

McGladrey & Pullen

Certified Public Accountants

Village of University Park, Illinois

Financial Report

April 30, 2006

Table of Contents

| Financial Section | |
|--|---------|
| Independent Auditor's Report | 1 – 2 |
| Required Supplemental Information | |
| Management Discussion and Analysis (MD&A) | 3 – 12 |
| Basic Financial Statements | |
| Government-Wide Financial Statements (GWFS) | |
| Statement of Net Assets | 13 – 14 |
| Statement of Activities | 15 |
| Fund Financial Statements (FFS) | |
| Balance Sheet – Governmental Funds | 16 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets | 17 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds | 18 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities | 19 |
| Statement of Net Assets – Enterprise Funds | 20 |
| Statement of Revenues, Expenditures and Changes in Net Assets – Enterprise Funds | 21 |
| Statement of Cash Flows – Enterprise Funds | 22 – 23 |
| Statement of Fiduciary Net Assets – Fiduciary Funds | 24 |
| Statement of Changes in Fiduciary Net Assets – Pension Trust Funds | 25 |
| Notes to Basic Financial Statements | 26 – 51 |
| Required Supplemental Information | |
| Schedule of Funding Progress: | |
| Illinois Municipal Retirement Fund | 52 |
| Police Pension Fund | 53 |
| Firefighters' Pension Fund | 54 |
| Schedule of Employer Contributions: | |
| Police Pension Fund | 55 |
| Firefighters' Pension Fund | 56 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund | 57 |
| Note to Required Supplementary Information | 58 |
| Supplemental Information | |
| Governmental Funds | |
| Statement of Revenues – Budget and Actual – General Fund | 59 |
| Statement of Expenditures – Budget and Actual – General Fund | 60 – 64 |
| Combining Balance Sheet – Nonmajor Governmental Funds | 65 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds | 66 |

Contents

Financial Section (Continued)

Supplementary Information (Continued)

Governmental Funds

| | |
|---|---------|
| Combining Balance Sheet – Nonmajor Special Revenue Funds | 67 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds | 68 |
| Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual: | |
| Road and Bridge Fund | 69 |
| Motor Fuel Tax Fund | 70 |
| Illinois Municipal Retirement Fund | 71 |
| Social Security Fund | 72 |
| State Income Tax Surcharge | 73 |
| Combining Balance Sheet – Nonmajor Debt Service Funds | 74 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds | 75 |
| Combining Balance Sheet – Nonmajor Capital Projects Funds | 76 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds | 77 |
| Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual: | |
| T.I.F. I | 78 |
| T.I.F. II | 79 |
| T.I.F. III | 80 |
| T.I.F. IV | 81 |
| T.I.F. V | 82 |
| T.I.F. Redevelopment Project | 83 |
| Series 1998 Bond Project Fund | 84 |
| Series 2003 Bond Project Fund | 85 |
| Enterprise Funds: | |
| Towncenter Fund | 86 |
| Golf Course Fund | 87 – 88 |
| Other Schedules | |
| Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections | 89 |
| Schedule of Debt Service Requirements | 90 – 92 |

Required Supplemental Information

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

The Honorable Mayor and
Members of the Board of Trustees
Village of University Park, 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 University Park, Illinois, as of and for the year ended April 30, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of University Park, Illinois. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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.

As described in Note 1 to the basic financial statements, in fiscal year 2006 the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 40, *Deposits and Investment Risk Disclosures – an amendment of GASB Statement No. 3*, and GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of University Park, Illinois, as of April 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary information which includes management's discussion and analysis (pages 3 - 12), pension related schedules (pages 52 - 56) and budgetary schedule and related note (pages 57 - 58) is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of University Park, Illinois. The combining and individual fund financial statements and other schedules listed in the table of contents as supplementary data are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Chicago, Illinois
January 15, 2008

Management Discussion and Analysis (MD&A)

Village of University Park, Illinois
Management's Discussion and Analysis

April 30, 2006

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 1).

Using the Financial Section of this Comprehensive Annual Report

For the past 20 years, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resource basis. This approach has been modified and the Village's financial statements now present two kinds of statements, each with a different snapshot of the Village's finances. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 13-15) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement, for the first time, combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 15) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety, public works, recreation and administration. Shared state sales, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Golf Course and the Towncenter), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

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

The Governmental Funds (see pages 16-19) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 20-23) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 17 and 19). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide financial statements).

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Fire and Police Pension, see pages 24-25). While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the Governmental column of the Government-wide Financial Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Government-Wide Financial Statements

Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$11.9 million and \$9.9 million as of April 30, 2006 and 2005, respectively.

A portion of the Village's net assets (95.5%) at April 30, 2006 reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1

Statement of Net Assets
As of April 30, 2006
(in millions)

| | Governmental Activities | Business-Type Activities | Total Primary Government |
|--|----------------------------|-----------------------------|-----------------------------|
| Current Assets | \$8.6 | \$0.2 | \$8.8 |
| Non Current Assets | 20.0 | 7.6 | 27.6 |
| Total Assets | <u>28.6</u> | <u>7.8</u> | <u>36.4</u> |
| Current Liabilities | 8.8 | 0.1 | 8.9 |
| Non Current Liabilities | 15.6 | 0.0 | 15.6 |
| Total Liabilities | <u>24.4</u> | <u>0.1</u> | <u>24.5</u> |
| Net Assets: | | | |
| Invested in Capital Assets, Net of Related Debt | 8.0 | 3.4 | 11.4 |
| Restricted | 0.4 | 0.0 | 0.4 |
| Unrestricted | -4.2 | 4.3 | 0.1 |
| Total Net Assets | <u>\$4.2</u> | <u>\$7.7</u> | <u>\$11.9</u> |

Table 2

Statement of Net Assets
As of April 30, 2005
(in millions)

| | Governmental Activities | Business-Type Activities | Total Primary Government |
|--|----------------------------|-----------------------------|-----------------------------|
| Current Assets | \$7.5 | \$0.3 | \$7.8 |
| Non Current Assets | 16.6 | 8.7 | 25.3 |
| Total Assets | <u>24.1</u> | <u>9.0</u> | <u>33.1</u> |
| Current Liabilities | 6.0 | 0.8 | 6.8 |
| Non Current Liabilities | 16.4 | 0.0 | 16.4 |
| Total Liabilities | <u>22.4</u> | <u>0.8</u> | <u>23.2</u> |
| Net Assets: | | | |
| Invested in Capital Assets, Net of Related Debt | 6.0 | 2.3 | 8.3 |
| Restricted | 0.8 | 0.0 | 0.8 |
| Unrestricted | -5.2 | 6.0 | 0.8 |
| Total Net Assets | <u>\$1.6</u> | <u>\$8.3</u> | <u>\$9.9</u> |

For more detailed information see the Statement of Net Assets (page 13-14).

The Village's combined net assets (which is the Village's equity) increased to \$11.9 million from \$9.9 million. Net assets of the Village's governmental activities were \$4.2 million. The Village's unrestricted net assets for governmental activities, the part of net assets that can be used to finance day-to-day operations, were at a deficit of \$4.2 million. The net assets of business-type activities decreased from \$8.3 million to \$7.7 million. The Village had \$4.3 million in which to finance the operations of its Towncenter property and golf course.

Normal Impacts

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

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net assets.

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

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

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

Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The Village's total net assets increased \$2.0 million and can be attributed to several factors. The Village's governmental activities reported property taxes of approximately \$8.7 million as well as \$2.0 million in charges for services, while only having approximately \$12.8 million of expenses. The decrease in the Village's business type activities of \$0.6 million can be attributed to charges for services totaling \$1.5 million offset by expenses of \$2.4 million.

Changes in Net Assets

The following chart compares the revenue and expenses for the current fiscal year.

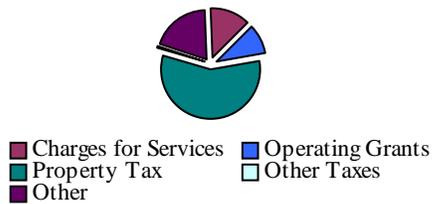
Table 3
Changes in Net Assets
For the Fiscal Year Ended April 30, 2006
(in millions)

| | Governmental Activities | Business-Type Activities | Total Primary Government |
|-------------------------------------|----------------------------|-----------------------------|-----------------------------|
| REVENUES | | | |
| Program Revenues | | | |
| Charges for Services | \$2.0 | \$1.5 | \$3.5 |
| Operating Grants & Contributions | 1.5 | 0.0 | 1.5 |
| Capital Grants & Contributions | 0.0 | 0.4 | 0.4 |
| General Revenues | | | |
| Property Taxes | 8.7 | 0.0 | 8.7 |
| Other Taxes | 0.1 | 0.0 | 0.1 |
| Interest | 0.2 | 0.0 | 0.2 |
| Reimbursed expense | 2.5 | 0.0 | 2.5 |
| Other | 0.4 | 0.0 | 0.4 |
| Total Revenues | <u>15.4</u> | <u>1.9</u> | <u>17.3</u> |
| EXPENSES | | | |
| General Government | 5.2 | 0.0 | 5.2 |
| Public Safety | 4.2 | 0.0 | 4.2 |
| Public Works | 1.5 | 0.0 | 1.5 |
| Recreation | 0.7 | 0.0 | 0.7 |
| Interest and fees | 1.2 | 0.0 | 1.2 |
| Towncenter | 0.0 | 0.4 | 0.4 |
| Golf course | 0.0 | 2.1 | 2.1 |
| Total Expenses | <u>12.8</u> | <u>2.5</u> | <u>15.3</u> |
| CHANGE IN NET ASSETS | 2.6 | -0.6 | 2.0 |
| BEGINNING NET ASSETS | <u>1.6</u> | <u>8.3</u> | <u>9.9</u> |
| ENDING NET ASSETS | <u><u>\$4.2</u></u> | <u><u>\$7.7</u></u> | <u><u>\$11.9</u></u> |

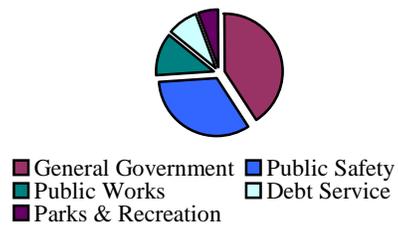
Table 4
Changes in Net Assets
For the Fiscal Year Ended April 30, 2005
(in millions)

| | Governmental Activities | Business-Type Activities | Total Primary Government |
|---------------------------------------|----------------------------|-----------------------------|-----------------------------|
| REVENUES | | | |
| Program Revenues | | | |
| Charges for Services | \$2.4 | \$1.4 | \$3.8 |
| Operating Grants & Contributions | 1.1 | 0.0 | 1.1 |
| Capital Grants & Contributions | 0.0 | 2.2 | 2.2 |
| General Revenues | | | |
| Property Taxes | 8.8 | 0.0 | 8.8 |
| Other Taxes | 0.1 | 0.0 | 0.1 |
| Interest | 0.1 | 0.0 | 0.1 |
| Other | 0.6 | 0.0 | 0.6 |
| Total Revenues | 13.1 | 3.6 | 16.7 |
| EXPENSES | | | |
| General Government | 5.8 | 0.0 | 5.8 |
| Public Safety | 2.7 | 0.0 | 2.7 |
| Public Works | 0.9 | 0.0 | 0.9 |
| Recreation | 0.5 | 0.0 | 0.5 |
| Interest and fees | 0.9 | 0.0 | 0.9 |
| Towncenter | 0.0 | 0.3 | 0.3 |
| Golf course | 0.0 | 1.5 | 1.5 |
| Total Expenses | 10.8 | 1.8 | 12.6 |
| CHANGE IN NET ASSETS | 2.3 | 1.8 | 4.1 |
| BEGINNING NET ASSETS (DEFICIT) | -0.7 | 6.5 | 5.8 |
| ENDING NET ASSETS | \$1.6 | \$8.3 | \$9.9 |

**2006 Governmental Activities
Revenue**



2006 Governmental Activities Expenses



There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

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

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (impact fee, building fees, home rule sales tax, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 27% of the Village's operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Revenues:

For the fiscal year ended April 30, 2006, revenues from all activities totaled \$17.3 million. The Village has a very diversified revenue structure and depends on several key revenue sources to help pay for the services it provides.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2006 were \$15.3 million. Public safety expenses related to the operations of the Police and Fire Department accounted for \$4.2 million of the total expenses.

Financial Analysis Of The Village's Funds

Governmental Funds

At April 30, 2006, the governmental funds (as presented on the statement of revenues, expenditures, and changes in fund balances on page 18) reported a combined fund balance of \$3.4 million. Revenues exceeded expenditures and other financing sources (uses) in 2006 by \$.5 million.

