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years) Less than 1</u>
The Illinois Funds Money Market Fund	\$ 1,171,328	\$ 1,171,328
Illinois Metropolitan Investment Fund Convenience Series	784	784
Money market mutual fund	<u>8,639,801</u>	<u>8,639,801</u>
	<u>\$ 9,811,913</u>	<u>\$ 9,811,913</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Village Deposits and Investments (Continued)

The 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. The 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 The Illinois Funds are valued at The Illinois Fund's share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and 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 IMET's share price, the price for which the investment could be sold.

Interest rate risk Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not specifically address credit risk. As of October 31, 2011, the Village's investments in the Illinois Funds Money Market Fund were rated AAAM by Standard & Poor's. The Illinois Metropolitan Investment Fund Convenience Series is not rated.

Concentration of credit risk In the case of deposits, this is the risk that, in the event of a bank failure, the entity's deposits may not be returned to it. The Village's investment policy does not restrict the amount of investments in any one issuer. The Illinois Funds Money Market Fund and the Illinois Metropolitan Investment Fund Convenience Series are not subject to concentration of credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. The Village's investment policy does not specifically address custodial credit risk. The Illinois Funds Money Market Fund and the Illinois Metropolitan Investment Fund Convenience Series are not subject to custodial credit risk.

2. Pension Deposits, Investments, and Concentrations

The deposits and investments of the Firefighters' Pension Fund (the pension fund) are held separately from those of other Village funds.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

Statutes and the pension fund's investment policy authorize the pension fund to make deposits or 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 agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Money Market Fund, 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; and direct obligations of the State of Israel.

Also authorized are deposits or investments in money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the 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; separate accounts of life insurance companies and mutual funds - the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the pension fund's plan net assets; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension funds with net assets of \$2.5 million or more may invest up to forty-five percent of plan net assets in separate accounts of life insurance companies and mutual funds. Pension funds with net assets 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. In addition, pension funds with plan net assets of at least \$10 million that have appointed an investment advisor may invest up to fifty percent of their plan net assets in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

a. Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits and investments At April 30, 2011, the plan year-end of the pension fund, the carrying amount of the pension fund's deposits totaled \$11,494, and the bank balances totaled \$11,494. At April 30, 2011, the pension fund had \$133,937 invested in IMET.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

a. Credit Risk, Custodial Credit Risk, and Concentration Risk (Continued)

Interest Rate Risk In accordance with the pension fund's investment policy, the pension fund limits its exposure to interest rate risk by structuring the portfolios to provide liquidity, while at the same time matching investment maturities to projected fund liabilities.

Credit Risk. The pension fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The pension fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code.

Custodial Credit Risk - Deposits. At April 30, 2011, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy does not address custodial credit risk.

Custodial Credit Risk - Investments Money market mutual funds, and equity mutual funds are not subject to custodial credit risk. The pension fund limits its exposure to custodial credit risk by utilizing independent third party institutions, selected by the pension fund, to act as custodians for its securities and collateral.

Concentration of Credit Risk This is the risk of loss attributed to the magnitude of the pension fund's investment in a single issuer. The pension fund does not have formal written policies regarding concentration of credit risk for investments.

NOTE D - PROPERTY TAXES

Property taxes for 2010 tax year attach as an enforceable lien on January 1, 2010 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 the County and are payable in two installments, on or about March 1, 2011 and September 1, 2011. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 3% of the tax levy to reflect actual collection experience. That portion of the 2010 levy property tax receivable which is not collected within 60 days after year end is not considered a current financial resource and is, therefore, recorded as unearned revenue.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended October 31, 2011 was as follows:

1. Governmental Activities

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 574,003	\$ -	\$ -	\$ 574,003
Capital assets being depreciated				
Buildings	7,495,050	10,150	-	7,505,200
Machinery and equipment	2,041,823	-	-	2,041,823
Vehicles	3,537,502	62,655	-	3,600,157
Infrastructure	<u>34,852,298</u>	<u>687,199</u>	<u>-</u>	<u>35,539,497</u>
Total capital assets being depreciated	<u>47,926,673</u>	<u>760,004</u>	<u>-</u>	<u>48,686,677</u>
Less accumulated depreciation for				
Buildings	1,434,637	193,898	-	1,628,535
Machinery and equipment	1,521,762	173,881	-	1,695,643
Vehicles	2,062,238	195,799	-	2,258,037
Infrastructure	<u>30,297,928</u>	<u>227,232</u>	<u>-</u>	<u>30,525,160</u>
Total accumulated depreciation	<u>35,316,565</u>	<u>790,810</u>	<u>-</u>	<u>36,107,375</u>
Total capital assets, being depreciated, net	<u>12,610,108</u>	<u>(30,806)</u>	<u>-</u>	<u>12,579,302</u>
Governmental activities capital assets, net	<u>\$ 13,184,111</u>	<u>\$ (30,806)</u>	<u>\$ -</u>	<u>\$ 13,153,305</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE E - CAPITAL ASSETS (Continued)

2. Business-Type Activities

	Beginning Balance	Increases	Disposals	Ending Balance
Capital assets not being depreciated				
Land	\$ 7,500	\$ -	\$ -	\$ 7,500
Capital assets, being depreciated				
Buildings	51,117	-	-	51,117
Waterworks and sewerage system	6,820,994	-	-	6,820,994
Machinery and equipment	553,772	42,731	-	596,503
Vehicles	469,211	-	-	469,211
Water meters	644,961	-	-	644,961
Total capital assets, being depreciated	8,540,055	42,731	-	8,582,786
Less accumulated depreciation for				
Buildings	47,082	1,427	-	48,509
Waterworks and sewerage system	4,089,364	149,050	-	4,238,414
Machinery and equipment	466,579	21,323	-	487,902
Vehicles	442,663	18,155	-	460,818
Water meters	578,911	27,057	-	605,968
Total accumulated depreciation	5,624,599	217,012	-	5,841,611
Total capital assets, being depreciated, net	2,915,456	(174,281)	-	2,741,175
Business-type activities, capital assets, net	\$ 2,922,956	\$ (174,281)	\$ -	\$ 2,748,675

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE E - CAPITAL ASSETS (Continued)

3. Depreciation Expense

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

Governmental activities:

General government	\$ 151,455
Public safety	334,801
Public works	<u>304,554</u>
Total depreciation expense - governmental activities	<u>\$ 790,810</u>

Business – type activities:

Waterworks	\$ 191,064
Sewerage	<u>25,948</u>
Total depreciation expense - business-type activities	<u>\$ 217,012</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE F - INTERFUND TRANSACTIONS

1. Interfund Advances

	<u>Advances to</u>	<u>Advances from</u>
General		
Sauk Pointe Industrial Park	\$ -	\$ 12,609
Logisticenter at Sauk Village	-	453
Nonmajor Governmental	13,043	1,340,367
Waterworks	40,047	-
Sewerage	-	108,030
	<u>53,090</u>	<u>1,461,459</u>
Sauk Pointe Industrial Park		
General	12,609	-
Logisticenter at Sauk Village	-	215,341
Nonmajor Governmental	-	319
	<u>12,609</u>	<u>215,660</u>
Logisticenter at Sauk Village		
General	453	-
Sauk Pointe Industrial Park	215,341	-
Nonmajor Governmental	-	985
	<u>215,794</u>	<u>985</u>
Nonmajor governmental		
General	1,340,367	13,043
Sauk Pointe Industrial Park	319	-
Logisticenter at Sauk Village	985	-
	<u>1,341,671</u>	<u>13,043</u>
Total nonmajor governmental	<u>1,341,671</u>	<u>13,043</u>
Total governmental funds	<u>1,623,164</u>	<u>1,691,147</u>

(Continued)

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE F - INTERFUND TRANSACTIONS (Continued)

1. **Interfund Advances** (Continued)

	<u>Advances to</u>	<u>Advances from</u>
Waterworks		
General	\$ -	\$ 40,047
Sewerage	4,594	-
	<u>4,594</u>	<u>-</u>
Total Waterworks	<u>4,594</u>	<u>40,047</u>
Sewerage		
General	108,030	-
Waterworks	-	4,594
	<u>108,030</u>	<u>4,594</u>
Total Sewerage	<u>108,030</u>	<u>4,594</u>
Total enterprise funds	<u>112,624</u>	<u>44,641</u>
Total all funds	1,735,788	1,735,788
Less amounts eliminated during GASB 34 conversion	<u>(1,667,805)</u>	<u>(1,667,805)</u>
Total government-wide internal balances	<u>\$ 67,983</u>	<u>\$ 67,983</u>

2. **Interfund Transfers**

	<u>Transfers in</u>	<u>Transfers out</u>
General		
Logisticcenter at Sauk Village	\$ 139,408	\$ -
Nonmajor Governmental	73,497	20,344
	<u>212,905</u>	<u>20,344</u>
Total General	<u>212,905</u>	<u>20,344</u>
Debt Service		
Sauk Pointe Industrial Park	1,223,996	-
Logisticcenter at Sauk Village	1,936,062	-
Nonmajor Governmental	137,924	-
	<u>3,297,982</u>	<u>-</u>
Total Debt Service	<u>3,297,982</u>	<u>-</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE F - INTERFUND TRANSACTIONS (Continued)

2. **Interfund Transfers** (Continued)

	<u>Transfers in</u>	<u>Transfers out</u>
Sauk Pointe Industrial Park		
Debt Service	\$ -	\$ 1,223,996
Logisticenter at Sauk Village		
General	-	139,408
Debt Service	-	1,936,062
Total Logisticenter at Sauk Village	-	2,075,470
Nonmajor governmental		
General	20,344	73,497
Debt Service	-	137,924
Waterworks	-	37,896
Sewerage	-	37,896
Total nonmajor governmental	20,344	287,213
Total governmental funds	3,531,231	3,607,023
Waterworks		
Nonmajor governmental	37,896	-
Sewerage		
Nonmajor governmental	37,896	-
Total enterprise funds	75,792	-
Total all funds	3,607,023	3,607,023
Less amounts eliminated during GASB 34 conversion	(3,531,231)	(3,531,231)
Total government-wide transfers	\$ 75,792	\$ 75,792

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE G - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; natural disasters; employee health; and injuries to the Village's employees. The Village has purchased private commercial liability and health insurance coverage to manage these risks. The Village also participates in the Illinois Public Risk Fund, a self-insured pool for workers' compensation coverage which has in excess of 500 member entities. Settled claims have not exceeded the coverages in the current or preceding three fiscal years.

NOTE H - LONG-TERM LIABILITIES

1. Changes in Long-Term Liabilities

The following is a summary of the Village's long-term liability balances and transactions associated with governmental activities, for the year ended October 31, 2011:

	<u>Beginning Balance</u>	<u>Additions/ Accretion</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Alternate revenue bonds	\$ 43,658,554	\$ 632,721	\$ 1,940,000	\$ 42,351,275	\$ 1,909,749
General obligation bonds	574,000	-	49,000	525,000	50,000
Unamortized bond premium	488,760	-	26,208	462,552	-
Capital leases	481,242	-	79,418	401,824	83,302
Compensated absences	77,839	74,247	77,839	74,247	74,247
Claims payable	254,000	-	90,012	163,988	-
Net OPEB obligation	147,243	302,252	148,354	301,141	-
Net IMRF pension obligation	30,427	146,379	115,400	61,406	-
Net pension obligations	<u>1,203,487</u>	<u>557,443</u>	<u>219,436</u>	<u>1,541,494</u>	<u>-</u>
 Total governmental activities	 <u>\$ 46,915,552</u>	 <u>\$ 1,713,042</u>	 <u>\$ 2,745,667</u>	 <u>\$ 45,882,927</u>	 <u>\$ 2,117,298</u>

The following is a summary of the Village's long-term liability balances and transactions associated with business-type activities, for the year ended October 31, 2011:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 21,089</u>	<u>\$ 24,016</u>	<u>\$ 21,089</u>	<u>\$ 24,016</u>	<u>\$ 24,016</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE H - LONG-TERM LIABILITIES (Continued)

2. Long-Term Debt - Terms and Maturities

Alternate revenue bonds payable at October 31, 2011 are comprised of the following individual issues:

\$1,200,000 general obligation bonds (tax increment alternate revenue source) series 2000, payable in one installment of \$675,000 on December 1, 2011, with interest at 5.50%.	\$ 675,000
\$9,755,000 general obligation tax increment refunding bonds series 2002A, payable in annual installments ranging from \$485,000 to \$1,055,000 through December 1, 2021, with a final installment of \$1,145,000 due on June 1, 2022; interest is payable semiannually at rates ranging from 5.00% to 5.35%.	9,370,000
\$4,999,356 general obligation capital appreciation bonds (tax increment alternate revenue source) series 2002B, payable in annual installments ranging from \$760,000 to \$1,405,000 from December 1, 2012 through December 1, 2021, with a final installment of \$1,460,000 due on June 1, 2022. Interest rates ranging from 5.00% to 5.95%. Interest accreted through October 31, 2011 totaled \$3,140,670.	8,140,026
\$5,201,610 general obligation capital appreciation (alternate revenue) bonds series 2007A, payable in annual installments ranging from \$685,000 to \$690,000 through December 1, 2018. Interest rates ranging from 3.95% to 4.30%. Interest accreted through October 31, 2011 totaled \$701,378.	4,681,249
\$1,405,000 general obligation (alternate revenue) bonds series 2007B, payable in annual installments ranging from \$35,000 to \$140,000 through December 1, 2027; interest is payable semiannually at rates ranging from 3.85% to 5.00%.	1,320,000
\$810,000 general obligation (alternate revenue) bonds series 2007C, payable in annual installments ranging from \$20,000 to \$80,000 through December 1, 2027; interest is payable semiannually at rates ranging from 3.90% to 5.00%.	760,000
\$9,500,000 general obligation bonds (alternate revenue source) series 2008, payable in annual installments ranging from \$30,000 to \$1,470,000 through December 1, 2028; interest is payable semiannually at rates ranging from 5.40% to 7.25%.	9,480,000

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE H - LONG-TERM LIABILITIES (Continued)

2. Long-Term Debt - Terms and Maturities (Continued)

\$8,000,000 general obligation tax increment bonds (alternate revenue source) series 2009, payable in annual installments ranging from \$60,000 to \$1,105,000 through December 1, 2028, with a final installment of \$985,000 due on April 1, 2029; interest is payable semiannually through December 1, 2028 at rates ranging from 4.30% to 7.50%, with a final payment due on April 1, 2029 at 4.75%. \$ 7,925,000

Total alternate revenue bonds \$ 42,351,275

General obligation bonds payable at October 31, 2011 are comprised of the following individual issue:

\$574,000 general obligation working cash bonds series 2010, payable in annual installments ranging from \$50,000 to \$70,000 through February 1, 2020; interest is payable semiannually at rates ranging from 3.50% to 5.00%. \$ 525,000

\$ 42,876,275

The annual requirements to retire the alternate revenue and general obligation bonds outstanding as of October 31, 2011:

Year Ending October 31,	Principal	Interest	Total
2012	\$ 2,056,733	\$ 1,700,178	\$ 3,756,911
2013	2,181,226	1,968,162	4,149,388
2014	2,371,899	1,991,578	4,363,477
2015	2,450,135	2,002,321	4,452,456
2016	2,568,782	2,012,213	4,580,995
2017-2021	12,108,467	9,765,839	21,874,306
2022-2026	11,629,033	5,424,632	17,053,665
2027-2029	<u>7,510,000</u>	<u>683,323</u>	<u>8,193,323</u>
	<u>\$ 42,876,275</u>	<u>\$ 25,548,246</u>	<u>\$ 68,424,521</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE H - LONG-TERM LIABILITIES (Continued)

3. Legal Debt Margin

The Village's legal debt limitation of \$9,760,011 is based on 8.625% of the 2010 equalized assessed valuation of \$113,159,546 less outstanding debt of \$525,000, resulting in a legal debt margin of \$9,235,011. Alternate revenue bonds are not included for purposes of legal debt margin calculation.

4. Revenues Pledged for Debt Service

The Village has issued debt over several years to be paid by pledged revenue sources. These pledges will remain until all of the associated bonds are retired. The amount of the pledges remaining as of October 31, 2011 is as follows:

<u>Debt Issue</u>	<u>Pledged Revenue Source</u>	<u>Pledge Remaining</u>	<u>Commitment End Date</u>
2000	Property taxes - Sauk Pointe TIF	\$ 693,563	12/1/2011
2002A & 2002B	Property taxes - LogistiCenter TIF	24,564,931	6/1/2022
2007A	Property taxes - LogistiCenter TIF/Impact fees	5,500,000	12/1/2018
2007B	911 and wireless surcharges - ETS Fund	1,954,009	12/1/2027
2007C	Property taxes - Fire Protection Fund	1,141,575	12/1/2027
2008	Property taxes - LogistiCenter TIF	17,131,508	12/1/2028
2009	Property taxes - LogistiCenter TIF	12,953,621	4/1/2029

The secured debt was issued to provide improvements to the tax increment financing districts and roads of the Village, upgrade the Village's 911 system, purchase a fire truck, build a new Village Hall, and reimburse a developer for TIF-related expenditures.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE H - LONG-TERM LIABILITIES (Continued)

4. **Revenues Pledged for Debt Service** (Continued)

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2011 is as follows:

<u>Debt Issue</u>	<u>Pledged Revenue Source</u>	<u>Pledged Revenues</u>	<u>Principal and Interest Retired</u>	<u>Percentage of Revenue Pledged</u>
2000	Property taxes	\$ 1,099,314	\$ 134,666	12.25%
2002A & 2002B	Property taxes	2,840,392	873,191	30.74%
2003A	Property taxes	2,840,392	640,395	22.55%
2007A	Impact fees/property taxes	2,840,392	685,000	24.12%
2007B	911/wireless surcharge	81,829	88,660	108.35%
2007C	Property taxes	685,222	55,170	8.05%
2008	Property taxes	2,840,392	611,610	21.53%
2009	Property taxes	2,840,392	483,727	17.03%

5. **Capital Lease Obligations**

The Village leases vehicles under capital leases, which expire in January 2014 and February 2016. The annual lease payments, including interest at 4.89%, are \$28,044 and \$74,907. The original cost of the leased assets totaled \$597,785 and accumulated depreciation totaled \$177,917 as of October 31, 2011, and are included under vehicles in the governmental activities capital assets. Minimum future lease payments are as follows:

<u>Year Ending October 31,</u>	
2012	\$ 102,951
2013	102,951
2014	102,951
2015	74,907
2016	74,907
Total minimum lease payments	<u>458,667</u>
Less amount representing interest	<u>56,843</u>
Present value of minimum lease payments	401,824
Less current portion	<u>83,302</u>
Long-term portion	<u>\$ 318,522</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE H - LONG-TERM LIABILITIES (Continued)

6. Claims Payable

There are several pending lawsuits in which the Village is involved. The Village has accrued \$163,988 at October 31, 2011 in the governmental activities statement of net assets related to settlement payments that occurred subsequent to year end. Management believes that all other potential claims against the Village that are not accrued at October 31, 2011 and are not covered by insurance would not have a materially adverse effect on the Village's financial position.

NOTE I - DEFINED BENEFIT PENSION PLANS

1. Illinois Municipal Retirement Fund

a. Plan Description

The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The Village plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent, multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

b. Funding Policy

As set by state statute, the Village's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the Village was 10.13 percent of annual covered payroll. The Village's annual required contribution rate for calendar year 2011 was 12.78 percent. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

c. Fiscal IMRF Pension Cost and Net IMRF Pension Obligation

The Village's annual IMRF pension cost is calculated based on the annual required contribution (ARC) of the Village. The following table shows the components of the Village's annual IMRF pension cost, the amount actually contributed to the plan, and changes in the Village's net IMRF pension obligation, for the year ended October 31, 2011.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (Continued)

c. Fiscal IMRF Pension Cost and Net IMRF Pension Obligation (Continued)

Annual required contribution	\$	145,728
Interest on net IMRF pension obligation		2,282
Adjustment to annual required contribution		<u>(1,631)</u>
Annual IMRF cost		146,379
Contributions made		<u>115,400</u>
Increase in IMRF pension obligation		30,979
Net IMRF pension obligation at November 1, 2010		<u>30,427</u>
Net IMRF pension obligation at October 31, 2011	\$	<u><u>61,406</u></u>

d. Annual Pension Cost

For the year ended October 31, 2011, the Village's actual contributions for pension cost were \$115,400. Its required contribution was \$146,379.