General Fund Budgetary Highlights

At the first Village Board meeting in May, the Mayor submits to the Village Council a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in fiscal year 2006. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 5
General Fund Budgetary Highlights
(in millions)

| General Fund | Original Budget | Actual |
|---------------------------------------|------------------------|-----------------------|
| Revenues and Other Financing Sources | | |
| Taxes | \$2.7 | \$2.1 |
| Licenses, permits and fees | 0.5 | 0.3 |
| Intergovernmental | 0.7 | 1.2 |
| Fines and forfeitures | 0.1 | 0.1 |
| Charges for services | 1.4 | 1.5 |
| Other | <u>0.4</u> | <u>0.4</u> |
| Total | <u>5.8</u> | <u>5.6</u> |
| Expenditures and Other Financing Uses | | |
| General Government | 1.6 | 2.2 |
| Community Development | 0.4 | 0.3 |
| Public Safety | 3.4 | 3.1 |
| Public Works | 0.1 | 0.2 |
| Recreation | <u>0.8</u> | <u>0.5</u> |
| Total | <u>6.3</u> | <u>6.3</u> |
| Change in Fund Balance | <u>\$ (0.5)</u> | <u>\$(0.7)</u> |

Capital Assets

At the end of the fiscal year 2006, the Village had a combined total of capital assets of \$27.7 million (after accumulated depreciation of \$3.6 million) invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 6 below) Capital assets increased (including additions and deletions) by a net total of \$2.4 million after depreciation.

Table 6
Capital Assets – Governmental Activities
Net of Depreciation
(in millions)

| | Balance 4/30/05 | Net Additions/Deletions | Balance 4/30/06 |
|------------------------------|-----------------|-------------------------|-----------------|
| Land | \$3.2 | \$0.0 | \$3.2 |
| Right of way land | 7.6 | 0.0 | 7.6 |
| Storm sewer | 0.3 | 0.0 | 0.3 |
| Sanitary sewer | 0.7 | 0.0 | 0.7 |
| Roadways | - | 1.7 | 1.7 |
| Watermain | 0.8 | 0.0 | 0.8 |
| Land improvements | 0.4 | (0.2) | 0.2 |
| Buildings | 3.1 | 0.0 | 3.1 |
| Motor vehicles and equipment | <u>0.5</u> | <u>(0.1)</u> | <u>0.4</u> |
| Total Capital Assets | <u>\$16.6</u> | <u>\$1.4</u> | <u>\$18.0</u> |

Table 7
Capital Assets – Business Type Activities
Net of Depreciation
(in millions)

| | Balance 4/30/05 | Net Additions/Deletions | Balance 4/30/06 |
|----------------------|-----------------|-------------------------|-----------------|
| Land | \$3.4 | \$0.0 | \$3.4 |
| Buildings | 3.9 | 1.0 | 4.9 |
| Land improvements | 1.0 | (0.1) | 0.9 |
| Equipment | <u>0.4</u> | <u>0.1</u> | <u>0.5</u> |
| Total Capital Assets | <u>\$8.7</u> | <u>\$1.0</u> | <u>\$9.7</u> |

Long-Term Obligations

At year-end, the Village had \$16.8 million in long-term obligations outstanding, which consisted of revenue bonds, general obligation bonds, installment notes, a line of credit, compensated absences, and pension obligations. (More detailed information about the Village's long-term obligations is presented in Note 6 to the financial statements.) The following factors should be noted for the current year:

- The Village continued to pay down its debt, retiring \$1.2 million of outstanding bonds and other obligations.
- The Village's general obligations bonds have carried a rating of AAA from Moody's.

Economic Factors

The financial condition of the Federal and State governments has had a dramatic effect on the Village of University Park during 2006 and is expected to continue into 2007. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax) have been materially reduced. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

The Illinois General Assembly has imposed property tax legislation on municipalities to give property taxpayers some relief by delaying tax increases each year. The legislation limits the levy increase to the lesser of the consumer price index (CPI) or five percent and mandates the use of prior year equalized assessed valuation (EAV) amounts to generate property tax receipts. This "tax cap" continues to limit the Village's tax collection ability.

Contacting The Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to David Sevier, Finance Director, Village of University Park, 698 Burnham Drive, University Park, IL 60466.

Basic Financial Statements

Government – Wide Financial Statements (GWFS)

Fund Financial Statements (FFS)

Required Supplemental Information

Village of University Park, Illinois

Statement of Net Assets
April 30, 2006

| | Governmental Activities | Business-Type Activities | Total |
|---------------------------------------|----------------------------|-----------------------------|----------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | \$ 2,482,262 | \$ 113,089 | \$ 2,595,351 |
| Investments | 1,282,836 | - | 1,282,836 |
| Receivables: | | | |
| Property taxes | 4,252,959 | - | 4,252,959 |
| Utility taxes | 77,083 | - | 77,083 |
| Other | 128,514 | 44,768 | 173,282 |
| Prepaid and other assets | 167,662 | 35,712 | 203,374 |
| Employer contributions receivable | 36,045 | - | 36,045 |
| Due from other governmental agencies | 192,262 | - | 192,262 |
| Total current assets | 8,619,623 | 193,569 | 8,813,192 |
| Noncurrent Assets | | | |
| Internal advances | 2,042,951 | (2,042,951) | - |
| Capital assets not being depreciated | 10,771,692 | 3,350,000 | 14,121,692 |
| Capital assets being depreciated, net | 7,186,584 | 6,324,845 | 13,511,429 |
| Total noncurrent assets | 20,001,227 | 7,631,894 | 27,633,121 |
| Total assets | \$ 28,620,850 | \$ 7,825,463 | \$ 36,446,313 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Net Assets - Continued
 April 30, 2006

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts payable | \$ 2,945,075 | \$ 55,712 | \$ 3,000,787 |
| Accrued payroll | 76,924 | 25,596 | 102,520 |
| Accrued interest | 340,300 | - | 340,300 |
| Unearned revenue | 4,261,730 | - | 4,261,730 |
| Internal balances | (4,000) | 4,000 | - |
| Compensated absences | - | 18,732 | 18,732 |
| Revenue bonds | 365,000 | - | 365,000 |
| General obligation bonds | 605,000 | - | 605,000 |
| Line of credit | 171,018 | - | 171,018 |
| Installment notes | 26,691 | - | 26,691 |
| Total current liabilities | 8,787,738 | 104,040 | 8,891,778 |
| Long-term Liabilities, net of current maturities | | | |
| Compensated absences | 433,571 | - | 433,571 |
| Pension obligations | 122,195 | - | 122,195 |
| Revenue bonds | 2,345,000 | - | 2,345,000 |
| General obligation bonds | 12,750,000 | - | 12,750,000 |
| Total long-term liabilities | 15,650,766 | - | 15,650,766 |
| Total liabilities | 24,438,504 | 104,040 | 24,542,544 |
| Net Assets | | | |
| Invested in capital assets, net of related debt | 7,940,567 | 3,429,845 | 11,370,412 |
| Restricted for debt service | 418,421 | - | 418,421 |
| Unrestricted (deficit) | (4,176,642) | 4,291,578 | 114,936 |
| Total net assets | \$ 4,182,346 | \$ 7,721,423 | \$ 11,903,769 |

Village of University Park, Illinois

Statement of Activities
Year Ended April 30, 2006

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense), Revenue and Changes in Net Assets | | |
|--------------------------------|---------------|-------------------------|--|--|---|-----------------------------|----------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental activities: | | | | | | | |
| General government | \$ 5,196,832 | \$ 2,020,365 | \$ 1,277,515 | \$ - | \$ (1,898,952) | \$ - | \$ (1,898,952) |
| Public safety | 4,231,482 | - | - | - | (4,231,482) | - | (4,231,482) |
| Public works | 1,509,200 | - | 195,627 | - | (1,313,573) | - | (1,313,573) |
| Recreation | 707,805 | 17,852 | - | - | (689,953) | - | (689,953) |
| Interest and fees | 1,161,670 | - | - | - | (1,161,670) | - | (1,161,670) |
| Total governmental activities | 12,806,989 | 2,038,217 | 1,473,142 | - | (9,295,630) | - | (9,295,630) |
| Business-type activities: | | | | | | | |
| Towncenter | 389,358 | 199,513 | - | - | - | (189,845) | (189,845) |
| Golf course | 2,073,249 | 1,312,693 | - | 407,369 | - | (353,187) | (353,187) |
| Total business-type activities | 2,462,607 | 1,512,206 | - | 407,369 | - | (543,032) | (543,032) |
| Total | \$ 15,269,596 | \$ 3,550,423 | \$ 1,473,142 | \$ 407,369 | (9,295,630) | (543,032) | (9,838,662) |
| General revenues | | | | | | | |
| Taxes: | | | | | | | |
| Property | | | | | 8,716,016 | - | 8,716,016 |
| Other | | | | | 55,927 | - | 55,927 |
| Interest | | | | | 167,145 | 3,604 | 170,749 |
| Reimbursed expenses | | | | | 2,509,356 | - | 2,509,356 |
| Miscellaneous | | | | | 421,912 | - | 421,912 |
| Total general revenues | | | | | 11,870,356 | 3,604 | 11,873,960 |
| Change in net assets | | | | | 2,574,726 | (539,428) | 2,035,298 |
| Net assets: | | | | | | | |
| May 1, 2005 | | | | | 1,607,620 | 8,260,851 | 9,868,471 |
| April 30, 2006 | | | | | \$ 4,182,346 | \$ 7,721,423 | \$ 11,903,769 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Combined Balance Sheet
 Governmental Funds
 April 30, 2006

| | General | T.I.F. II | T.I.F. IV | T.I.F. V | Nonmajor Funds | Total Governmental Funds |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------------------|
| Assets | | | | | | |
| Cash and cash equivalents | \$ 146,293 | \$ 8,309 | \$ 180,802 | \$ 1,338,895 | \$ 807,963 | \$ 2,482,262 |
| Investments | 131,859 | 712,616 | - | - | 438,361 | 1,282,836 |
| Receivables: | | | | | | |
| Property taxes | 2,377,316 | - | - | - | 1,875,643 | 4,252,959 |
| Utility taxes | 75,691 | 1,392 | - | - | - | 77,083 |
| Other | 128,514 | - | - | - | - | 128,514 |
| Prepaid insurance | 167,662 | - | - | - | - | 167,662 |
| Due from other governmental agencies | 176,996 | - | - | - | 15,266 | 192,262 |
| Due from other funds | 346,366 | 130,741 | 100,000 | 541,519 | 463,689 | 1,582,315 |
| Advances to other funds | 4,234,426 | 2,013,797 | 2,382,260 | - | 674,504 | 9,304,987 |
| Total assets | \$ 7,785,123 | \$ 2,866,855 | \$ 2,663,062 | \$ 1,880,414 | \$ 4,275,426 | \$ 19,470,880 |
| Liabilities and Fund Balances | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ 264,732 | \$ 1,411,684 | \$ 628,304 | \$ 5,008 | \$ 635,347 | \$ 2,945,075 |
| Accrued payroll | 72,664 | - | - | - | 4,260 | 76,924 |
| Unearned revenue | 2,377,315 | - | - | - | 1,884,415 | 4,261,730 |
| Due to other funds | 159,722 | 256,221 | 541,519 | 251,641 | 373,482 | 1,582,585 |
| Advances from other funds | 4,819,565 | - | - | - | 2,402,156 | 7,221,721 |
| Total liabilities | 7,693,998 | 1,667,905 | 1,169,823 | 256,649 | 5,299,660 | 16,088,035 |
| Fund balances | | | | | | |
| Reserved for prepaid insurance | 167,662 | - | - | - | - | 167,662 |
| Reserved for advances | 4,234,426 | 2,013,797 | 2,382,260 | - | 674,504 | 9,304,987 |
| Reserved for scholarships | 46,742 | - | - | - | - | 46,742 |
| Unreserved: | | | | | | |
| Designated for fire facility | 161,495 | - | - | - | - | 161,495 |
| Unreserved and undesignated (deficit) | (4,519,200) | (814,847) | (889,021) | 1,623,765 | (1,698,738) | (6,298,041) |
| Total fund balances | 91,125 | 1,198,950 | 1,493,239 | 1,623,765 | (1,024,234) | 3,382,845 |
| Total liabilities and fund balances | \$ 7,785,123 | \$ 2,866,855 | \$ 2,663,062 | \$ 1,880,414 | \$ 4,275,426 | \$ 19,470,880 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
April 30, 2006