<u>Trend Information</u>					
Fiscal Year Ended		Annual Pension Cost (APC)	Percentage of APC Contributed		Net Pension Obligation
10/31/11	\$	146,379	79%	\$	61,406
10/31/10		143,882	79%		30,427
10/31/09		137,978	100%		-

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (Continued)

d. Annual Pension Cost (Continued)

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30-year basis.

e. Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the regular plan was 47.44 percent funded. The actuarial accrued liability for benefits was \$2,842,679 and the actuarial value of assets was \$1,348,475, resulting in underfunded actuarial accrued liability (UAAL) of \$1,494,204. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$1,165,547 and the ratio of the UAAL to the covered payroll was 128 percent.

2. Firefighters' Pension Plan

a. Plan Description

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn fire personnel. The Firefighters' Pension Plan provides retirement, disability, and death benefits. Plan members are required to contribute 9.46% of their annual covered payroll. The Village is required to contribute at an actuarially determined rate. Although this is a single-employer pension plan, the defined benefits and contribution requirements of the plan members and the Village are governed by Illinois State Statutes and may only be amended by the Illinois legislature. Administrative costs are financed through investment earnings and employer contributions.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

a. Plan Description (Continued)

At April 30, 2011, the date of the latest actuarial valuation, the Firefighters' Pension Plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	-
Deferred plan members	1
Active plan members	<u>1</u>
Total plan membership	<u><u>2</u></u>

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

The Firefighters' Pension Plan provides retirement benefits through two tiers as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), 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 salary attached to the rank held on the last day of service.

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 (Tier 2), 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 benefit 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 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.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

a. Plan Description (Continued)

Covered employees are required to contribute 9.46% 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.

b. Summary of Significant Accounting Policies and Plan Asset Matters

i. Reporting Entity

The Firefighters' Pension Fund is a pension trust fund of the Village of Sauk Village, Illinois. The decision to include the Firefighters' Pension Fund in the Village's reporting entity was made based upon the significance of the operational or financial relationship with the Village.

The Village's fire employees 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: two members appointed by the Village's Mayor, one elected pension beneficiary, and two elected firefighter employees constitute the pension board. The Village and FPERS participants are obligated to fund all 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 contribution levels.

The Firefighters' Pension Plan issues its own financial report and required supplementary information. That report may be obtained by writing to the Village of Sauk Village, 21801 Torrence Avenue, Sauk Village, Illinois 60411.

ii. Basis of Presentation

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. 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.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

iii. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded. *Basis of accounting* refers to when transactions are recorded, regardless of the measurement focus applied.

Measurement focus. Pension trust funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of changes in net assets. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Pension trust fund equity is classified as net assets.

Basis of Accounting. The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan assets are recorded when earned and deductions from net plan assets are recorded when the time-related liabilities are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

iv. Investments

Firefighters' Pension Fund 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 an established market, if any, are reported at estimated fair value.

v. Short-term Interfund Receivables and Payables

Firefighters' Pension Fund receivables consist of all revenues earned at year-end and not yet received. The major receivable balances for the Firefighters' Pension Fund is accrued interest from cash and investments.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

c. Funding Policy and Annual Pension Cost

The Village's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2011 was \$60,498.

For the year ended April 30, 2011, the Village's annual pension cost was \$33,790. Actual contributions made by the Village were \$9,978. The information presented was determined as part of the actuarial valuation as of April 30, 2011, the most recent actuarial information available.

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed, and the amortization period was 30 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0%, compounded annually which includes a 3.0% inflation factor, a projected salary increase assumption range of 5.5% compounded annually, which includes a 3.0% inflation factor, and cost-of-living adjustments of 3.0%, compounded annually.

The Village's annual pension cost and net pension obligation to the Firefighters' Pension Fund were obtained from the fund's most recent actuarial valuation (April 30, 2011) and are as follows:

Annual required contribution	\$ 32,739
Interest on net pension obligation	2,144
Adjustment to annual required contribution	<u>(1,093)</u>
Annual pension cost	33,790
Contributions made	<u>9,978</u>
Increase in net pension obligation	23,812
Net pension obligation as of May 1, 2010	<u>30,627</u>
Net pension obligation as of April 30, 2011	<u>\$ 54,439</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE I - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

d. Three-Year Trend Information

<u>Year Ending</u>	<u>Annual Required Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
4/30/11	\$ 33,790	29.50%	\$ 54,439
4/30/09	18,506	51.20%	30,627
4/30/07	16,380	51.90%	21,598

NOTE J - OTHER POSTEMPLOYMENT BENEFITS

1. Plan Description

The Village Board provides postretirement health insurance benefits, as per the requirements of a local ordinance, for all employees who retire from the Village on or after attaining age 55 (age 50 for police officers) with at least 10 years of service, until the retiree reaches the age of 65. As of October 31, 2011, nine retirees have met those eligibility requirements. The Village pays the following percentage of the monthly premium, based on the number of years of service, until the retiree becomes eligible for Medicare:

<u>Length of Service</u>	<u>Premiums Paid by Village</u>
10 to 15 years	50%
15 to 20 years	75%
20 years or more	100%

2. Funding Policy

The contribution requirements of the plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document". The required contribution is based on projected pay-as-you-go financing requirements. For the year ended October 31, 2011, the Village contributed \$148,354 to the Plan. Plan members receiving benefits were not required to make any contributions during the same period.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. **Annual OPEB Cost and Net OPEB Obligation**

The Village's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation to the retiree health plan:

	<u>October 31, 2011</u>
Annual required contribution	\$ 294,890
Interest on net OPEB obligation	7,362
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	302,252
Contributions made	<u>148,354</u>
Increase in net OPEB obligation	153,898
Net OPEB obligation beginning of year	<u>147,243</u>
Net OPEB obligation end of year	<u><u>\$ 301,141</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2011 and the preceding fiscal year were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
10/31/11	\$ 302,252	49.1%	\$ 301,141
10/31/10	295,597	50.2%	147,243
10/31/09	N/A	N/A	N/A

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. Annual OPEB Cost and Net OPEB Obligation (Continued)

Information for fiscal periods prior to October 31, 2010 is not available, as the Village implemented GASB Statement No. 45 during the fiscal year ended October 31, 2010.

4. Funding Status and Funding Progress

As of October 31, 2010, the most recent actuary date, the Plan was 0% funded. The actuarial accrued liability for benefits was \$2,823,887, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,823,887.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

5. 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 methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

5. **Methods and Assumptions** (Continued)

The following simplifying assumptions were made:

Contribution rates:	
Village	N/A
Plan members	0.00%
Actuarial valuation date	10/31/2010
Actuarial cost method	Entry age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate
Mortality, Turnover, Disability, Retirement Ages	Same rate utilized for IMRF, Police and Firefighter Pension Funds
Percentage of active employees assumed to elect benefit	100%
Employer provided benefit	Explicit: 100% of single premium to age 65 Implicit: 40% of premium to age 65 (50% of \$859/mo + 50% of \$1,717/mo)

*Includes inflation at 3.00%

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE K - CONTINGENCIES AND COMMITMENTS

1. Water Supply Contamination

In 2009, chemical contamination was detected in groundwater affecting one of the Village's three supply wells. The well was taken out of service in 2009 and has remained out of service since that time. Under state legislation that became effective in 2010, the Village was required to develop a plan to remedy the contamination issue at the closed well site. Temporary treatment units have been installed at the Village's two operational well sites, and the Village is currently seeking financing to construct a permanent treatment facility. The Village estimates that the project will require long term debt financing of approximately \$5.5 million.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the 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.

3. Litigation

There are several pending lawsuits in which the Village is involved. The Village has accrued \$163,988 at October 31, 2011 in the financial statements related to settlement payments that occurred subsequent to year end. Management believes that all other potential litigation claims against the Village that are not accrued at October 31, 2011 and not covered by insurance would not have a materially adverse effect on the Village's financial position.

NOTE L - DEFICIT FUND BALANCES

At October 31, 2011, the following funds have deficit fund balances:

<u>Fund</u>	<u>Deficit</u>
General	\$ 1,680,106
Nonmajor	
Motor Fuel Tax	151,833
Railroad Noise Mitigation	5,311
Municipal Building	13,043

The Village's management expects to fund these deficits through future operating revenues.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
October 31, 2011

NOTE M - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 31, 2013, the date that these financial statements were available to be issued. Management has determined that no events or transactions, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Village of Sauk Village, Illinois
 Illinois Municipal Retirement Fund
 SCHEDULE OF FUNDING PROGRESS
October 31, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	\$ 1,348,475	\$ 2,842,679	\$ 1,494,204	47.4 %	\$ 1,165,547	128.2 %
12/31/10	1,682,513	2,721,637	1,039,124	61.8	1,461,639	71.1
12/31/09	1,809,270	3,054,295	1,245,025	59.2	1,694,170	73.5

On a market value basis, the actuarial value of assets as of December 31, 2011 was \$1,173,943. On a market basis, the funded ratio would be 41.3%

Village of Sauk Village, Illinois
 Firefighters' Pension Fund
 SCHEDULE OF FUNDING PROGRESS
October 31, 2011

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Liability (AAL) - Entry Age (2)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1)/(2)	Covered Payroll (3)	UAAL as a Percentage of Covered Payroll ((2-1)/3)
4/30/11	\$ 146,209	\$ 324,628	\$ 178,419	45.04%	% \$ 60,498	294.92 %
4/30/10	N/A	N/A	N/A	N/A	N/A	N/A
4/30/09	108,511	208,209	99,698	52.12%	137,297	72.61

Source: Actuarial valuations and the required supplementary information presented in the separate Firefighters' Pension Fund financial statements as of and for the year ended April 30, 2011.

N/A - No actuarial valuation was performed for the year ended April 30, 2010. The plan is required to have an actuarial valuation performed biennially.

Village of Sauk Village, Illinois
 Other Postemployment Benefits
 SCHEDULE OF FUNDING PROGRESS
October 31, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/31/11	\$ N/A	\$ 2,823,887	\$ 2,823,887	0.0 %	\$ N/A	N/A %
10/31/10	N/A	2,823,887	2,823,887	0.0	N/A	N/A
10/31/09	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Not Available

The Village implemented GASB 45 in its fiscal period ended October 31, 2010. October 31, 2010 was the most recent actuarial valuation date.