Total fund balances - governmental funds \$ 3,382,845

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds 17,958,276

Some liabilities reported in the statement of net assets do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds:

These activities consist of:

| | |
|--------------------------|--------------|
| Revenue bonds | (2,710,000) |
| General obligation bonds | (13,355,000) |
| Installment notes | (26,691) |
| Line of credit | (171,018) |
| Accrued interest | (340,300) |
| Compensated absences | (433,571) |
| Pension obligations | (122,195) |

Net assets of governmental activities \$ 4,182,346

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 Year Ended April 30, 2006

| | General | T.I.F. II | T.I.F. IV | T.I.F. V | Nonmajor Funds | Total Governmental Funds |
|--|------------------|--------------------|------------------|------------------|--------------------|--------------------------------|
| Revenues: | | | | | | |
| Property taxes | \$ 2,069,311 | \$ 2,432,219 | \$ 1,029,410 | \$ 889,788 | \$ 2,295,288 | \$ 8,716,016 |
| Utility taxes | - | 55,927 | - | - | - | 55,927 |
| Licenses and permits | 353,317 | - | - | - | - | 353,317 |
| Charges for services | 1,502,238 | - | - | - | 80,947 | 1,583,185 |
| Intergovernmental | 1,217,771 | - | - | - | 217,079 | 1,434,850 |
| Fines and forfeits | 83,863 | - | - | - | - | 83,863 |
| Interest | 21,688 | 45,083 | 21,993 | 21,704 | 56,677 | 167,145 |
| Community facilities | 17,852 | - | - | - | - | 17,852 |
| Grant revenue | - | - | - | - | 38,292 | 38,292 |
| Reimbursed expenses | - | - | - | 2,509,356 | - | 2,509,356 |
| Miscellaneous | 392,184 | - | - | - | 29,728 | 421,912 |
| Total revenues | 5,658,224 | 2,533,229 | 1,051,403 | 3,420,848 | 2,718,011 | 15,381,715 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government | 2,189,257 | - | - | - | 1,218,773 | 3,408,030 |
| Community development | 378,575 | - | - | - | - | 378,575 |
| Public safety | 3,083,215 | - | - | - | - | 3,083,215 |
| Public works | 182,013 | - | - | - | 917,646 | 1,099,659 |
| Recreation | 515,733 | - | - | - | - | 515,733 |
| Debt service: | | | | | | |
| Principal retirements | - | - | - | - | 1,180,906 | 1,180,906 |
| Interest and fees | - | - | - | - | 821,370 | 821,370 |
| Capital outlay | - | 1,615,827 | 621,679 | 1,944,020 | 260,931 | 4,442,457 |
| Total expenditures | 6,348,793 | 1,615,827 | 621,679 | 1,944,020 | 4,399,626 | 14,929,945 |
| Excess (deficiency) of revenues over (under) expenditures | (690,569) | 917,402 | 429,724 | 1,476,828 | (1,681,615) | 451,770 |
| Other financing sources (uses): | | | | | | |
| Transfers in | 1,805,885 | - | - | - | 661,937 | 2,467,822 |
| Transfers (out) | - | (2,467,822) | - | - | - | (2,467,822) |
| Total other financing sources (uses) | 1,805,885 | (2,467,822) | - | - | 661,937 | - |
| Net change in fund balance | 1,115,316 | (1,550,420) | 429,724 | 1,476,828 | (1,019,678) | 451,770 |
| Fund balances (deficits): | | | | | | |
| May 1, 2005 | (1,024,191) | 2,749,370 | 1,063,515 | 146,937 | (4,556) | 2,931,075 |
| April 30, 2006 | \$ 91,125 | \$ 1,198,950 | \$ 1,493,239 | \$ 1,623,765 | \$ (1,024,234) | \$ 3,382,845 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities
 Year Ended April 30, 2006

| | | |
|--|----|---------|
| Net change in fund balances—total governmental funds | \$ | 451,770 |
|--|----|---------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital assets exceeded depreciation expense and loss on disposal of capital assets in the current period.

| | | |
|------------------------------------|------------------|-----------|
| Capital outlay | \$ 2,012,933 | |
| Depreciation expense | (282,751) | |
| Loss on disposal of capital assets | <u>(385,000)</u> | 1,345,182 |

| | | |
|--|--|-----------|
| Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets | | 1,180,906 |
|--|--|-----------|

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

| | | |
|--------------------------------------|-----------------|------------------|
| Increase in accrued interest | (340,300) | |
| Net increase in compensated absences | <u>(62,832)</u> | <u>(403,132)</u> |

| | | |
|---|----|-------------------------|
| Change in net assets of governmental activities | \$ | <u><u>2,574,726</u></u> |
|---|----|-------------------------|

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Net Assets

Enterprise Funds

April 30, 2006

| | Business-Type Activities | | |
|---|--------------------------|---------------------|---------------------|
| | Towncenter | Golf Course | Total |
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | \$ 87,770 | \$ 25,319 | \$ 113,089 |
| Receivables | 600 | 44,168 | 44,768 |
| Other assets | - | 35,712 | 35,712 |
| Total current assets | 88,370 | 105,199 | 193,569 |
| Noncurrent Assets | | | |
| Advances to other funds | 52,404 | - | 52,404 |
| Capital assets not being depreciated | - | 3,350,000 | 3,350,000 |
| Capital assets being depreciated, net | 2,667,583 | 3,657,262 | 6,324,845 |
| Total noncurrent assets | 2,719,987 | 7,007,262 | 9,727,249 |
| Total assets | \$ 2,808,357 | \$ 7,112,461 | \$ 9,920,818 |
| Liabilities and Net Assets | | | |
| Liabilities | | | |
| Accounts payable | \$ 412 | \$ 55,300 | \$ 55,712 |
| Accrued payroll | - | 25,596 | 25,596 |
| Compensated absences | - | 18,732 | 18,732 |
| Due to other funds | 4,000 | - | 4,000 |
| Advances from other funds | - | 2,095,355 | 2,095,355 |
| Total liabilities | 4,412 | 2,194,983 | 2,199,395 |
| Net Assets | | | |
| Invested in capital assets, net of related debt | 2,667,583 | 762,262 | 3,429,845 |
| Unrestricted | 136,362 | 4,155,216 | 4,239,174 |
| Total net assets | 2,803,945 | 4,917,478 | 7,721,423 |
| Total liabilities and net assets | \$ 2,808,357 | \$ 7,112,461 | \$ 9,920,818 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Revenues, Expenditures and
Changes in Net Assets
Enterprise Funds
Year Ended April 30, 2006

| | Business-Type Activities | | |
|---|--------------------------|------------------|------------------|
| | Towncenter | Golf Course | Total |
| Operating revenues, charges for services | \$ 199,513 | \$ 1,312,693 | \$ 1,512,206 |
| Operating expenses: | | | |
| Operations | 130,297 | 1,911,853 | 2,042,150 |
| Depreciation | 202,288 | 101,020 | 303,308 |
| Total operating expenses | 332,585 | 2,012,873 | 2,345,458 |
| Operating loss | (133,072) | (700,180) | (833,252) |
| Nonoperating income (expense): | | | |
| Interest income | 2,903 | 701 | 3,604 |
| Loss on disposal of capital assets | (56,773) | (60,376) | (117,149) |
| Total nonoperating income (expenses) | (53,870) | (59,675) | (113,545) |
| Loss before contributions | (186,942) | (759,855) | (946,797) |
| Contributions of capital assets from governmental funds | - | 407,369 | 407,369 |
| Change in net assets | (186,942) | (352,486) | (539,428) |
| Net assets: | | | |
| May 1, 2005 | 2,990,887 | 5,269,964 | 8,260,851 |
| April 30, 2006 | \$ 2,803,945 | \$ 4,917,478 | \$ 7,721,423 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Cash Flows
Enterprise Funds
Year Ended April 30, 2006

| | Business-Type Activities | | |
|---|--------------------------|------------------|-------------------|
| | Towncenter | Golf Course | Total |
| Cash flows from operating activities | | | |
| Cash received for services | \$ 208,514 | \$ 1,347,292 | \$ 1,555,806 |
| Payments to employees | - | (691,793) | (691,793) |
| Payments to suppliers | (130,252) | (1,152,406) | (1,282,658) |
| Net cash provided by (used in) operating activities | <u>78,262</u> | <u>(496,907)</u> | <u>(418,645)</u> |
| Cash flows from noncapital financing activities | | | |
| Increase in due from other funds | 2,007 | - | 2,007 |
| Increase (decrease) in due to other funds | 4,000 | (726,603) | (722,603) |
| Increase in advances to other funds | (52,404) | - | (52,404) |
| Increase in advances from other funds | - | 2,095,355 | 2,095,355 |
| Net cash provided by (used in) noncapital financing activities | <u>(46,397)</u> | <u>1,368,752</u> | <u>1,322,355</u> |
| Cash flows from capital and related financing activities, | | | |
| Purchase of capital assets | <u>(45,158)</u> | <u>(909,841)</u> | <u>(954,999)</u> |
| Cash flows from investing activities, | | | |
| interest received | <u>2,903</u> | <u>701</u> | <u>3,604</u> |
| Net decrease in cash and cash equivalents | <u>(10,390)</u> | <u>(37,295)</u> | <u>(47,685)</u> |
| Cash and cash equivalents: | | | |
| May 1, 2005 | <u>98,160</u> | <u>62,614</u> | <u>160,774</u> |
| April 30, 2006 | <u>\$ 87,770</u> | <u>\$ 25,319</u> | <u>\$ 113,089</u> |

(Continued)

Village of University Park, Illinois

Statement of Cash Flows
Enterprise Funds (continued)
Year Ended April 30, 2006

| | Business-Type Activities | | |
|---|--------------------------|--------------|--------------|
| | Towncenter | Golf Course | Total |
| Reconciliation of operating loss to net cash provided by (used in) operating activities | | | |
| Operating loss | \$ (133,072) | \$ (700,180) | \$ (833,252) |
| Adjustments to reconcile operating loss to net cash provided by (used in) operating activities: | | | |
| Changes in assets and liabilities | | | |
| Depreciation | 202,288 | 101,020 | 303,308 |
| Accounts receivable | 9,001 | 34,599 | 43,600 |
| Accounts payable | 45 | 4,475 | 4,520 |
| Accrued payroll | - | (14,589) | (14,589) |
| Compensated absences | - | 15,894 | 15,894 |
| Inventory | - | 61,874 | 61,874 |
| Total adjustments | 211,334 | 203,273 | 414,607 |
| Net cash provided by (used in) operating activities | \$ 78,262 | \$ (496,907) | \$ (418,645) |
| Supplemental Schedule of Non-Cash Capital Activities | | | |
| Contributions of capital assets from governmental funds | \$ - | \$ 407,369 | \$ 407,369 |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Fiduciary Net Assets
Fiduciary Funds
April 30, 2006

| | Pension Trust Funds |
|---|------------------------|
| <hr/> | |
| Assets | |
| Cash and cash equivalents | \$ 465,899 |
| Investments: | |
| U.S. Government securities | 6,757,134 |
| Insurance contracts | 9,516 |
| Mutual funds | 301,434 |
| Due from other funds | 7,021 |
| | <hr/> |
| Total assets | \$ 7,541,004 |
| | <hr/> <hr/> |
| Liabilities and Net Assets | |
| Liabilities | |
| Due to other funds | \$ 2,751 |
| Advances from other funds | 40,315 |
| Total liabilities | <hr/> 43,066 |
| Net Assets, reserved for employee pension benefits | <hr/> 7,497,938 |
| Total liabilities and net assets | \$ 7,541,004 |
| | <hr/> <hr/> |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended April 30, 2006

| | |
|---|---------------------|
| Additions | |
| Contributions: | |
| Employer | \$ 398,324 |
| Employee | 179,306 |
| Total contributions | <u>577,630</u> |
| Investment income (loss): | |
| Net depreciation in fair value of investments | (79,872) |
| Interest | 164,487 |
| Net investment income (loss) | <u>84,615</u> |
| Total additions | <u>662,245</u> |
| Deductions: | |
| Benefits and refunds | 250,074 |
| Administration expenses | 131,423 |
| Total deductions | <u>381,497</u> |
| Change in net assets | 280,748 |
| Net assets held in trust for employees' benefits: | |
| May 1, 2005 | <u>7,217,190</u> |
| April 30, 2006 | <u>\$ 7,497,938</u> |

See Notes to Basic Financial Statements.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies

(a) Nature of Activities

The financial statements of the Village of University Park, a home rule Village, include all operations of the Village. The Village Board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for their actions. The Village of University Park provides a wide range of general municipal services, including police protection, crime prevention, fire protection, ambulance service, community planning, zoning and recreation, building inspection and safety, street building and maintenance, traffic control, animal control and street lighting.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America applicable to state and local governments. 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 more significant accounting policies.