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT - BUDGET AND ACTUAL

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues			
Property taxes	\$ 2,720,370	\$ 1,848,213	\$ (872,157)
Licenses and permits	358,300	254,506	(103,794)
Charges for services	907,489	728,006	(179,483)
Intergovernmental	1,396,345	1,451,012	54,667
Fines and forfeitures	115,922	193,917	77,995
Interest	2,243	444	(1,799)
Contributions and donations	-	413,019	413,019
Miscellaneous	60,093	18,009	(42,084)
Total revenues	<u>5,560,762</u>	<u>4,907,126</u>	<u>(653,636)</u>
Expenditures			
Current			
General government	1,920,270	1,779,641	(140,629)
Public safety	3,917,358	3,226,212	(691,146)
Public works	128,730	167,559	38,829
Capital outlay	-	43,105	43,105
Total expenditures	<u>5,966,358</u>	<u>5,216,517</u>	<u>(749,841)</u>
Deficiency of revenues over expenditures	<u>(405,596)</u>	<u>(309,391)</u>	<u>96,205</u>
Other financing sources (uses)			
Transfers in	406,000	212,905	(193,095)
Transfers (out)	(259,985)	(20,344)	239,641
Sale of capital assets	4,486	-	(4,486)
Total other financing sources (uses)	<u>150,501</u>	<u>192,561</u>	<u>42,060</u>
Net change in fund deficit	<u>\$ (255,095)</u>	<u>(116,830)</u>	<u>\$ 138,265</u>
Fund deficit			
Beginning of year		<u>(1,563,276)</u>	
End of year		<u>\$ (1,680,106)</u>	

Village of Sauk Village, Illinois
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
October 31, 2011

NOTE A - BUDGETARY DATA

The Village prepares its appropriation ordinance in accordance with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund, Debt Service Fund, Sauk Pointe Industrial Park Fund, LogistiCenter at Sauk Village Fund, Waterworks Fund, Sewerage Fund, Fire Protection Fund, Motor Fuel Tax Fund, Emergency Telephone System Fund, Police Seizure Fund, Working Cash Fund, Utility Tax Fund, Community Development Block Grant Fund, Sauk Plaza Redevelopment Plan Fund, and the SurreyBrook Plaza Fund. The Village did not prepare a budget for fiscal year 2011 for the Railroad Noise Mitigation Fund or the Municipal Building Fund. The annual appropriations lapse at fiscal year-end. There were no amendments to the fiscal year 2011 appropriations.

1. Within ninety days of the start of the fiscal year, the annual appropriation ordinance is presented for adoption by the Village Board. This ordinance appropriates such sums of money as are deemed necessary to defray all necessary expenses and liabilities of the Village. The ordinance also specifies the objects and purposes for which these appropriations are made and the amount appropriated for each.
2. Prior to the adoption of the appropriation ordinance, the Village makes the proposed ordinance conveniently available to public inspection and holds at least one public hearing subsequent to published notice.
3. Subsequent to the public hearing and before final action is taken on the appropriation ordinance, the Village Board may revise, alter, increase, or decrease the items contained therein.
4. Final action to adopt the appropriation for the year ended October 31, 2011 is taken by the Village Board before January 31, 2011.
5. The Board may subsequently transfer appropriated amounts to other appropriations, but may not increase overall appropriation of an individual fund without the passage of a supplemental appropriation.
6. The legal level of budgetary control is at the fund level.

NOTE B - EXPENDITURES IN EXCESS OF BUDGETS

The following funds had an excess of expenditures over budget at October 31, 2011:

<u>Fund</u>	<u>Variance</u>
LogistiCenter at Sauk Village	\$ 42,204
Motor Fuel Tax	552,697
Emergency Telephone System	49,485
Police Seizure	26,962
SurreyBrook Plaza	89,716
Sewerage	91,850

OTHER SUPPLEMENTARY INFORMATION

Village of Sauk Village, Illinois
 General Fund
 SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 2,720,370	\$ 1,848,213	\$ (872,157)
Licenses and permits			
Business licenses	90,425	53,919	(36,506)
Liquor licenses	10,334	5,810	(4,524)
Vending machine licenses	5,813	165	(5,648)
Vehicle licenses	161,472	95,990	(65,482)
Animal licenses	8,397	2,060	(6,337)
Building permits	64,589	78,682	14,093
Other permits and licenses	5,167	1,530	(3,637)
Building occupation and inspection	12,103	16,350	4,247
Total licenses and permits	358,300	254,506	(103,794)
Charges for services			
Utility tax	600,000	490,940	(109,060)
Cable TV franchise fees	40,344	79,808	39,464
General fund services	182,222	-	(182,222)
Police reports	941	4,110	3,169
Garbage collection fee	16,138	94,191	78,053
Rental income	28,941	55,372	26,431
Other	38,903	3,585	(35,318)
Total charges for services	907,489	728,006	(179,483)

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL (Continued)

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues (continued)			
Intergovernmental			
Replacement taxes	36,000	28,639	(7,361)
State income taxes	950,490	1,028,283	77,793
Municipal sales taxes	368,105	293,171	(74,934)
Welch Park donations	-	1,098	1,098
School District #168 grant	3,000	-	(3,000)
COPS grant	-	97,621	97,621
Other state grants	1,250	-	(1,250)
Youth access to tobacco grant	-	2,200	2,200
Youth program grant	37,500	-	(37,500)
	<u>1,396,345</u>	<u>1,451,012</u>	<u>54,667</u>
Fines and forfeitures			
Police fines	69,930	52,222	(17,708)
Administrative court	4,303	1,150	(3,153)
Tow release fines	41,689	140,405	98,716
Other fees	-	140	140
	<u>115,922</u>	<u>193,917</u>	<u>77,995</u>
Interest	<u>2,243</u>	<u>444</u>	<u>(1,799)</u>
Contributions and donations	<u>-</u>	<u>413,019</u>	<u>413,019</u>
Miscellaneous	<u>60,093</u>	<u>18,009</u>	<u>(42,084)</u>
Total revenues	<u>\$ 5,560,762</u>	<u>\$ 4,907,126</u>	<u>\$ (653,636)</u>

(Concluded)

Village of Sauk Village, Illinois
 General Fund
 SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures			
General government			
Finance and administration			
Regular employee wages	\$ 138,000	\$ 124,699	\$ (13,301)
Part-time employee wages	-	48,788	48,788
Fringe benefits	50,106	60,532	10,426
Office supplies	5,000	4,559	(441)
Computer software supplies	1,000	1,119	119
Tools and equipment	500	100	(400)
Other materials and supplies	1,000	3,742	2,742
Telephone	7,000	5,888	(1,112)
Postage	5,000	2,794	(2,206)
Insurance	431,000	838,968	407,968
Printing	2,000	1,208	(792)
Equipment repair and maintenance	1,500	4,762	3,262
Organizational business expense	1,500	772	(728)
Professional development	-	1,576	1,576
Publications and memberships	500	47	(453)
Professional services	200,000	353,411	153,411
Computer contractual services	10,000	14,990	4,990
Intergovernmental services	-	2,820	2,820
Public information	2,000	1,576	(424)
Other rents and leases	264	528	264
Bank fees	-	3,000	3,000
Other contractual services	3,000	16,079	13,079
Refunds	-	36,658	36,658
Contingency	-	74,870	74,870
Unpaid accounts	926,060	-	(926,060)
Total finance and administration	<u>1,785,430</u>	<u>1,603,486</u>	<u>(181,944)</u>

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (continued)			
General government (continued)			
Elected officials			
Public official wages	\$ 84,000	\$ 86,383	\$ 2,383
Fringe benefits	7,440	6,608	(832)
Telephone	3,000	3,355	355
Printing	500	228	(272)
Professional development	-	6,612	6,612
Publications and memberships	5,000	7,469	2,469
Public information	5,000	205	(4,795)
Public relations committee	-	7,876	7,876
Special events	-	3,000	3,000
Human relations commission	-	12	12
Beautification/improvement commission	-	250	250
Fire and police commission	15,000	12,779	(2,221)
Senior citizens committee	-	787	787
Other contractual services	900	689	(211)
	120,840	136,253	15,413
Total elected officials			
Community development			
Regular employee wages	8,000	26,140	18,140
Overtime	-	112	112
Fringe benefits	6,000	12,068	6,068
Vehicle expense	-	628	628
Telephone	-	109	109
Postage	-	392	392
Printing	-	203	203
Professional services	-	700	700
Computer contractual services	-	255	255
Intergovernmental services	-	(1,440)	(1,440)
Other contractual services	-	575	575
Refunds	-	160	160
	14,000	39,902	25,902
Total community development			
	1,920,270	1,779,641	(140,629)
Total general government			

(Continued)

Village of Sauk Village, Illinois
 General Fund
 SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures (continued)			
Public safety			
Police department			
Employee wages	\$ 1,886,331	\$ 1,464,363	\$ (421,968)
Part-time wages	15,000	7,438	(7,562)
Overtime	300,000	203,938	(96,062)
Fringe benefits	791,488	544,813	(246,675)
Pension contributions	-	166,280	166,280
Office supplies	10,000	4,002	(5,998)
Vehicle expense	75,000	89,455	14,455
Uniforms and clothing	49,818	4,873	(44,945)
Facility maintenance supplies	2,400	181	(2,219)
Operating supplies	15,000	10,683	(4,317)
Computer software supplies	5,000	2,626	(2,374)
Tools and equipment	3,000	26,353	23,353
Construction supplies	7,500	-	(7,500)
Other materials and supplies	2,000	138	(1,862)
Telephone	25,000	25,649	649
Postage	4,500	6,166	1,666
K-9	2,300	199	(2,101)
Printing	4,000	2,603	(1,397)
Equipment repair and maintenance	20,000	18,785	(1,215)
Vehicle repair and maintenance	40,000	34,263	(5,737)
Facility maintenance	-	3,853	3,853
Organization business expense	4,000	49	(3,951)
Professional development	10,000	4,809	(5,191)
Academy training	9,500	(4,546)	(14,046)
Publications and memberships	3,000	4,679	1,679
Professional services	15,000	49,229	34,229
Computer contractual services	11,000	12,558	1,558
Intergovernmental services	5,000	3,204	(1,796)
Public information	1,500	-	(1,500)
Other rents and leases	1,500	220	(1,280)
Other contractual services	-	6,380	6,380
Refunds	500	4,835	4,335
Major tools and work equipment	-	131	131
 Total police department	 <u>3,319,337</u>	 <u>2,698,209</u>	 <u>(621,128)</u>