(b) Financial Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

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

Fiscal dependency on the primary government.

Based upon the application criteria, no component units have been included within the reporting entity.

(c) Government-Wide and Fund Financial Statements

Government-Wide Financial Statements: The government-wide Statement of Net Assets and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Assets presents the Village's non-fiduciary assets and liabilities with the difference reported 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 result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies (continued)

(c) Government-Wide and Fund Financial Statements (continued)

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 (i.e., general services, public safety etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major governmental funds - General Fund, T.I.F. II Capital Projects Fund, T.I.F. IV Capital Projects Fund and T.I.F. V Capital Projects Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The Village has the following major enterprise funds – Towncenter Fund and Golf Course Fund.

The Village administers the following major governmental funds:

General Fund – This 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 services which are administered by the Village and accounted for in the general fund include general services, public works and public safety.

T.I.F. II Capital Projects Fund – This fund accounts for the developer payments and property taxes for the Tax Increment Finance District II, which consists of an industrial park within the Village.

T.I.F. IV Capital Projects Fund – This fund accounts for the developer payments and property taxes for the Tax Increment Finance District IV, which pays for construction and improvements to Dralle Road.

T.I.F. V Capital Projects Fund – This fund accounts for the developer payments and property taxes for the Tax Increment Finance District V, which consists of an industrial park within the Village.

The Village administers the following major proprietary funds:

Towncenter Fund – This fund accounts for the Towncenter building and its related capital expenditures.

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies (continued)

(c) Government-Wide and Fund Financial Statements (continued)

Golf Course Fund – This fund accounts for the costs of acquisition, capital development and operations of the Village's golf course.

Additionally, the Village administers fiduciary (pension trust) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees.

(d) Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements and proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state-shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, state-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds 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 revenues to be available if they are collected within 90 days of the end of the current fiscal year (60 days for property taxes).

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

The accrual basis of accounting is utilized by the proprietary and fiduciary funds. Under this method, revenues are recognized when earned and expenses, including pension contributions, benefits paid and refunds paid, are recognized at the time liabilities are incurred. Earned, but unbilled services in the property fund are accrued and reported in the financial statements.

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies (continued)

(d) Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

(e) Assets, Liabilities, and Net Assets or Equity

Cash and Cash Equivalents

For purposes of reporting cash flows, all highly liquid investments (including restricted amounts) with original maturities of three months or less when purchased are considered to be cash and cash equivalents.

Investments

Investments are stated at fair value except for insurance contracts, which are carried at contract value, which approximates fair value. Fair value is based on quoted market prices for the same or similar investments.

Interfund Receivables, Payables, and Activity

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net assets.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

Prepaid Items

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

Capital Assets

Capital assets which include land and land improvements, buildings, storm sewers, sanitary sewers, water mains, meter, vehicles and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 for all asset types. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies (continued)

(e) Assets, Liabilities, and Net Assets or Equity (continued)

Capital Assets (continued)

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation. Infrastructure assets acquired prior to May 1, 2004 are not capitalized as allowed for "Level 3" governments and GASB Statement No. 34.

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

| | <u>Estimated Useful Lives</u> |
|-----------------------------------|-----------------------------------|
| Storm sewers | 15 – 40 years |
| Sanitary sewers | 15 – 40 years |
| Watermains | 15 – 40 years |
| Roadways | 20 years |
| Land improvements | 20 – 50 years |
| Buildings | 20 – 50 years |
| Motor vehicles and equipment | 5 – 25 years |
| Towncenter buildings | 20 – 50 years |
| Towncenter land and improvements | 20 – 50 years |
| Towncenter equipment | 5 – 25 years |
| Golf Course buildings | 20 – 50 years |
| Golf Course land and improvements | 20 – 50 years |
| Golf Course equipment | 5 – 25 years |

Unearned Revenue

The Village defers revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Compensated Absences

It is the Village's policy to permit employees to accumulate earned but not unused vacation leave and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is recorded in the governmental funds only if they have matured, as a result of employee resignation or retirement. The General Fund is typically used to liquidate these liabilities.

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies (continued)

(e) Assets, Liabilities, and Net Assets or Equity (continued)

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund 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 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.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Proprietary funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

Restricted Net Assets

For the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

Fund Balance Reserves and Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designated fund balances, if any, represent tentative plans for future use of financial resources.

Elimination and Reclassification

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

Use of Estimates

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

Note 1. Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Significant Accounting Policies (continued)

New Accounting Pronouncements

Effective May 1, 2005, the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*. This Statement amends certain provisions of Statement No. 3.

Effective May 1, 2005, the Village adopted the provisions of Governmental Accounting Standards Board Interpretation No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. This Statement requires the Village to report the effect of capital asset impairment in their financial statements when it occurs and requires all governments to account for insurance recoveries in the same manner.

Note 2. Stewardship, Compliance and Accountability

(a) Budgetary Information

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Village Manager submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted by the Village to obtain taxpayer comments.
- c) Subsequently, the budget is legally enacted through passage of an ordinance.
- d) Formal budgetary integration is employed as a management control device during the year for the General, special revenue, debt service, and capital project funds.
- e) Budgets for the governmental funds for which budgets have been adopted are adopted on a basis consistent with generally accepted accounting principles.
- f) Budgetary authority lapses at the year-end.
- g) State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items and departments may be made by administrative action. Amounts to be transferred between funds would require Village Board approval. The level of legal control is generally considered to be the fund budget in total.
- h) Budgeted amounts are as originally adopted, with the exceptions of Board approved transfers which were not material in relation to the budget taken as a whole.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 2. Stewardship, Compliance and Accountability (continued)

(b) Excess of Expenditures over Budget

The following funds overexpended their budgets during the year ended April 30, 2006:

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> |
|------------------------------------|---------------|---------------|
| Governmental funds: | | |
| Road and Bridge Fund | \$ 577,600 | \$ 740,920 |
| Illinois Municipal Retirement Fund | 69,800 | 147,741 |
| Social Security Fund | 125,200 | 175,445 |
| State Income Tax Surcharge | 360,700 | 373,203 |
| T.I.F. I | 42,400 | 178,359 |
| T.I.F. II | 370,535 | 1,615,827 |
| T.I.F. IV | 521,300 | 621,679 |
| T.I.F. V | 528,500 | 1,944,020 |
| Enterprise funds: | | |
| Towncenter Fund | 39,400 | 130,297 |
| Golf Course Fund | 363,400 | 1,911,853 |

(c) Deficit Fund Balances

The following funds had deficit fund balances at April 30, 2006:

| <u>Fund</u> | <u>Amount</u> |
|------------------------------------|---------------|
| Governmental funds: | |
| Road and Bridge | \$ 169,146 |
| Illinois Municipal Retirement Fund | 16,235 |
| Social Security Fund | 154,685 |
| State Income Tax Surcharge | 25,544 |
| Series 2002 Bonds | 374,410 |
| T.I.F. I | 413,886 |
| T.I.F. III | 327,477 |
| T.I.F. Redevelopment Project | 470,528 |
| Series 1998 Bond Project Fund | 507,021 |
| Series 2003 Bond Project Fund | 34,761 |

The Village intends to fund these deficits through future operating revenues and incremental property taxes.

Note 3. Property Taxes

The Village annually establishes a legal right to revenue from property taxes upon enactment of a tax levy ordinance by its Village Board of Trustees. However, proceeds from a specific levy are generally not available for use until the next subsequent fiscal year. Therefore, it is the Village's policy to recognize the revenue from any given tax levy as revenue of the period for which it was intended to finance and in which the majority of the levy is collected.

Accordingly, taxes receivable are recognized in the balance sheet upon enactment of the annual tax levy, however, the revenue is deferred and is not recognized until received.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 3. Property Taxes (continued)

The property tax calendar for the 2005 levy is as follows:

| | <u>Will County</u> | <u>Cook County</u> |
|--|--------------------|--------------------|
| Lien date | January 1, 2005 | January 1, 2005 |
| Levy date | December 24, 2005 | December 24, 2005 |
| Tax bills mailed (At least 30 days prior to collection deadline) | | |
| First installment due | June 1, 2006 | March 1, 2006 |
| Second installment due | September 1, 2006 | September 1, 2006 |

Property taxes are billed and collected by the County Treasurers of Will and Cook County, Illinois. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected.

Note 4. Cash and Investments

For the year ended April 30, 2006, the Village adopted the provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures, an amendment of GASB Statement No. 3.*

Deposits

Custodial Credit Risks – Deposits

Custodial credit risk 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. As of April 30, 2006, the carrying amount of the Village's deposits was \$824,367, with bank balances of \$817,590. Of the bank balances, \$495,355 was exposed to custodial credit risk due to being uninsured or uncollateralized.

Investments

Investments

As of April 30, 2006, the Village had the following investments and maturities:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|--|----------------------|----------------------------------|---------------------|-------------------|---------------------|
| | | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| U.S. Treasury Bills | \$ 5,178,273 | \$ 1,162,039 | \$ 1,669,087 | \$ 270,921 | \$ 2,076,226 |
| U.S. Treasury Bonds | 1,138,351 | 1,138,351 | - | - | - |
| U.S. Agencies- GNMA | 309,872 | - | - | - | 309,872 |
| U.S. Agencies- FHLMC | 73,163 | 73,163 | - | - | - |
| U.S. Agencies- FNMA | 95,781 | - | - | - | 95,781 |
| Illinois Metropolitan Investment Fund* | 144,485 | 144,485 | - | - | - |
| Illinois Funds* | 2,236,883 | 2,236,883 | - | - | - |
| Mutual Funds | 915,912 | 915,912 | - | - | - |
| | <u>\$ 10,092,720</u> | <u>\$ 5,670,833</u> | <u>\$ 1,669,087</u> | <u>\$ 270,921</u> | <u>\$ 2,481,879</u> |

*Weighted average maturity is less than one year.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 4. Cash and Investments (continued)

Interest Rate Risk – 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.

The Illinois Funds Investment Pool is not registered with the SEC. The pool is sponsored by the Treasurer of the State of Illinois, in accordance with State law. The fair value of the position in the Pool is the same as the value of the Pool shares.

Illinois Metropolitan Investment Fund (I.M.E.T.) is a not-for-profit investment fund formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. I.M.E.T. is not registered with the SEC as an investment company. Investments in I.M.E.T. are valued at I.M.E.T.'s share price, which is the price the investment could be sold for.

Credit Risk – State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest investments as allowed by Illinois Compiled Statutes. The Village's investment policy does not address credit risk.

As of April 30, 2006, the Village's investments in U.S. Treasuries and U.S. Agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Village's investments in the Illinois Funds were rated AAA by Standard & Poor's. The Illinois Metropolitan Investment Fund and Mutual Funds were not rated.

Concentration of Credit Risk – The Village's investment policy does not restrict the amount of investments in any one issuer. More than 5% of the Village's investments are in U.S. Treasuries, Illinois Funds and Mutual Funds as follows:

| | |
|---------------------|-------|
| U.S. Treasury Bills | 51.3% |
| U.S. Treasury Bonds | 11.3 |
| Illinois Funds | 22.2 |
| Mutual Funds | 9.1 |

Custodial Credit Risk – For an investment, this is the risk that, in the event of failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. agency securities, certificates of deposit and annuity contracts are held by the Village's agent in the Village's name. The U.S. Treasuries Illinois Funds Investment Pool, Illinois Metropolitan Investment Funds, and Mutual Funds are not subject to custodial credit risk. The Village's investment policy does not address custodial credit risk for investments.