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures (continued)			
Public safety (continued)			
Civil defense			
Part-time wages	\$ 53,825	\$ 26,624	\$ (27,201)
Fringe benefits	3,825	2,037	(1,788)
Office supplies	750	159	(591)
Vehicle expense	7,000	7,808	808
Uniforms and clothing	1,500	320	(1,180)
Facility maintenance supplies	300	47	(253)
Operating supplies	700	426	(274)
Computer software supplies	-	40	40
Tools and equipment	-	261	261
Telephone	2,800	2,651	(149)
Equipment repair and maintenance	2,500	58	(2,442)
Vehicle repair and maintenance	5,000	826	(4,174)
Organization business expense	300	-	(300)
Professional development	-	59	59
Publications and memberships	200	100	(100)
Other rents and leases	-	393	393
Total civil defense	<u>78,700</u>	<u>41,809</u>	<u>(36,891)</u>
Dispatch			
Regular wages	291,600	275,449	(16,151)
Overtime	35,000	40,771	5,771
Fringe benefits	150,721	151,287	566
Office supplies	500	-	(500)
Computer software supplies	-	355	355
Telephone	12,500	9,888	(2,612)
Equipment repair and maintenance	20,000	4,364	(15,636)
Computer contractual services	9,000	4,080	(4,920)
Total dispatch	<u>519,321</u>	<u>486,194</u>	<u>(33,127)</u>
Total public safety	<u>3,917,358</u>	<u>3,226,212</u>	<u>(691,146)</u>

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures (continued)			
Public works			
Public grounds and buildings			
Fringe benefits	\$ -	\$ 12,111	\$ 12,111
Vehicle expense	10,000	9,448	(552)
Uniforms and clothing	350	-	(350)
Facility maintenance supplies	15,000	8,167	(6,833)
Operating supplies	350	1	(349)
Computer software supplies	300	-	(300)
Tools and equipment	1,000	86	(914)
Construction supplies	3,500	1,103	(2,397)
Telephone	3,000	8,663	5,663
Utilities	-	15,801	15,801
Equipment repair and maintenance	3,500	3,359	(141)
Vehicle repair and maintenance	1,000	1,900	900
Facility maintenance	30,000	39,484	9,484
Professional services	300	-	(300)
Other rents and leases	1,000	509	(491)
Other contractual services	1,500	770	(730)
Office equipment and furniture	2,000	-	(2,000)
Major tools and work equipment	6,000	-	(6,000)
Construction	20,000	-	(20,000)
Total public grounds and buildings	98,800	101,402	2,602
Streets			
Fringe benefits	-	16,738	16,738
Office supplies	-	22	22
Vehicle expense	-	11,095	11,095
Total streets	-	27,855	27,855

(Continued)

Village of Sauk Village, Illinois
 General Fund
 SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures (continued)			
Public works			
Parks and playgrounds			
Regular wages	\$ 16,703	\$ 13,913	\$ (2,790)
Fringe benefits	8,277	5,063	(3,214)
Office supplies	150	-	(150)
Operating supplies	500	2,021	1,521
Other materials and supplies	-	796	796
Telephone	800	310	(490)
Utilities	1,000	839	(161)
Other contractual services	1,000	13,629	12,629
Office equipment and furniture	-	1,731	1,731
Major tools and work equipment	1,500	-	(1,500)
	<u>29,930</u>	<u>38,302</u>	<u>8,372</u>
Total public works	<u>128,730</u>	<u>167,559</u>	<u>38,829</u>
Capital outlay	<u>-</u>	<u>43,105</u>	<u>43,105</u>
Total expenditures	<u>\$ 5,966,358</u>	<u>\$ 5,216,517</u>	<u>\$ (749,841)</u>

(Concluded)

Village of Sauk Village, Illinois

Debt Service Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Impact fees	\$ -	\$ 437,322	\$ 437,322
Interest	-	626	626
Miscellaneous	-	4,300	4,300
	<hr/>	<hr/>	<hr/>
Total revenues	-	442,248	442,248
Expenditures			
Current			
General government	-	10,641	10,641
Debt service			
Principal	1,989,000	1,989,000	-
Interest	1,696,224	1,668,912	(27,312)
	<hr/>	<hr/>	<hr/>
Total expenditures	3,685,224	3,668,553	(16,671)
Deficiency of revenues over expenditures	<hr/> (3,685,224)	<hr/> (3,226,305)	<hr/> 458,919
Other financing sources			
Transfers in	3,685,224	3,297,982	(387,242)
	<hr/>	<hr/>	<hr/>
Total other financing sources	3,685,224	3,297,982	(387,242)
Net change in fund balance	\$ <hr/> - <hr/>	71,677	\$ <hr/> 71,677 <hr/>
Fund balance			
Beginning of year		<hr/> 8,713,539	
End of year		\$ <hr/> 8,785,216 <hr/>	

Village of Sauk Village, Illinois

Sauk Pointe Industrial Park Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 1,120,761	\$ 1,099,314	\$ (21,447)
Total revenues	<u>1,120,761</u>	<u>1,099,314</u>	<u>(21,447)</u>
Expenditures			
Current			
General government	<u>-</u>	<u>329</u>	<u>329</u>
Total expenditures	<u>-</u>	<u>329</u>	<u>329</u>
Excess of revenues over expenditures	<u>1,120,761</u>	<u>1,098,985</u>	<u>(21,776)</u>
Other financing uses			
Transfers out	<u>(1,120,744)</u>	<u>(1,223,996)</u>	<u>(103,252)</u>
Total other financing uses	<u>(1,120,744)</u>	<u>(1,223,996)</u>	<u>(103,252)</u>
Net change in fund balance	\$ <u>17</u>	(125,011)	\$ <u>(125,028)</u>
Fund balance			
Beginning of year		<u>138,983</u>	
End of year		\$ <u>13,972</u>	

Village of Sauk Village, Illinois

LogistiCenter at Sauk Village Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 1,868,605	\$ 2,840,392	\$ 971,787
Interest	-	11	11
Miscellaneous	-	4,903	4,903
	<u>1,868,605</u>	<u>2,845,306</u>	<u>976,701</u>
Total revenues			
Expenditures			
Current			
General government	-	42,204	42,204
	<u>-</u>	<u>42,204</u>	<u>42,204</u>
Total expenditures			
	<u>1,868,605</u>	<u>2,803,102</u>	<u>934,497</u>
Excess of revenues over expenditures			
	<u>1,868,605</u>	<u>2,803,102</u>	<u>934,497</u>
Other financing sources (uses)			
Transfers in	285,000	-	(285,000)
Transfers (out)	(2,153,607)	(2,075,470)	78,137
	<u>(1,868,607)</u>	<u>(2,075,470)</u>	<u>(206,863)</u>
Total other financing sources (uses)			
	<u>(1,868,607)</u>	<u>(2,075,470)</u>	<u>(206,863)</u>
Net change in fund balance	\$ <u>(2)</u>	727,632	\$ <u>727,634</u>
Fund balance			
Beginning of year		<u>1,483,847</u>	
End of year		\$ <u><u>2,211,479</u></u>	

Village of Sauk Village, Illinois

Nonmajor Governmental Funds
COMBINING BALANCE SHEET
Year Ended October 31, 2011

	Special Revenue Funds			
	Fire Protection	Motor Fuel Tax	Emergency Telephone System	Police Seizure
ASSETS				
Cash and cash equivalents	\$ 569,867	\$ 110,145	\$ -	\$ 16,591
Receivables				
Property taxes	250,149	-	-	-
Intergovernmental	-	22,439	-	-
Other	-	-	13,726	-
Advances to other funds	95,285	85,462	8,977	500
Total assets	\$ 915,301	\$ 218,046	\$ 22,703	\$ 17,091
LIABILITIES				
Accounts payable	\$ 21,502	\$ 204,879	\$ -	\$ -
Accrued payroll	470	-	-	-
Advances from other funds	-	-	-	-
Unearned revenue	42,622	165,000	-	-
Total liabilities	64,594	369,879	-	-
FUND BALANCE (DEFICIT)				
Nonspendable - advances	95,285	85,462	8,977	500
Restricted				
Special revenue	755,422	-	13,726	16,591
Capital projects	-	-	-	-
Unassigned	-	(237,295)	-	-
Total fund balance (deficit)	850,707	(151,833)	22,703	17,091
Total liabilities and fund balances	\$ 915,301	\$ 218,046	\$ 22,703	\$ 17,091

Special Revenue Funds			Capital Projects Funds		
Working Cash	Railroad Noise Mitigation	Total Special Revenue	Utility Tax	Community Development Block Grant	Sauk Plaza Redevelopment Plan
\$ 51,816	\$ -	\$ 748,419	\$ 200,389	\$ 225,000	\$ 212,330
105,617	-	355,766	-	-	-
-	-	22,439	-	135,000	-
-	-	13,726	24,645	-	-
<u>530,596</u>	<u>-</u>	<u>720,820</u>	<u>491,156</u>	<u>-</u>	<u>101,117</u>
<u>\$ 688,029</u>	<u>\$ -</u>	<u>\$ 1,861,170</u>	<u>\$ 716,190</u>	<u>\$ 360,000</u>	<u>\$ 313,447</u>
\$ -	\$ 5,311	\$ 231,692	\$ -	\$ -	\$ 1,575
-	-	470	-	-	-
-	-	-	-	-	-
<u>84,809</u>	<u>-</u>	<u>292,431</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>84,809</u>	<u>5,311</u>	<u>524,593</u>	<u>-</u>	<u>-</u>	<u>1,575</u>
530,596	-	720,820	491,156	-	101,117
72,624	-	858,363	-	-	-
-	-	-	225,034	360,000	210,755
<u>-</u>	<u>(5,311)</u>	<u>(242,606)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>603,220</u>	<u>(5,311)</u>	<u>1,336,577</u>	<u>716,190</u>	<u>360,000</u>	<u>311,872</u>
<u>\$ 688,029</u>	<u>\$ -</u>	<u>\$ 1,861,170</u>	<u>\$ 716,190</u>	<u>\$ 360,000</u>	<u>\$ 313,447</u>

(Continued)

Village of Sauk Village, Illinois
 Nonmajor Governmental Funds
 COMBINING BALANCE SHEET (Continued)
Year Ended October 31, 2011

	<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	<u>SurreyBrook Plaza</u>	<u>Municipal Building</u>	<u>Total Capital Projects</u>	
ASSETS				
Cash and cash equivalents	\$ 285,410	\$ -	\$ 923,129	\$ 1,671,548
Receivables				
Property taxes	27,074	-	27,074	382,840
Intergovernmental	-	-	135,000	157,439
Other	-	-	24,645	38,371
Advances to other funds	<u>28,578</u>	<u>-</u>	<u>620,851</u>	<u>1,341,671</u>
 Total assets	 <u>\$ 341,062</u>	 <u>\$ -</u>	 <u>\$ 1,730,699</u>	 <u>\$ 3,591,869</u>
LIABILITIES				
Accounts payable	\$ 177,059	\$ -	\$ 178,634	\$ 410,326
Accrued payroll	-	-	-	470
Advances from other funds	-	13,043	13,043	13,043
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>292,431</u>
 Total liabilities	 <u>177,059</u>	 <u>13,043</u>	 <u>191,677</u>	 <u>716,270</u>
FUND BALANCE (DEFICIT)				
Nonspendable - advances	28,578	-	620,851	1,341,671
Restricted				
Special revenue	-	-	-	858,363
Capital projects	135,425	-	931,214	931,214
Unassigned	<u>-</u>	<u>(13,043)</u>	<u>(13,043)</u>	<u>(255,649)</u>
 Total fund balance (deficit)	 <u>164,003</u>	 <u>(13,043)</u>	 <u>1,539,022</u>	 <u>2,875,599</u>
 Total liabilities and fund balances	 <u>\$ 341,062</u>	 <u>\$ -</u>	 <u>\$ 1,730,699</u>	 <u>\$ 3,591,869</u>

(Concluded)

Village of Sauk Village, Illinois

Nonmajor Governmental Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)

Year Ended October 31, 2011

	Special Revenue Funds			
	Fire Protection	Motor Fuel Tax	Emergency Telephone System	Police Seizure
Revenues				
Property taxes	\$ 778,033	\$ -	\$ -	\$ -
Charges for services	14,099	-	81,829	-
Intergovernmental	-	590,052	-	-
Interest	-	212	-	-
Miscellaneous	51	-	-	4,179
Total revenues	792,183	590,264	81,829	4,179
Expenditures				
Current				
General government	-	-	-	-
Public safety	441,106	-	49,485	26,962
Public works	-	129,674	-	-
Debt service				
Principal	56,249	-	-	-
Interest	18,658	-	-	-
Capital outlay	29,700	687,199	-	-
Total expenditures	545,713	816,873	49,485	26,962
Excess (deficiency) of revenues over expenditures	246,470	(226,609)	32,344	(22,783)
Other financing sources (uses)				
Transfers in	-	-	-	17,263
Transfers out	(20,390)	(149,289)	(32,041)	-
Total other financing sources (uses)	(20,390)	(149,289)	(32,041)	17,263
Net change in fund balance	226,080	(375,898)	303	(5,520)
Fund balance (deficit)				
Beginning of year	624,627	224,065	22,400	22,611
End of year	\$ 850,707	\$ (151,833)	\$ 22,703	\$ 17,091

Special Revenue Funds			Capital Projects Funds		
Working Cash	Railroad Noise Mitigation	Total Special Revenue	Utility Tax	Community Development Block Grant	Sauk Plaza Redevelopment Plan
\$ 79,385	\$ -	\$ 857,418	\$ -	\$ -	\$ 55,396
-	-	95,928	237,986	-	-
-	-	590,052	-	360,000	-
5	-	217	-	-	3,551
-	-	4,230	-	-	23,194
<u>79,390</u>	<u>-</u>	<u>1,547,845</u>	<u>237,986</u>	<u>360,000</u>	<u>82,141</u>
-	-	-	13,872	-	4,686
-	-	517,553	-	-	-
-	5,311	134,985	-	-	-
-	-	56,249	23,169	-	-
-	-	18,658	4,875	-	-
-	-	716,899	-	-	-
-	5,311	1,444,344	41,916	-	4,686
<u>79,390</u>	<u>(5,311)</u>	<u>103,501</u>	<u>196,070</u>	<u>360,000</u>	<u>77,455</u>
3,081	-	20,344	-	-	-
(85,493)	-	(287,213)	-	-	-
(82,412)	-	(266,869)	-	-	-
(3,022)	(5,311)	(163,368)	196,070	360,000	77,455
<u>606,242</u>	<u>-</u>	<u>1,499,945</u>	<u>520,120</u>	<u>-</u>	<u>234,417</u>
<u>\$ 603,220</u>	<u>\$ (5,311)</u>	<u>\$ 1,336,577</u>	<u>\$ 716,190</u>	<u>\$ 360,000</u>	<u>\$ 311,872</u>

(Continued)

Village of Sauk Village, Illinois

Nonmajor Governmental Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (Continued)

Year Ended October 31, 2011

	Capital Projects Funds			Total Nonmajor Governmental Funds
	SurreyBrook Plaza	Municipal Building	Total Capital Projects	
Revenues				
Property taxes	\$ 155,960	\$ -	\$ 211,356	\$ 1,068,774
Charges for services	-	-	237,986	333,914
Intergovernmental	-	-	360,000	950,052
Interest	-	-	3,551	3,768
Miscellaneous	-	-	23,194	27,424
Total revenues	155,960	-	836,087	2,383,932
Expenditures				
Current				
General government	109,716	3,782	132,056	132,056
Public safety	-	-	-	517,553
Public works	-	-	-	134,985
Debt service				
Principal	-	-	23,169	79,418
Interest	-	-	4,875	23,533
Capital outlay	-	-	-	716,899
Total expenditures	109,716	3,782	160,100	1,604,444
Excess (deficiency) of revenues over expenditures	46,244	(3,782)	675,987	779,488
Other financing sources (uses)				
Transfers in	-	-	-	20,344
Transfers out	-	-	-	(287,213)
Total other financing sources (uses)	-	-	-	(266,869)
Net change in fund balance	46,244	(3,782)	675,987	512,619
Fund balance (deficit)				
Beginning of year	117,759	(9,261)	863,035	2,362,980
End of year	\$ 164,003	\$ (13,043)	\$ 1,539,022	\$ 2,875,599

(Concluded)

Village of Sauk Village, Illinois

Fire Protection Fund

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

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues			
Property taxes	\$ 684,731	\$ 778,033	\$ 93,302
Charges for services	18,557	14,099	(4,458)
Interest	482	-	(482)
Miscellaneous	-	51	51
Total revenues	<u>703,770</u>	<u>792,183</u>	<u>88,413</u>
Expenditures			
Current			
Public safety			
Regular wages	123,827	122,775	(1,052)
Part-time wages	118,804	102,107	(16,697)
Fringe benefits	51,049	41,810	(9,239)
Pension contributions	-	10,175	10,175
Office supplies	1,000	521	(479)
Vehicle expense	20,000	14,298	(5,702)
Uniforms and clothing	6,000	6,911	911
Facility maintenance supplies	3,000	1,018	(1,982)
Operating supplies	1,300	101	(1,199)
Computer software supplies	400	61	(339)
Tools and equipment	14,000	11,465	(2,535)
Other materials and supplies	2,500	-	(2,500)
Telephone	4,000	10,430	6,430
Utilities	1,320	2,356	1,036
Postage	250	98	(152)
Printing	500	339	(161)
Equipment repair and maintenance	10,000	6,372	(3,628)
Vehicle repair and maintenance	13,000	2,593	(10,407)
Facility maintenance	2,000	291	(1,709)
Organization business expense	250	-	(250)
Professional development	16,650	2,917	(13,733)
Publications and memberships	2,000	814	(1,186)
Professional services	7,000	3,800	(3,200)

(Continued)

Village of Sauk Village, Illinois

Fire Protection Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (continued)			
Current (continued)			
Public safety (continued)			
Computer contractual services	\$ 1,500	\$ 1,530	\$ 30
Intergovernmental services	3,000	3,000	-
Public information	3,000	2,029	(971)
General fund services	19,385	-	(19,385)
Other contractual services	66,744	66,195	(549)
Major tools and work equipment	42,000	27,100	(14,900)
Construction	25,000	-	(25,000)
Reserve for future expenditures	61,141	-	(61,141)
Total public safety	<u>620,620</u>	<u>441,106</u>	<u>(179,514)</u>
Debt service			
Principal	56,249	56,249	-
Interest	18,751	18,658	(93)
Total debt service	<u>75,000</u>	<u>74,907</u>	<u>(93)</u>
Capital outlay	<u>-</u>	<u>29,700</u>	<u>29,700</u>
Total expenditures	<u>695,620</u>	<u>545,713</u>	<u>(149,907)</u>
Excess (deficiency) of revenues over expenditures	<u>8,150</u>	<u>246,470</u>	<u>238,320</u>
Other financing uses			
Transfer (out)	<u>-</u>	<u>(20,390)</u>	<u>(20,390)</u>
Net change in fund balance	<u>\$ 8,150</u>	226,080	<u>\$ 217,930</u>
Fund balance			
Beginning of year		<u>624,627</u>	
End of year		<u>\$ 850,707</u>	

(Concluded)

Village of Sauk Village, Illinois

Motor Fuel Tax Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues			
Intergovernmental	\$ 264,000	\$ 590,052	\$ 326,052
Interest	3,750	212	(3,538)
Total revenues	<u>267,750</u>	<u>590,264</u>	<u>322,514</u>
Expenditures			
Current			
Public works			
Operating supplies	47,250	35,975	(11,275)
Construction supplies	36,000	24,860	(11,140)
Utilities	33,000	27,928	(5,072)
Equipment repair and maintenance	6,500	9,976	3,476
Professional services	25,000	13,558	(11,442)
Contractual services	8,000	7,198	(802)
Construction	-	10,060	10,060
Miscellaneous	-	119	119
Total public works	<u>155,750</u>	<u>129,674</u>	<u>(26,076)</u>
Capital outlay	<u>108,426</u>	<u>687,199</u>	<u>578,773</u>
Total expenditures	<u>264,176</u>	<u>816,873</u>	<u>552,697</u>
Excess of revenues over expenditures	<u>3,574</u>	<u>(226,609)</u>	<u>(230,183)</u>
Other financing uses			
Transfer out	<u>(80,000)</u>	<u>(149,289)</u>	<u>(69,289)</u>
Net change in fund balance	<u>\$ (76,426)</u>	(375,898)	<u>\$ (299,472)</u>
Fund balance (deficit)			
Beginning of year		<u>224,065</u>	
End of year		<u>\$ (151,833)</u>	