The Village had certificates of deposit totaling \$485,567 and insurance contracts totaling \$9,516, which are not included in the investments above.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 4. Cash and Investments (continued)

The above deposits and investments totaling \$11,412,170 are reported in the financial statements as follows:

Statement of Net Assets:

Governmental and business type activities:

| | |
|---------------------------|--------------|
| Cash and cash equivalents | \$ 2,595,351 |
| Investments | 1,282,836 |

Statement of Fiduciary Net Assets:

Pension Trust Funds:

| | |
|---------------------------|------------------|
| Cash and cash equivalents | 465,899 |
| Investments | <u>7,068,084</u> |

\$ 11,412,170

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets

A summary of changes in the capital assets for the governmental activities of the Village for the year ended April 30, 2006 is as follows:

| | Balance at April 30, 2005 | Additions | Deletions | Balance at April 30, 2006 |
|--|------------------------------|--------------|------------|------------------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 3,214,900 | \$ - | \$ - | \$ 3,214,900 |
| Rights of way | 7,556,792 | - | - | 7,556,792 |
| Total capital assets not being depreciated | 10,771,692 | - | - | 10,771,692 |
| Capital assets being depreciated: | | | | |
| Storm sewers | 320,686 | - | - | 320,686 |
| Sanitary sewers | 663,340 | - | - | 663,340 |
| Watermains | 840,500 | - | - | 840,500 |
| Roadways | - | 1,736,226 | - | 1,736,226 |
| Land improvements | 992,231 | 62,713 | 123,271 | 931,673 |
| Buildings | 4,488,110 | 2,465 | - | 4,490,575 |
| Motor vehicles and equipment | 975,762 | 211,529 | 261,729 | 925,562 |
| Total capital assets being depreciated | 8,280,629 | 2,012,933 | 385,000 | 9,908,562 |
| Accumulated depreciation for: | | | | |
| Storm sewers | - | 9,621 | - | 9,621 |
| Sanitary sewers | - | 19,900 | - | 19,900 |
| Watermains | - | 25,215 | - | 25,215 |
| Roadways | - | 43,406 | - | 43,406 |
| Land improvements | 654,507 | 35,903 | - | 690,410 |
| Building | 1,345,166 | 80,995 | - | 1,426,161 |
| Motor vehicles and equipment | 439,554 | 67,711 | - | 507,265 |
| Total accumulated depreciation | 2,439,227 | 282,751 | - | 2,721,978 |
| Total capital assets being depreciated, net | 5,841,402 | 1,730,182 | 385,000 | 7,186,584 |
| Governmental activities Capital assets, net | \$ 16,613,094 | \$ 1,730,182 | \$ 385,000 | \$ 17,958,276 |

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (continued)

A summary of changes in the capital assets for business-type activities of the Village for the year ended April 30, 2006 is as follows:

| | Balance at April 30, 2005 | Additions | Deletions | Balance at April 30, 2006 |
|---|------------------------------|--------------|------------|------------------------------|
| Business-type activities: | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 3,350,000 | \$ - | \$ - | \$ 3,350,000 |
| Capital assets being depreciated: | | | | |
| Towncenter buildings | 2,446,372 | - | 54,294 | 2,392,078 |
| Towncenter land and improvements | 730,145 | - | 2,480 | 727,665 |
| Towncenter equipment | 180,150 | 45,158 | - | 225,308 |
| Golf Course buildings | 1,775,293 | 1,260,276 | - | 3,035,569 |
| Golf Course land and improvements | 458,743 | - | 53,039 | 405,704 |
| Golf Course equipment | 381,358 | 56,934 | 20,376 | 417,916 |
| Total capital assets being depreciated | 5,972,061 | 1,362,368 | 130,189 | 7,204,240 |
| Accumulated depreciation for: | | | | |
| Towncenter buildings | 261,699 | 115,477 | - | 377,176 |
| Towncenter land and improvements | 162,443 | 54,153 | - | 216,596 |
| Towncenter equipment | 51,039 | 32,658 | - | 83,697 |
| Golf Course buildings | 31,564 | 52,538 | - | 84,102 |
| Golf Course land and improvements | 30,428 | 20,285 | - | 50,713 |
| Golf Course equipment | 51,954 | 28,197 | 13,040 | 67,111 |
| Total accumulated depreciation | 589,127 | 303,308 | 13,040 | 879,395 |
| Total capital assets being depreciated, net | 5,382,934 | 1,059,060 | 117,149 | 6,324,845 |
| Business-type activities | | | | |
| Capital assets, net | \$ 8,732,934 | \$ 1,059,060 | \$ 117,149 | \$ 9,674,845 |

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (continued)

Depreciation was charged to functions/programs as follows:

Governmental activities:

| | |
|--------------------|---------------|
| General government | \$ 126,180 |
| Public safety | 102,741 |
| Public works | 36,644 |
| Recreation | <u>17,186</u> |

Total depreciation expense - governmental activities \$ 282,751

Business-type activities:

| | |
|-------------|----------------|
| Towncenter | \$ 202,288 |
| Golf Course | <u>101,020</u> |

Total depreciation expense - business-type activities \$ 303,308

Note 6. Long-Term Obligations

The following is a summary of debt transactions for governmental activities for the year ended April 30, 2006:

| | Revenue Bonds | General Obligation Bonds | Installment Notes | Line of Credit | Capital Lease | Compensated Absences | Pension Obligations | Total |
|---------------------------------------|---------------------|--------------------------------|----------------------|-------------------|------------------|-------------------------|------------------------|----------------------|
| Outstanding debt as of May 1, 2005 | \$ 3,040,000 | \$ 13,945,000 | \$ 67,301 | \$ 325,461 | \$ 65,853 | \$ 370,739 | \$ 122,195 | \$ 17,936,549 |
| Debt retired | (330,000) | (590,000) | (40,610) | (154,443) | (65,853) | - | - | (1,180,906) |
| Increase in compensated absences | - | - | - | - | - | 146,118 | - | 146,118 |
| Decrease in compensated absences | - | - | - | - | - | (83,286) | - | (83,286) |
| Outstanding debt as of April 30, 2006 | <u>\$ 2,710,000</u> | <u>\$ 13,355,000</u> | <u>\$ 26,691</u> | <u>\$ 171,018</u> | <u>\$ -</u> | <u>\$ 433,571</u> | <u>\$ 122,195</u> | <u>\$ 16,818,475</u> |
| Due within one year | <u>\$ 365,000</u> | <u>\$ 605,000</u> | <u>\$ 26,691</u> | <u>\$ 171,018</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,167,709</u> |

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (continued)

The outstanding debt as of April 30, 2006 consists of the following items:

Revenue bonds:

A tax increment finance revenue bond issue dated January 11, 1994, requires the retirement of the principal of \$365,000 in 2007, \$395,000 in 2008, \$430,000 in 2009, \$465,000 in 2010, \$500,000 in 2011 and \$555,000 in 2012. Interest is due on June 1 and December 1 of each year at a rate of 8.5%.

\$ 2,710,000

General obligation bonds:

A general obligation bond issue dated December 22, 1998, requires the retirement of principal of \$170,000 in 2007, \$180,000 in 2008, \$185,000 in 2009, \$195,000 in 2010, \$205,000 in 2011, \$210,000 in 2012, \$220,000 in 2013, \$235,000 in 2014, \$245,000 in 2015, \$255,000 in 2016, \$270,000 in 2017, \$280,000 in 2018 and \$295,000 in 2019. Interest is due on June 1 and December 1 of each year at rates which vary between 4.25% and 4.40%.

2,945,000

A general obligation bond issue dated August 13, 2002, requires the retirement of principal of \$175,000 in 2007, \$180,000 in 2008, \$185,000 in 2009, \$195,000 in 2010, \$200,000 in 2011, \$210,000 in 2012, \$220,000 in 2013, \$230,000 in 2014, \$240,000 in 2015, \$250,000 in 2016, \$265,000 in 2017, \$280,000 in 2018, \$295,000 in 2019, \$605,000 in 2020 and \$635,000 in 2021. Interest is due on June 1 and December 1 at rates which vary between 3.9% and 4.0%.

4,165,000

A general obligation bond issue dated November 14, 2003, requires the retirement of principal of \$260,000 in 2007, \$265,000 in 2008, \$270,000 in 2009, \$280,000 in 2010, \$285,000 in 2011, \$295,000 in 2012, \$305,000 in 2013, \$320,000 in 2014, \$330,000 in 2015, \$340,000 in 2016, \$355,000 in 2017, \$370,000 in 2018, \$385,000 in 2019, \$400,000 in 2020, \$420,000 in 2021, \$435,000 in 2022, \$455,000 in 2023, \$475,000 in 2024. Interest is due on June 1 and December 1 at rates which vary between 2.0% and 4.65%.

6,245,000

Total general obligation bonds

13,355,000

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (continued)

Installment note:

An installment note dated December 3, 1996 is due in annual installments of \$28,335 including interest at 6.15%. \$ 26,691

Line of credit:

A line of credit dated October 26, 2004 payable on demand, including interest at 6.25% 171,018

Compensated absences 433,571

Pension obligations 122,195

Total long-term obligations **\$ 16,818,475**

Annual debt service requirements to maturity on the bonds, installment notes and capital lease are as follows:

| Fiscal Year Ending | Revenue Bonds | | General Obligation Bonds | | Installment Notes | | Total |
|-----------------------|---------------------|-------------------|--------------------------|---------------------|-------------------|-----------------|----------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest | |
| 2007 | \$ 365,000 | \$ 230,350 | \$ 605,000 | \$ 539,201 | \$ 26,691 | \$ 1,644 | \$ 1,767,886 |
| 2008 | 395,000 | 199,325 | 625,000 | 519,739 | - | - | 1,739,064 |
| 2009 | 430,000 | 165,750 | 640,000 | 498,881 | - | - | 1,734,631 |
| 2010 | 465,000 | 129,200 | 670,000 | 476,823 | - | - | 1,741,023 |
| 2011 | 500,000 | 89,675 | 690,000 | 452,286 | - | - | 1,731,961 |
| 2012-2016 | 555,000 | 47,175 | 3,905,000 | 1,834,526 | - | - | 6,341,701 |
| 2017-2021 | - | - | 4,855,000 | 955,874 | - | - | 5,810,874 |
| 2022 | - | - | 435,000 | 62,810 | - | - | 497,810 |
| 2023 | - | - | 455,000 | 43,018 | - | - | 498,018 |
| 2024 | - | - | 475,000 | 22,088 | - | - | 497,088 |
| | <u>\$ 2,710,000</u> | <u>\$ 861,475</u> | <u>\$ 13,355,000</u> | <u>\$ 5,405,246</u> | <u>\$ 26,691</u> | <u>\$ 1,644</u> | <u>\$ 22,360,056</u> |

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 7. Other Fund Disclosures (FFS Level Only)

As of April 30, 2006, the individual fund advances receivables and payable balances were as follows:

| | <u>Advances To</u> | <u>Advances From</u> |
|------------------|---------------------|----------------------|
| Major Funds: | | |
| General: | | |
| TIF II | \$ - | \$ 2,013,797 |
| TIF IV | - | 2,382,260 |
| Towncenter | - | 52,404 |
| Golf Course | 2,031,582 | - |
| Nonmajor funds | 2,202,844 | 371,104 |
| | | |
| TIF II: | | |
| General | 2,013,797 | - |
| | | |
| TIF IV: | | |
| General | 2,382,260 | - |
| | | |
| Towncenter, | | |
| General | 52,404 | - |
| | | |
| Golf Course: | | |
| General | - | 2,031,582 |
| Nonmajor fund | - | 63,773 |
| | | |
| Nonmajor funds: | | |
| General | 371,104 | 2,202,844 |
| Golf Course | 63,773 | - |
| Fiduciary | 40,315 | - |
| Nonmajor funds | 225,671 | 225,671 |
| | | |
| Fiduciary funds, | | |
| Nonmajor funds | - | 40,315 |
| | | |
| Total | <u>\$ 9,383,750</u> | <u>\$ 9,383,750</u> |

Advances reflect operating loans, which are not expected to be repaid within one year.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 7. Other Fund Disclosures (FFS Level Only) (continued)

As of April 30, 2006, the individual fund interfund receivable and payable balances were as follows:

| | <u>Due From</u> | <u>Due To</u> |
|-------------------------------|---------------------|---------------------|
| Major Funds: | | |
| General: | | |
| TIF V | \$ 251,641 | \$ - |
| Fiduciary | 2,751 | 7,021 |
| Nonmajor funds | 91,974 | 152,701 |
| TIF II: | | |
| TIF IV | - | 100,000 |
| Nonmajor funds | 130,741 | 156,221 |
| TIF IV: | | |
| TIF II | 100,000 | - |
| TIF V | - | 541,519 |
| TIF V: | | |
| General | - | 251,641 |
| TIF IV | 541,519 | - |
| Towncenter, Nonmajor funds | - | 4,000 |
| Nonmajor funds: | | |
| General | 152,701 | 91,974 |
| TIF II | 156,221 | 130,741 |
| Towncenter | 4,000 | - |
| Nonmajor funds | 1,300 | 1,300 |
| Fiduciary funds, General | 7,021 | 2,751 |
| Total | <u>\$ 1,439,869</u> | <u>\$ 1,439,869</u> |

Interfund debt reflects operating loans, which are expected to be repaid in the following fiscal year.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 7. Other Fund Disclosures (FFS Level Only) (continued)

Transfers between funds during the year ended April 30, 2006 were as follows:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------|----------------------------|----------------------------|
| Major Funds: | | |
| General fund, | | |
| TIF II | \$ 1,805,885 | \$ - |
| TIF II: | | |
| General fund | - | 1,805,555 |
| Nonmajor funds | - | 661,937 |
| Nonmajor funds, | | |
| TIF II | <u>661,937</u> | <u>-</u> |
| Total | <u><u>\$ 2,467,822</u></u> | <u><u>\$ 2,467,492</u></u> |

Transfers are used to move receipts restricted to debt service from the fund which is collecting the receipts to the fund servicing the debt, or to reimburse funds that incur expenditures on behalf of other funds.