Village of Sauk Village, Illinois

Emergency Telephone System Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Charges for services			
911 surcharge	\$ 90,000	\$ 29,685	\$ (60,315)
Wireless surcharge	8,000	52,144	44,144
Interest	100	-	(100)
Total revenues	<u>98,100</u>	<u>81,829</u>	<u>(16,271)</u>
Expenditures			
Current			
Public safety			
Equipment repair and maintenance	-	45,000	45,000
Other contractual services	-	1,560	1,560
Computer hardware purchases	-	2,923	2,923
Miscellaneous	-	2	2
Total expenditures	<u>-</u>	<u>49,485</u>	<u>49,485</u>
Excess of revenues over expenditures	<u>98,100</u>	<u>32,344</u>	<u>(65,756)</u>
Other financing uses			
Transfer out	<u>(42,100)</u>	<u>(32,041)</u>	<u>10,059</u>
Net change in fund balance	<u>\$ 56,000</u>	303	<u>\$ (55,697)</u>
Fund balance			
Beginning of year		<u>22,400</u>	
End of year		<u>\$ 22,703</u>	

Village of Sauk Village, Illinois

Police Seizure Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Interest	\$ 520	\$ -	\$ (520)
Miscellaneous	-	4,179	4,179
Total revenues	520	4,179	3,659
Expenditures			
Current			
Public safety			
Vehicle repair and maintenance	-	2,646	2,646
Other contractual services	-	3	3
Contingency	-	22,111	22,111
Major tools and work equipment	-	2,202	2,202
Total expenditures	-	26,962	26,962
Excess (deficiency) of revenues over expenditures	520	(22,783)	(23,303)
Other financing sources			
Transfer in	-	17,263	17,263
Net change in fund balance	\$ 520	(5,520)	\$ (6,040)
Fund balance			
Beginning of year		22,611	
End of year		\$ 17,091	

Village of Sauk Village, Illinois

Working Cash Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 85,492	\$ 79,385	\$ (6,107)
Interest	<u>-</u>	<u>5</u>	<u>5</u>
Total revenues	<u>85,492</u>	<u>79,390</u>	<u>(6,102)</u>
Other financing sources (uses)			
Transfer in	-	3,081	3,081
Transfer (out)	<u>(85,492)</u>	<u>(85,493)</u>	<u>(1)</u>
Total other financing sources (uses)	<u>(85,492)</u>	<u>(82,412)</u>	<u>3,080</u>
Net change in fund balance	\$ <u>-</u>	(3,022)	\$ <u>(3,022)</u>
Fund balance			
Beginning of year		<u>606,242</u>	
End of year		\$ <u><u>603,220</u></u>	

Village of Sauk Village, Illinois

Utility Tax Fund

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

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues			
Charges for services	\$ 228,000	\$ 237,986	\$ 9,986
Interest	100	-	(100)
Total revenues	<u>228,100</u>	<u>237,986</u>	<u>9,886</u>
Expenditures			
Current			
General government			
Construction supplies	193	-	(193)
Equipment repair and maintenance	-	11,000	11,000
Refunds	20,335	364	(19,971)
Vehicles	-	1,402	1,402
Construction	-	-	-
Reserve for future expenditures	56	1,106	1,050
Total general government	<u>20,584</u>	<u>13,872</u>	<u>(6,712)</u>
Debt service			
Principal	23,169	23,169	-
Interest	4,875	4,875	-
Total debt service	<u>28,044</u>	<u>28,044</u>	<u>-</u>
Total expenditures	<u>48,628</u>	<u>41,916</u>	<u>(6,712)</u>
Excess of revenues over expenditures	<u>179,472</u>	<u>196,070</u>	<u>16,598</u>
Other financing uses			
Transfer out	<u>(144,797)</u>	-	<u>144,797</u>
Net change in fund balance	<u>\$ 34,675</u>	196,070	<u>\$ 161,395</u>
Fund balance			
Beginning of year		<u>520,120</u>	
End of year		<u>\$ 716,190</u>	

Village of Sauk Village, Illinois
Community Development Block Grant Fund
SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended October 31,2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Intergovernmental	\$ <u>80,000</u>	\$ <u>360,000</u>	\$ <u>280,000</u>
Other financing uses			
Transfer out	<u>(80,000)</u>	<u>-</u>	<u>80,000</u>
Net change in fund balance	\$ <u><u>-</u></u>	360,000	\$ <u><u>360,000</u></u>
Fund balance			
Beginning of year		<u>-</u>	
End of year		\$ <u><u>360,000</u></u>	

Village of Sauk Village, Illinois

Sauk Plaza Redevelopment Plan Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 106,619	\$ 55,396	\$ (51,223)
Interest	100	3,551	3,451
Miscellaneous	-	23,194	23,194
	<u>106,719</u>	<u>82,141</u>	<u>(24,578)</u>
Total revenues			
Expenditures			
General government			
Professional services	<u>70,000</u>	<u>4,686</u>	<u>(65,314)</u>
Net change in fund balance	\$ <u><u>36,719</u></u>	77,455	\$ <u><u>40,736</u></u>
Fund balance			
Beginning of year		<u>234,417</u>	
End of year		\$ <u><u>311,872</u></u>	

Village of Sauk Village, Illinois

SurreyBrook Plaza Fund

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

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Revenues			
Property taxes	\$ 143,417	\$ 155,960	\$ 12,543
Interest	100	-	(100)
Total revenues	<u>143,517</u>	<u>155,960</u>	<u>12,443</u>
Expenditures			
General government			
Professional services	20,000	106,500	86,500
Miscellaneous	-	3,216	3,216
Total expenditures	<u>20,000</u>	<u>109,716</u>	<u>89,716</u>
Net change in fund balance	\$ <u>123,517</u>	46,244	\$ <u>(77,273)</u>
Fund balance			
Beginning of year		<u>117,759</u>	
End of year		\$ <u>164,003</u>	

Village of Sauk Village, Illinois

Waterworks Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Operating revenues			
Charges for services	\$ 900,000	\$ 893,422	\$ (6,578)
Meter sales	1,000	7,080	6,080
Miscellaneous	500	5,669	5,169
Total operating revenues	<u>901,500</u>	<u>906,171</u>	<u>4,671</u>
Nonoperating revenues			
Interest	<u>500</u>	<u>-</u>	<u>(500)</u>
Total revenues	<u>\$ 902,000</u>	<u>\$ 906,171</u>	<u>\$ 4,171</u>

Village of Sauk Village, Illinois

Waterworks Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Operating expenses			
Salaries			
Regular wages	\$ 292,843	\$ 315,486	\$ 22,643
Overtime	38,000	43,827	5,827
Total salaries	<u>330,843</u>	<u>359,313</u>	<u>28,470</u>
Fringe benefits	<u>161,162</u>	<u>147,929</u>	<u>(13,233)</u>
Supplies, fees and services			
Office supplies	750	774	24
Vehicle expense	20,500	18,078	(2,422)
Uniforms and clothing	3,200	3,494	294
Facility maintenance supplies	3,000	2,454	(546)
Operating supplies	36,000	50,563	14,563
Computer software supplies	-	622	622
Tools and equipment	2,000	4,247	2,247
Construction supplies	45,000	32,445	(12,555)
Other materials and supplies	500	142	(358)
Telephone	10,000	8,846	(1,154)
Utilities	60,000	80,849	20,849
Postage	6,000	5,720	(280)
Printing	1,500	559	(941)
Professional development	3,000	2,853	(147)
Publications and memberships	400	135	(265)
Professional services	40,000	46,020	6,020
Computer contractual services	4,500	4,043	(457)
Intergovernmental services	10,000	1,020	(8,980)
Public information	1,500	410	(1,090)
Other rents and leases	2,500	548	(1,952)
Other contractual services	6,000	35,315	29,315
Refunds	-	26,502	26,502
Total supplies, fees and services	<u>256,350</u>	<u>325,639</u>	<u>69,289</u>

(Continued)

Village of Sauk Village, Illinois

Waterworks Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Operating expenses (continued)			
Repairs and maintenance			
Equipment repair and maintenance	\$ 7,000	\$ 2,632	\$ (4,368)
Vehicle repair and maintenance	10,500	3,349	(7,151)
Facility maintenance	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
Total repairs and maintenance	<u>20,500</u>	<u>5,981</u>	<u>(14,519)</u>
Capital outlay			
Major tools and work equipment	89,000	(5,895)	(94,895)
Vehicles	37,000	-	(37,000)
Construction	<u>2,202,500</u>	<u>-</u>	<u>(2,202,500)</u>
Total capital outlay	<u>2,328,500</u>	<u>(5,895)</u>	<u>(2,334,395)</u>
Total operating expenses before depreciation	<u>3,097,355</u>	<u>832,967</u>	<u>(2,264,388)</u>
Depreciation	<u>-</u>	<u>191,064</u>	<u>191,064</u>
Total operating expenses	<u>\$ 3,097,355</u>	<u>\$ 1,024,031</u>	<u>\$ (2,073,324)</u>

(Concluded)

Village of Sauk Village, Illinois

Sewerage Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Operating revenues			
Charges for services	\$ <u>660,000</u>	\$ <u>646,085</u>	\$ <u>(13,915)</u>
Nonoperating revenues			
Interest	<u>500</u>	<u>-</u>	<u>(500)</u>
Total revenues	\$ <u><u>660,500</u></u>	\$ <u><u>646,085</u></u>	\$ <u><u>(14,415)</u></u>

Village of Sauk Village, Illinois

Sewerage Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Operating expenses			
Salaries			
Regular wages	\$ 190,216	\$ 246,729	\$ 56,513
Overtime	21,000	22,610	1,610
Total salaries	211,216	269,339	58,123
Fringe benefits	94,000	116,983	22,983
Supplies, fees and services			
Office supplies	500	329	(171)
Vehicle expense	9,000	6,087	(2,913)
Uniforms and clothing	3,000	2,841	(159)
Facility maintenance supplies	-	27	27
Operating supplies	1,000	697	(303)
Computer software supplies	500	-	(500)
Tools and equipment	1,000	273	(727)
Construction supplies	6,000	3,065	(2,935)
Other materials and supplies	-	72	72
Telephone	1,000	872	(128)
Postage	2,500	2,078	(422)
Printing	1,200	559	(641)
Professional development	1,000	1,032	32
Publications and memberships	200	-	(200)
Professional services	5,000	1,365	(3,635)
Computer contractual services	4,500	3,033	(1,467)
Intergovernmental services	500	-	(500)
Other rents and leases	2,000	92	(1,908)
Other contractual services	3,000	21,002	18,002
Refunds	-	30,308	30,308
Total supplies, fees and services	41,900	73,732	31,832

(Continued)

Village of Sauk Village, Illinois

Sewerage Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

Year Ended October 31, 2011

	Original and Final Budget	Actual	Variance Over / (Under)
Operating expenses (continued)			
Repairs and maintenance			
Equipment repair and maintenance	\$ 4,500	\$ 1,949	\$ (2,551)
Vehicle repair and maintenance	<u>2,000</u>	<u>3,487</u>	<u>1,487</u>
Total repairs and maintenance	<u>6,500</u>	<u>5,436</u>	<u>(1,064)</u>
Capital outlay			
Major tools and work equipment	3,200	-	(3,200)
Vehicles	15,000	-	(15,000)
Construction	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Total capital outlay	<u>43,200</u>	<u>-</u>	<u>(43,200)</u>
Total operating expenses before depreciation	<u>396,816</u>	<u>465,490</u>	<u>68,674</u>
Depreciation	<u>-</u>	<u>25,948</u>	<u>25,948</u>
Total operating expenses	<u>\$ 396,816</u>	<u>\$ 491,438</u>	<u>\$ 94,622</u>

(Concluded)

Village of Sauk Village, Illinois
 Fiduciary Fund
 Agency Fund - Flexible Benefits Fund
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year Ended October 31, 2011

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balances</u>
ASSETS				
Cash	\$ <u>6,471</u>	\$ <u>2,894</u>	\$ <u>2,607</u>	\$ <u>6,758</u>
LIABILITIES				
Due to employees	\$ <u>6,471</u>	\$ <u>2,894</u>	\$ <u>2,607</u>	\$ <u>6,758</u>

OTHER INFORMATION
(Unaudited)

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Bonds (Tax Increment Alternate Revenue Source) Series 2000
October 31, 2011

Dated: December 15, 2000
 Original Issue: \$1,200,000
 Due: December 1, 2011
 Interest Payment Date: December 1
 Interest Rate: 5.50%

Year Ending October 31,	Principal	Interest	Total
2012	\$ <u>675,000</u>	\$ <u>18,563</u>	\$ <u>693,563</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
General Obligation Tax Increment Refunding Bonds Series 2002A
October 31, 2011

Dated: June 15, 2002
Original Issue: \$9,755,000
Due: June 1, 2022
Interest Payment Dates: June 1 and December 1
Interest Rates: 5.35% - 5.50%

<u>Year Ending</u> <u>October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 485,000	\$ 464,919	\$ 949,919
2013	505,000	438,437	943,437
2014	530,000	410,750	940,750
2015	650,000	379,185	1,029,185
2016	685,000	344,330	1,029,330
2017	715,000	308,809	1,023,809
2018	755,000	271,503	1,026,503
2019	900,000	229,750	1,129,750
2020	945,000	183,625	1,128,625
2021	1,000,000	135,000	1,135,000
2022	2,200,000	83,625	2,283,625
	<u>\$ 9,370,000</u>	<u>\$ 3,249,933</u>	<u>\$ 12,619,933</u>

Village of Sauk Village, Illinois

SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS

General Obligation Capital Appreciation Bonds (Tax Increment Alternate Revenue Source) Series 2002B

October 31, 2011

Dated: June 27, 2002
Original Issue: \$4,999,356
Due: June 1, 2022
Interest Rates: 5.00% - 5.95%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 705,734	\$ 54,266	\$ 760,000
2014	717,710	97,290	815,000
2015	721,510	143,490	865,000
2016	729,388	195,612	925,000
2017	732,816	252,184	985,000
2018	742,617	317,383	1,060,000
2019	747,329	387,671	1,135,000
2020	753,511	466,489	1,220,000
2021	760,378	554,622	1,315,000
2022	1,529,033	1,335,967	2,865,000
	<u>\$ 8,140,026</u>	<u>\$ 3,804,974</u>	<u>\$ 11,945,000</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Capital Appreciation (Alternate Revenue) Bonds Series 2007A
October 31, 2011

Dated: June 6, 2007
 Original Issue: \$5,201,610
 Due: December 1, 2018
 Interest Rates: 3.95% - 4.30%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 671,733	\$ 13,267	\$ 685,000
2013	645,492	39,508	685,000
2014	624,189	65,811	690,000
2015	598,625	91,375	690,000
2016	569,394	115,606	685,000
2017	548,987	141,013	690,000
2018	524,963	165,037	690,000
2019	497,866	187,134	685,000
	<u>\$ 4,681,249</u>	<u>\$ 818,751</u>	<u>\$ 5,500,000</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
General Obligation (Alternate Revenue) Bonds Series 2007B
October 31, 2011

Dated: June 6, 2007
Original Issue: \$1,405,000
Due: December 1, 2027
Interest Payment Dates: June 1 and December 1
Interest Rates: 3.85% - 5.00%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 35,000	\$ 57,409	\$ 92,409
2013	40,000	55,966	95,966
2014	40,000	54,406	94,406
2015	45,000	52,727	97,727
2016	50,000	50,850	100,850
2017	55,000	48,776	103,776
2018	60,000	46,490	106,490
2019	65,000	43,990	108,990
2020	75,000	41,190	116,190
2021	80,000	38,030	118,030
2022	85,000	34,606	119,606
2023	95,000	30,871	125,871
2024	100,000	26,825	126,825
2025	110,000	22,000	132,000
2026	120,000	16,250	136,250
2027	125,000	10,125	135,125
2028	140,000	3,500	143,500
	<u>\$ 1,320,000</u>	<u>\$ 634,011</u>	<u>\$ 1,954,011</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation (Alternate Revenue) Bonds Series 2007C
October 31, 2011

Dated: June 6, 2007
 Original Issue: \$810,000
 Due: December 1, 2027
 Interest Payment Dates: June 1 and December 1
 Interest Rates: 3.90% - 5.00%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 20,000	\$ 34,390	\$ 54,390
2013	20,000	33,610	53,610
2014	25,000	32,733	57,733
2015	25,000	31,758	56,758
2016	30,000	30,685	60,685
2017	30,000	29,500	59,500
2018	35,000	28,200	63,200
2019	40,000	26,700	66,700
2020	40,000	25,100	65,100
2021	45,000	23,400	68,400
2022	50,000	21,250	71,250
2023	55,000	18,625	73,625
2024	60,000	15,750	75,750
2025	65,000	12,625	77,625
2026	65,000	9,375	74,375
2027	75,000	5,875	80,875
2028	80,000	2,000	82,000
	<u>\$ 760,000</u>	<u>\$ 381,576</u>	<u>\$ 1,141,576</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
General Obligation Bonds (Alternate Revenue Source) Series 2008
October 31, 2011

Dated: December 23, 2008
Original Issue: \$9,500,000
Due: December 1, 2028
Interest Payment Dates: June 1 and December 1
Interest Rates: 5.40% - 7.25%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 30,000	\$ 589,798	\$ 619,798
2013	85,000	585,629	670,629
2014	185,000	575,842	760,842
2015	165,000	563,154	728,154
2016	175,000	550,829	725,829
2017	230,000	536,148	766,148
2018	215,000	520,016	735,016
2019	160,000	506,422	666,422
2020	210,000	493,010	703,010
2021	185,000	480,403	665,403
2022	150,000	471,208	621,208
2023	220,000	460,683	680,683
2024	1,295,000	416,479	1,711,479
2025	1,470,000	334,500	1,804,500
2026	1,355,000	249,073	1,604,073
2027	1,075,000	174,689	1,249,689
2028	1,110,000	107,222	1,217,222
2029	1,165,000	36,406	1,201,406
	<u>\$ 9,480,000</u>	<u>\$ 7,651,511</u>	<u>\$ 17,131,511</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Tax Increment Bonds (Alternate Revenue Source) Series 2009
October 31, 2011

Dated: April 28, 2009
 Original Issue: \$8,000,000
 Due: April 1, 2029
 Interest Payment Dates: June 1 and December 1 through
 2028, then April 1, 2029
 Interest Rates: 4.30% - 7.50%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 90,000	\$ 402,539	\$ 492,539
2013	130,000	394,289	524,289
2014	195,000	382,102	577,102
2015	190,000	367,665	557,665
2016	275,000	350,227	625,227
2017	200,000	332,414	532,414
2018	155,000	319,102	474,102
2019	180,000	306,540	486,540
2020	105,000	295,852	400,852
2021	60,000	290,624	350,624
2022	165,000	285,787	450,787
2023	65,000	280,842	345,842
2024	815,000	261,922	1,076,922
2025	885,000	224,930	1,109,930
2026	675,000	190,272	865,272
2027	635,000	160,479	795,479
2028	1,105,000	120,183	1,225,183
2029	2,000,000	62,842	2,062,842
	<u>\$ 7,925,000</u>	<u>\$ 5,028,611</u>	<u>\$ 12,953,611</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Working Cash Bonds Series 2010
October 31, 2011

Dated: February 1, 2010
 Original Issue: \$574,000
 Due: February 1, 2020
 Interest Payment Dates: February 1 and August 1
 Interest Rates: 3.50% - 5.00%

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 50,000	\$ 22,311	\$ 72,311
2013	50,000	20,561	70,561
2014	55,000	18,558	73,558
2015	55,000	16,303	71,303
2016	55,000	13,938	68,938
2017	60,000	11,350	71,350
2018	65,000	8,375	73,375
2019	65,000	5,125	70,125
2020	70,000	1,750	71,750
	<u>\$ 525,000</u>	<u>\$ 118,271</u>	<u>\$ 643,271</u>