Note 8. Pension and Retirement Plan Commitments

Substantially all Village employees are covered under one of the following retirement plans.

Illinois Municipal Retirement Fund

The Village's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer defined benefit pension plan. IMRF acts as a common investments and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2006 was 8.64 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2005 was 27 years.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

For April 30, 2006, the Village's annual pension cost of \$147,741 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2003 and 2004 actuarial valuations using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00%, attributable to inflation, (c) additional projected salary increases ranging from .4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2005 actuarial valuation were based on the 2002-2004 experience study.

Trend Information

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed |
|--------------------------|---------------------------------|-------------------------------------|
| 04/30/06 | \$ 147,741 | 100 % |
| 04/30/05 | 125,181 | 100 |
| 04/30/04 | 79,168 | 100 |

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois Legislature. The plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan is a fund of the Village and does not issue separate financial statements.

Costs of administering the plan are financed through employee and employer contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The Village's most recent actuarially determination was as of April 30, 2005. The employer rate for fiscal year 2005 was 29.61 percent of covered payroll.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

The Village's annual pension cost and net pension obligation to the Plan for the current year were as follows:

| | |
|---|------------------------------|
| Annual required contribution | \$ 173,044 |
| Interest on net pension obligation | 12,447 |
| Adjustment to annual requirement contribution | <u>(7,525)</u> |
| Annual pension cost | 177,966 |
| Contributions made | <u>234,809</u> |
| Decrease in net pension obligation | (56,843) |
| Net pension obligation, beginning of year | <u>177,819</u> |
| Net pension obligation, end of year | <u><u>\$ 120,976</u></u> |

The annual required contribution for the year ended April 30, 2005, was determined as part of the April 30, 2005, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.00% investment rate of return, (b) projected salary increases of 5.50%, (c) 3.00% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.00%. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2005, was 28 years.

Trend Information

| Fiscal Year Ending | Annual Pension Cost (APC) | Annual Contributions Made | Percentage of APC Contributed | Net Pension Obligation (Benefit) |
|--------------------------|---------------------------------|---------------------------------|-------------------------------------|--|
| 04/30/06 | * | * | * | * |
| 04/30/05 | \$ 177,966 | \$ 234,809 | 131.94 % | \$ 120,976 |
| 04/30/04 | * | * | * | * |

* Information not available.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Membership in the plan consisted of the following as of April 30, 2005:

| | |
|--|------------------|
| Retirees and beneficiaries receiving benefits | 4 |
| Terminated plan members entitled to but not yet receiving benefits | 1 |
| Active vested plan members | 9 |
| Active nonvested plan members | <u>7</u> |
| Total members | <u><u>21</u></u> |

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The Fire Pension Plan is a fund of the Village and does not issue separate financial statements.

Costs of administering the plan are financed through employee and employer contributions. Covered employees are required to contribute 9.45% of their salary to the Firefighters' Pension Plan. The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The Village's most recent actuarial determination was as of April 30, 2005. The employer rate for fiscal year 2005 was 24.10 percent of covered payroll.

The Village's annual pension cost and net pension obligation to the Plan for the current year were as follows:

| | |
|---|------------------------|
| Annual required contribution | \$ 155,346 |
| Interest on net pension obligation | 1,900 |
| Adjustment to annual requirement contribution | <u>(1,149)</u> |
| Annual pension cost | 156,097 |
| Contributions made | <u>182,022</u> |
| Decrease in net pension obligation | (25,925) |
| Net pension obligation, beginning of year | <u>27,144</u> |
| Net pension obligation, end of year | <u><u>\$ 1,219</u></u> |

The annual required contribution for the year ended April 30, 2005, was determined as part of the April 30, 2005, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.00% investment rate of return, (b) projected salary increases of 5.50%, (c) 3.00% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.00%. The actuarial value of Firefighters' Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Firefighters' Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2005, was 28 years.

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Trend Information

| Fiscal Year Ending | Annual Pension Cost (APC) | Annual Contributions Made | Percentage of APC Contributed | Net Pension Pension Obligation (Benefit) |
|--------------------|---------------------------|---------------------------|-------------------------------|--|
| 04/30/06 | * | * | * | * |
| 04/30/05 | \$ 156,097 | \$ 182,022 | 116.61 % | \$ 1,219 |
| 04/30/04 | * | * | * | * |

*Information not available.

Membership in the plan consisted of the following as of April 30, 2005:

| | |
|---|------------------|
| Retirees and beneficiaries receiving benefits | 3 |
| Active vested plan members | 4 |
| Active nonvested plan members | <u>11</u> |
| Total members | <u>18</u> |

Combining Balance Sheet
Pension Trust Funds
April 30, 2006

| | Police Pension | Firefighters' Pension | Total |
|---|----------------------------|----------------------------|----------------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 376,330 | \$ 89,569 | \$ 465,899 |
| Investments: | | | |
| U.S. government securities | 4,409,988 | 2,347,146 | 6,757,134 |
| Insurance contracts | - | 9,516 | 9,516 |
| Mutual funds | - | 301,434 | 301,434 |
| Due from other funds | 7,021 | - | 7,021 |
| Total assets | <u>\$ 4,793,339</u> | <u>\$ 2,747,665</u> | <u>\$ 7,541,004</u> |
| Liabilities and Net Asset | | | |
| Liabilities, due to other funds | \$ - | \$ 2,751 | \$ 2,751 |
| advances from other funds | 22,906 | 17,409 | 40,315 |
| Total liabilities | <u>22,906</u> | <u>20,160</u> | <u>43,066</u> |
| Net assets reserved for employee pension benefits | <u>\$ 4,770,433</u> | <u>\$ 2,727,505</u> | <u>\$ 7,497,938</u> |

Village of University Park, Illinois

Notes to Basic Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Combined Statement of Changes in Plan Net Assets
Pension Trust Funds
Year Ended April 30, 2006

| | Police Pension | Firefighters' Pension | Total |
|---|-------------------|--------------------------|----------------|
| Additions | | | |
| Contributions | | | |
| Employer | \$ 227,616 | \$ 170,708 | \$ 398,324 |
| Employee | 104,099 | 75,207 | 179,306 |
| Total contributions | 331,715 | 245,915 | 577,630 |
| Investment income (loss): | | | |
| Net depreciation in fair value of investments | 105,311 | (185,183) | (79,872) |
| Interest | 157,090 | 7,397 | 164,487 |
| Net investment income (loss) | 262,401 | (177,786) | 84,615 |
| Total additions | 594,116 | 68,129 | 662,245 |
| Deductions | | | |
| Benefits and refunds | 154,092 | 95,982 | 250,074 |
| Administrative expenses | 123,444 | 7,979 | 131,423 |
| Total deductions | 277,536 | 103,961 | 381,497 |
| Change in net assets | 316,580 | (35,832) | 280,748 |
| Net assets held in trust for employee pension benefits: | | | |
| May 1, 2005 | 4,453,853 | 2,763,337 | 7,217,190 |
| April 30, 2006 | \$ 4,770,433 | \$ 2,727,505 | \$ 7,497,938 |

Note 9. Commitments and Contingencies

The Village has committed future incremental real estate tax collections from specific land parcels within the T.I.F. II and T.I.F. IV District to be used for the payment of developer construction loans. As of April 30, 2006 these commitments represent the lesser of a specified percentage of future year property tax collections ranging from 50% to 100% over various designated time periods through December 2006, on a parcel-by-parcel basis, or \$1,310,190 for T.I.F. II and a specified percentage ranging from 57% to 86% of future property tax collections over various designated time periods through January 2016 for T.I.F. IV.

Note 9. Commitments and Contingencies (continued)

In 2004, the Village requested the assistance of the Federal Bureau of Investigation (FBI) for the purpose of investigating certain accounting irregularities in connection with the University Park Regional Co-operating Supermarket, Inc. (Co-op), a tenant of the Towncenter located within the TIF Tax Incremental Financing District. In furtherance of the investigation, Village and Co-op records were subpoenaed by the FBI. Subsequent to April 30, 2006, the former manager of the Co-op has been charged with fraud and forgery involving the Co-op funds, and this individual has agreed to repay approximately \$133,000 to the Village under the terms of a written plea and restitution agreement. In addition, two former employees of the Village were indicted by a federal grand jury and charged with embezzlement of funds appropriated by the Village for the Co-op project. Both defendants have entered pleas of not guilty, and the indictment against these individuals is pending as of the date of this audit report.

There are several pending lawsuits in which the Village is involved. Legal counsel of the Village estimates that the potential claims against the Village not covered by insurance resulting from such litigation would not materially affect future financial statements of the Village.

The Village has also been notified that it is in non-compliance with certain reporting requirements to municipal bond paying agents and trustees and to the Illinois Department of Commerce and Economic Opportunity under the Community Development Assistance Program revolving fund. Legal counsel of the Village estimates no material impact to the Village's financial statements as a result of the non-compliance.

Note 10. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The Village carries commercial insurance for its general liability and property, employee health and workers' compensation. Settled claims have not exceeded commercial coverages during the past three years.

Note 11. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 43, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2009. This Statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*, will be effective for the Village beginning with its year ended April 30, 2010. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures and, if applicable, required supplementary information in the financial reports of state and local governments.

GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*, will be effective for the Village beginning with its year ending April 30, 2007. This statement requires that limitations on the use of net assets imposed by legislation be reported as restricted net assets.

GASB Statement No. 47, *Accounting for Termination Benefits*, will be effective for the Village in two parts. For termination benefits provided through an existing defined benefit OPEB plan, the provisions of the statement should be implemented simultaneously with the requirements of GASB Statement No. 45. For all other termination benefits, this Statement will be effective for the Village beginning with its year ending April 30, 2007.

Note 11. Pronouncements Issued But Not Yet Adopted (continued)

GASB Statement No. 48, *Sales and Pledging of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, will be effective for the Village beginning with its year ending April 30, 2008. This Statement will establish criteria that governments will use to ascertain whether proceeds received should be reported as revenue or as a liability.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, will be effective for the Village beginning with its year ending April 30, 2009. This statement addresses accounting and financial reporting for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessment and cleanups.

GASB Statement No. 50, *Pension Disclosures – an amendment to GASB Statements No. 25 and No. 27*, will be effective for the Village beginning with its year ending April 30, 2009. This statement more closely aligns the financial reporting requirements for pensions with those for other post employment benefits (OPEB) and, in doing so, enhances information disclosed in the notes to the financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the Village beginning with its year ending April, 30, 2011. This statement will establish accounting and financial reporting requirements for intangible assets to reduce the inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, will be effective for the Village beginning with its year ending April, 30, 2010. This statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities.

Management has not determined the impact these statements will have on the financial position and results of operations of the Village.

Village of University Park, Illinois

Required Supplementary Information
 Illinois Municipal Retirement Fund
 Schedule of Funding Progress

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded (Overfunded) AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded (Overfunded) AAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------------|--|--|--|--------------------------|---------------------------|--|
| 12/31/2005 | \$ 2,603,830 | \$ 2,631,398 | \$ 27,568 | 98.95% | \$ 1,653,621 | 1.67% |
| 12/31/2004 | \$ 2,816,923 | \$ 2,838,548 | \$ 21,625 | 99.24% | \$ 1,604,181 | 1.35% |
| 12/31/2003 | \$ 2,757,959 | \$ 2,687,702 | \$ (70,257) | 102.61% | \$ 1,254,137 | (5.60)% |
| 12/31/2002 | \$ 2,710,826 | \$ 2,552,319 | \$ (158,507) | 106.21% | \$ 1,127,431 | (14.06)% |
| 12/31/2001 | \$ 2,789,213 | \$ 2,357,990 | \$ (431,223) | 118.29% | \$ 1,107,774 | (38.93)% |
| 12/31/2000 | \$ 2,688,262 | \$ 2,205,000 | \$ (483,262) | 121.92% | \$ 1,095,346 | (44.12)% |

On a market value basis, the actuarial value of assets as of December 31, 2005 is \$2,632,764. On a market basis, the funded ratio would be 100.05%.

The actuarial assumptions used to determine the actuarial accrued liability for 2005 are based on the 2002-2004 experience study. The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For regular members, fewer normal and more early retirements are expected to occur.

Village of University Park, Illinois

Required Supplementary Information
 Police Pension Fund
 Schedule of Funding Progress

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|--------------------|--------------------|---------------------|---|
| 04/30/2006 | * | * | * | * | * | * |
| 04/30/2005 | \$ 4,447,815 | \$ 4,670,273 | \$ 222,458 | 95.24% | \$ 793,049 | 28.05% |
| 04/30/2004 | * | * | * | * | * | * |
| 04/30/2003 | * | * | * | * | * | * |
| 04/30/2002 | \$ 3,965,998 | \$ 4,608,365 | \$ 642,367 | 86.06% | \$ 1,001,444 | 64.14% |
| 04/30/2001 | \$ 3,844,211 | \$ 4,128,089 | \$ 283,878 | 93.12% | \$ 950,076 | 29.88% |

* Information not available.

Village of University Park, Illinois

Required Supplementary Information
 Firefighters' Pension Fund
 Schedule of Funding Progress

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|--------------------|--------------------|---------------------|---|
| 04/30/2006 | * | * | * | * | * | * |
| 04/30/2005 | \$ 2,751,293 | \$ 3,531,181 | \$ 779,888 | 77.91% | \$ 755,298 | 103.26% |
| 04/30/2004 | * | * | * | * | * | * |
| 04/30/2003 | * | * | * | * | * | * |
| 04/30/2002 | \$ 1,754,864 | \$ 2,349,012 | \$ 594,148 | 74.71% | \$ 566,131 | 104.95% |
| 04/30/2001 | \$ 1,585,159 | \$ 2,211,794 | \$ 626,635 | 71.67% | \$ 597,279 | 104.91% |

* Information not available.

Village of University Park

Schedule of Employer Contributions
Police Pension Fund

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed |
|--------------------------|---------------------------------|-------------------------------------|
| 04/30/06 | * | * |
| 04/30/05 | \$ 177,966 | 131.94 % |
| 04/30/04 | * | * |
| 04/30/03 | * | * |
| 04/30/02 | 151,277 | 95.10 |
| 04/30/01 | 147,583 | 82.80 |

* Information not available.

Village of University Park

Schedule of Employer Contributions
Firefighters' Pension Fund

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed |
|--------------------------|---------------------------------|-------------------------------------|
| 04/30/06 | * | * |
| 04/30/05 | \$ 156,097 | 116.61 % |
| 04/30/04 | * | * |
| 04/30/03 | * | * |
| 04/30/02 | 154,249 | 100.20 |
| 04/30/01 | 129,272 | 84.30 |

* Information not available.

Village of University Park, Illinois

Required Supplementary Information
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 General Fund
 Year Ended April 30, 2006

| | Original and Final Budget | Actual | Variance |
|---|---------------------------------|------------------|---------------------|
| Revenues: | | | |
| Property taxes | \$ 2,758,209 | \$ 2,069,311 | \$ (688,898) |
| Licenses and permits | 487,620 | 353,317 | (134,303) |
| Charges for services | 1,377,100 | 1,502,238 | 125,138 |
| Intergovernmental | 715,000 | 1,217,771 | 502,771 |
| Fines and forfeitures | 96,200 | 83,863 | (12,337) |
| Interest | 7,000 | 21,688 | 14,688 |
| Community facilities | 21,200 | 17,852 | (3,348) |
| Miscellaneous | 382,100 | 392,184 | 10,084 |
| Total revenues | 5,844,429 | 5,658,224 | (186,205) |
| Expenditures, | | | |
| current: | | | |
| General government | 1,648,000 | 2,189,257 | (541,257) |
| Community development | 388,100 | 378,575 | 9,525 |
| Public safety | 3,381,400 | 3,083,215 | 298,185 |
| Public works | 156,400 | 182,013 | (25,613) |
| Recreation | 789,500 | 515,733 | 273,767 |
| Total expenditures | 6,363,400 | 6,348,793 | 14,607 |
| (Deficiency) of revenues (under) expenditures | \$ (518,971) | (690,569) | \$ (171,598) |
| Other financing sources, transfers in | | 1,805,885 | |
| Net change in fund balance | | 1,115,316 | |
| Fund balance (deficit): | | | |
| May 1, 2005 | | (1,024,191) | |
| April 30, 2006 | | \$ 91,125 | |

See Note to Required Supplementary Information.

Note to Required Supplementary Information

Note 1. Budgetary Basis of Accounting

The General Fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Supplementary Information

Village of University Park, Illinois

Statement of Revenues - Budget and Actual
 General Fund
 Year Ended April 30, 2006

| | Original and Final Budget | Actual |
|--------------------------|---------------------------------|---------------------|
| Revenues: | | |
| Property taxes | \$ 2,758,209 | \$ 2,069,311 |
| Licenses and permits: | | |
| Business licenses | 1,400 | 9,710 |
| Liquor licenses | 15,000 | 13,620 |
| Contractor licenses | 7,500 | 9,350 |
| Building permits | 415,000 | 246,566 |
| Vending machine licenses | 1,800 | 3,497 |
| Miscellaneous licenses | 2,220 | 2,974 |
| Miscellaneous permits | 44,700 | 67,600 |
| | <u>487,620</u> | <u>353,317</u> |
| Charges for services: | | |
| Inspections-housing | 37,000 | 42,765 |
| Inspections-rental | 20,000 | 61,943 |
| Fire protection | 31,500 | 31,500 |
| Swimming pool fee | 10,300 | 23,816 |
| Police and fire reports | 122,100 | 113,321 |
| Cable TV fees | 43,900 | 55,930 |
| Utility tax | 1,050,000 | 1,116,337 |
| Franchise fee | 20,000 | 20,700 |
| Program fee | 42,300 | 35,926 |
| | <u>1,377,100</u> | <u>1,502,238</u> |
| Intergovernmental: | | |
| State income taxes | 430,000 | 555,814 |
| Municipal sales taxes | 240,000 | 607,407 |
| Replacement taxes | 45,000 | 54,550 |
| | <u>715,000</u> | <u>1,217,771</u> |
| Fines and forfeitures | <u>96,200</u> | <u>83,863</u> |
| Interest | <u>7,000</u> | <u>21,688</u> |
| Community facilities | <u>21,200</u> | <u>17,852</u> |
| Miscellaneous: | | |
| Donations | 21,100 | 10,993 |
| Real estate transfer fee | 50,000 | 66,368 |
| Reimbursed expenses | 125,100 | 159,667 |
| Trash disposal bags | 6,000 | 5,349 |
| Other | 179,900 | 149,807 |
| | <u>382,100</u> | <u>392,184</u> |
| Total revenues | <u>\$ 5,844,429</u> | <u>\$ 5,658,224</u> |

Village of University Park, Illinois

Statement of Expenditures - Budget and Actual
 General Fund
 Year Ended April 30, 2006

| | Original and Final Budget | Actual |
|--|---------------------------------|----------------|
| Expenditures: | | |
| General government: | | |
| President and board of trustees: | | |
| Personnel services | \$ 147,100 | \$ 181,117 |
| Commodities | 11,900 | 9,425 |
| Training and travel | 25,900 | 25,558 |
| Miscellaneous | 6,300 | 60,924 |
| Total president and board of trustees | 191,200 | 277,024 |
| Law enforcement, pension contributions | 149,375 | 245,795 |
| Fire and energy, pension contributions | 113,525 | 186,804 |
| Village clerk: | | |
| Personnel services | 48,600 | 59,515 |
| Commodities | 8,500 | 8,412 |
| Training and travel | 5,200 | 4,741 |
| Recording costs | 1,200 | 1,400 |
| Total village clerk | 63,500 | 74,068 |
| Department of finance: | | |
| Personnel services | 127,600 | 165,945 |
| Contractual services | 59,600 | 131,195 |
| Commodities | 3,500 | 8,423 |
| Miscellaneous | 2,600 | 5,851 |
| Total department of finance | 193,300 | 311,414 |
| Department of law, contractual services | 168,100 | 199,623 |
| Committees and commission: | | |
| Special programs | 8,800 | 14,030 |
| Travel | 12,900 | 19,812 |
| Commissions | - | 2,303 |
| Total committees and commission | 21,700 | 36,145 |

(continued)

Village of University Park, Illinois

Statement of Expenditures - Budget and Actual
 General Fund (continued)
 Year Ended April 30, 2006

| | Original and Final Budget | Actual |
|---|---------------------------------|------------------|
| Expenditures: (continued) | | |
| General government: (continued) | | |
| Information technology | \$ 50,000 | \$ 214,066 |
| Village manager's office: | | |
| Personnel services | 137,900 | 183,581 |
| Commodities | 6,200 | 5,302 |
| Contractual services | 18,900 | 29,342 |
| Training and travel | 13,500 | 4,014 |
| Total village manager's office | 176,500 | 222,239 |
| General operations: | | |
| Contractual services | 317,200 | 287,494 |
| Commodities | 122,400 | 66,465 |
| Training and travel | 2,700 | 9,125 |
| Miscellaneous | 78,500 | 58,995 |
| Total general operations | 520,800 | 422,079 |
| Total general government | 1,648,000 | 2,189,257 |
| Community development: | | |
| Administration planning: and code enforcement: | | |
| Personnel services | 195,100 | 219,473 |
| Contractual services | 41,400 | 27,230 |
| Commodities (including refunds) | 31,000 | 24,766 |
| Travel and training | 1,000 | 214 |
| Total administration planning and code enforcement | 268,500 | 271,683 |
| Community relations: | | |
| Personnel services | 50,500 | - |
| Contractual services | 6,100 | 5,427 |
| Commodities | 21,500 | 6,904 |
| Travel and training | 6,300 | 59 |
| Special programs | 3,000 | 24,000 |
| Total community relations | 87,400 | 36,390 |
| Community affairs and development: | | |
| Personnel services | 20,000 | 47,738 |
| Commodities | 11,900 | 18,065 |
| Travel | 300 | 4,699 |
| Total community affairs and development | 32,200 | 70,502 |
| Total community development | 388,100 | 378,575 |

(continued)

Village of University Park, Illinois

Statement of Expenditures - Budget and Actual
 General Fund (continued)
 Year Ended April 30, 2006

| | Original and Final Budget | Actual |
|---|---------------------------------|------------------|
| Expenditures: (continued) | | |
| Public safety : | | |
| Police department - administration: | | |
| Personnel services | \$ 129,000 | \$ 103,045 |
| Commodities | 212,700 | 237,777 |
| Contractual services | 27,900 | 14,429 |
| Miscellaneous | 2,900 | 2,092 |
| Travel and training | 3,900 | 2,362 |
| Total police department - administration | 376,400 | 359,705 |
| Police department - uniform patrol: | | |
| Personnel services | 1,007,800 | 940,533 |
| Contractual services | 290,100 | 240,227 |
| Commodities | 66,300 | 68,219 |
| Travel and training | 25,700 | 10,568 |
| Miscellaneous | 88,000 | 20,703 |
| Total police department - uniform patrol | 1,477,900 | 1,280,250 |
| Police department - investigation and youth: | | |
| Personnel services | 176,700 | 174,825 |
| Contractual services | 77,200 | 48,791 |
| Commodities | 15,200 | 3,563 |
| Travel and training | 5,500 | 1,831 |
| Total police department - investigation and youth | 274,600 | 229,010 |
| Police department - communications and records: | | |
| Personnel services | 93,100 | 105,663 |
| Contractual services | 60,300 | 58,859 |
| Commodities | 15,100 | 5,239 |
| Total police department - communications and records | 168,500 | 169,761 |
| Total police department | 2,297,400 | 2,038,726 |
| Fire department - administration: | | |
| Personnel services | 56,900 | 14,199 |
| Commodities | 6,000 | 8,552 |
| Contractual services | 50,700 | 29,274 |
| Travel and training | 4,300 | 4,732 |
| Total fire department - administration | 117,900 | 56,757 |
| Fire department - fire suppression: | | |
| Personnel services | 674,700 | 742,288 |
| Commodities | 214,600 | 202,618 |
| Travel and training | 11,200 | 6,986 |
| Total fire department - fire suppression | 900,500 | 951,892 |

(continued)

Village of University Park, Illinois

Statement of Expenditures - Budget and Actual
 General Fund (continued)
 Year Ended April 30, 2006

| | Original and Final Budget | Actual |
|--|---------------------------------|------------------|
| Expenditures: (continued) | | |
| Public safety: (continued) | | |
| Fire department - prevention and investigation: | | |
| Personnel services | \$ 36,000 | \$ 18,493 |
| Commodities | 25,700 | 15,862 |
| Travel and training | 1,100 | 817 |
| Total fire department - prevention and investigation | 61,700 | 35,172 |
| Fire department - emergency medical aid rescue and reserve services: | | |
| Personnel services | - | - |
| Commodities | 3,900 | 668 |
| Travel and training | - | - |
| Total fire department - emergency medical aid rescue and reserve services | 3,900 | 668 |
| Total fire department | 1,084,000 | 1,044,489 |
| Total public safety | 3,381,400 | 3,083,215 |
| Public works: | | |
| Personnel services | 67,500 | 74,001 |
| Contractual services | 88,900 | 108,012 |
| Total public works | 156,400 | 182,013 |
| Recreation: | | |
| Administration: | | |
| Commodities | 13,400 | 2,929 |
| Personnel services | 95,700 | - |
| Contractual services | 17,100 | - |
| Miscellaneous | 1,900 | (81) |
| Travel and training | 1,900 | (50) |
| Total administration | 130,000 | 2,798 |
| Programs: | | |
| Personnel services | 55,600 | 66,962 |
| Contractual services | 18,800 | 40,766 |
| Travel and training | 9,100 | 18,298 |
| Commodities | 20,100 | 8,742 |
| Total programs | 103,600 | 134,768 |

(continued)

Village of University Park, Illinois

Statement of Expenditures - Budget and Actual
 General Fund (continued)
 Year Ended April 30, 2006

| | Original and Final Budget | Actual |
|--------------------------------------|---------------------------------|---------------------|
| Expenditures: (continued) | | |
| Recreation: (continued) | | |
| Community facilities: | | |
| Personnel services | \$ 77,100 | \$ 40,254 |
| Contractual services | 90,500 | 31,531 |
| Travel and training | - | 41 |
| Commodities | 9,600 | 3,778 |
| Miscellaneous | 5,000 | - |
| Total community facilities | 182,200 | 75,604 |
| Swimming pool: | | |
| Personnel services | 63,300 | 40,988 |
| Contractual services | 84,900 | 22,258 |
| Travel and training | 3,700 | 1,895 |
| Miscellaneous | 900 | 612 |
| Commodities | 15,800 | 15,073 |
| Total swimming pool | 168,600 | 80,826 |
| Riegel mini-farm: | | |
| Personnel services | 75,200 | 72,553 |
| Contractual services | 24,700 | 15,032 |
| Commodities | 22,700 | 22,723 |
| Miscellaneous | - | 210 |
| Total riegel mini-farm | 122,600 | 110,518 |
| Cable television studio: | | |
| Personnel services | 55,300 | 49,585 |
| Contractual services | 11,400 | 45,808 |
| Commodities | 11,000 | 9,459 |
| Travel and training | 2,100 | 3,078 |
| Miscellaneous | 2,700 | 3,289 |
| Total cable television studio | 82,500 | 111,219 |
| Total recreation | 789,500 | 515,733 |
| Total expenditures | \$ 6,363,400 | \$ 6,348,793 |

Village of University Park, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2006

| | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|--------------------------|-----------------------|---------------------------|--|
| Assets | | | | |
| Cash and cash equivalents | \$ 307,416 | \$ 407,691 | \$ 92,856 | \$ 807,963 |
| Investments | 2,480 | 425,734 | 10,147 | 438,361 |
| Property taxes receivable | 738,550 | 1,137,093 | - | 1,875,643 |
| Due from other governmental agencies | 15,266 | - | - | 15,266 |
| Due from other funds | 800 | 302,668 | 160,221 | 463,689 |
| Advances to other funds | 108,017 | 289,627 | 276,860 | 674,504 |
| Total assets | \$ 1,172,529 | \$ 2,562,813 | \$ 540,084 | \$ 4,275,426 |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 49,151 | \$ - | \$ 586,196 | \$ 635,347 |
| Accrued payroll | 4,260 | - | - | 4,260 |
| Unearned revenue | 747,322 | 1,137,093 | - | 1,884,415 |
| Due to other funds | 30,227 | 343,255 | - | 373,482 |
| Advances from other funds | 320,178 | 374,417 | 1,707,561 | 2,402,156 |
| Total liabilities | 1,151,138 | 1,854,765 | 2,293,757 | 5,299,660 |
| Fund balances | | | | |
| Reserved for advances | 108,017 | 289,627 | 276,860 | 674,504 |
| Unreserved (deficit) | (86,626) | 418,421 | (2,030,533) | (1,698,738) |
| Total fund balances | 21,391 | 708,048 | (1,753,673) | (1,024,234) |
| Total liabilities and fund balances | \$ 1,172,529 | \$ 2,562,813 | \$ 540,084 | \$ 4,275,426 |

Village of University Park, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds
 Year Ended April 30, 2006

| | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|--------------------------|-----------------------|---------------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 736,683 | \$ 908,473 | \$ 650,132 | \$ 2,295,288 |
| Charges for services | 80,947 | - | - | 80,947 |
| Intergovernmental | 210,389 | - | 6,690 | 217,079 |
| Interest | 18,505 | 26,560 | 11,612 | 56,677 |
| Grant revenue | 2,540 | - | 35,752 | 38,292 |
| Miscellaneous | 29,596 | - | 132 | 29,728 |
| Total revenues | 1,078,660 | 935,033 | 704,318 | 2,718,011 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 336,949 | - | 881,824 | 1,218,773 |
| Public works | 917,646 | - | - | 917,646 |
| Debt service: | | | | |
| Principal retirements | 108,076 | 920,000 | 152,830 | 1,180,906 |
| Interest and fees | 4,196 | 816,573 | 601 | 821,370 |
| Capital outlay | 260,931 | - | - | 260,931 |
| Total expenditures | 1,627,798 | 1,736,573 | 1,035,255 | 4,399,626 |
| Deficiency of revenues under expenditures | (549,138) | (801,540) | (330,937) | (1,681,615) |
| Other financing sources, transfer in | - | 661,937 | - | 661,937 |
| Change in fund balances | (549,138) | (139,603) | (330,937) | (1,019,678) |
| Fund balances (deficits): | | | | |
| May 1, 2005 | 570,529 | 847,651 | (1,422,736) | (4,556) |
| April 30, 2006 | \$ 21,391 | \$ 708,048 | \$ (1,753,673) | \$ (1,024,234) |

Village of University Park, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2006

| | Road and Bridge | Motor Fuel Tax | Illinois Municipal Retirement | Social Security | State Income Tax Surcharge | Working Cash | Hickory School | Community Development Assistance Program | Total |
|--|--------------------|-------------------|-------------------------------------|--------------------|----------------------------------|-------------------|-------------------|---|---------------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | \$ 7,650 | \$ 205,572 | \$ 392 | \$ 4,080 | \$ 9,033 | \$ 741 | \$ 79,846 | \$ 102 | \$ 307,416 |
| Investments | - | - | - | - | - | 2,480 | - | - | 2,480 |
| Property taxes receivable | 380,003 | - | 64,440 | 104,074 | 190,033 | - | - | - | 738,550 |
| Due from other governmental agencies | - | 15,266 | - | - | - | - | - | - | 15,266 |
| Due from other funds | 800 | - | - | - | - | - | - | - | 800 |
| Advances to other funds | - | - | 10,017 | - | - | 98,000 | - | - | 108,017 |
| Total assets | \$ 388,453 | \$ 220,838 | \$ 74,849 | \$ 108,154 | \$ 199,066 | \$ 101,221 | \$ 79,846 | \$ 102 | \$ 1,172,529 |
| Liabilities and Fund Balances | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable | \$ 9,759 | \$ 11,138 | \$ 11,317 | \$ - | \$ 16,937 | \$ - | \$ - | \$ - | \$ 49,151 |
| Accrued payroll | 4,260 | - | - | - | - | - | - | - | 4,260 |
| Unearned revenue | 380,003 | - | 73,212 | 104,074 | 190,033 | - | - | - | 747,322 |
| Due to other funds | - | 3,868 | - | 9,444 | 16,915 | - | - | - | 30,227 |
| Advances from other funds | 163,577 | - | 6,555 | 149,321 | 725 | - | - | - | 320,178 |
| Total liabilities | 557,599 | 15,006 | 91,084 | 262,839 | 224,610 | - | - | - | 1,151,138 |
| Fund balances | | | | | | | | | |
| Reserved for advances | - | - | 10,017 | - | - | 98,000 | - | - | 108,017 |
| Unreserved (deficit) | (169,146) | 205,832 | (26,252) | (154,685) | (25,544) | 3,221 | 79,846 | 102 | (86,626) |
| Total fund balances | (169,146) | 205,832 | (16,235) | (154,685) | (25,544) | 101,221 | 79,846 | 102 | 21,391 |
| Total liabilities and fund balances | \$ 388,453 | \$ 220,838 | \$ 74,849 | \$ 108,154 | \$ 199,066 | \$ 101,221 | \$ 79,846 | \$ 102 | \$ 1,172,529 |

Village of University Park, Illinois

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended April 30, 2006

| | Road and Bridge | Motor Fuel Tax | Illinois Municipal Retirement | Social Security | State Income Tax Surcharge | Working Cash | Hickory School | Community Development Assistance Program | Total |
|-----------------------------------|--------------------|-------------------|-------------------------------------|--------------------|----------------------------------|-----------------|-------------------|---|------------------|
| Revenues: | | | | | | | | | |
| Property taxes | \$ 415,653 | \$ - | \$ 64,234 | \$ 91,823 | \$ 164,973 | \$ - | \$ - | \$ - | \$ 736,683 |
| Charges for services | 80,947 | - | - | - | - | - | - | - | 80,947 |
| Intergovernmental: | | | | | | | | | |
| Personal property replacement tax | 9,708 | - | 2,146 | 2,908 | - | - | - | - | 14,762 |
| Motor fuel tax allotments | - | 195,627 | - | - | - | - | - | - | 195,627 |
| Interest | 3,565 | 7,101 | 1,747 | 366 | 2,519 | 79 | 3,124 | 4 | 18,505 |
| Grant revenue | 2,540 | - | - | - | - | - | - | - | 2,540 |
| Miscellaneous | 29,596 | - | - | - | - | - | - | - | 29,596 |
| Total revenues | 542,009 | 202,728 | 68,127 | 95,097 | 167,492 | 79 | 3,124 | 4 | 1,078,660 |
| Expenditures: | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | - | - | 147,741 | 175,445 | - | - | 13,763 | - | 336,949 |
| Public works | 740,920 | 176,726 | - | - | - | - | - | - | 917,646 |
| Debt service: | | | | | | | | | |
| Principal retirements | - | - | - | - | 108,076 | - | - | - | 108,076 |
| Interest and fees | - | - | - | - | 4,196 | - | - | - | 4,196 |
| Capital outlay | - | - | - | - | 260,931 | - | - | - | 260,931 |
| Total expenditures | 740,920 | 176,726 | 147,741 | 175,445 | 373,203 | - | 13,763 | - | 1,627,798 |
| Change in fund balance | (198,911) | 26,002 | (79,614) | (80,348) | (205,711) | 79 | (10,639) | 4 | (549,138) |
| Fund balances (deficits): | | | | | | | | | |
| May 1, 2005 | 29,765 | 179,830 | 63,379 | (74,337) | 180,167 | 101,142 | 90,485 | 98 | 570,529 |
| April 30, 2006 | \$ (169,146) | \$ 205,832 | \$ (16,235) | \$ (154,685) | \$ (25,544) | \$ 101,221 | \$ 79,846 | \$ 102 | \$ 21,391 |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Road and Bridge Fund
 Year Ended April 30, 2006

| | Budget | Actual |
|---|------------------|---------------------|
| Revenues: | | |
| Property taxes | \$ 471,800 | \$ 415,653 |
| Charges for services | 84,800 | 80,947 |
| Intergovernmental, general property replacement tax | 8,500 | 9,708 |
| Interest | 1,200 | 3,565 |
| Grant revenue | - | 2,540 |
| Miscellaneous | 25,700 | 29,596 |
| Total revenues | <u>592,000</u> | <u>542,009</u> |
| Expenditures, | | |
| current, public works: | | |
| Contractual services | 101,600 | 145,695 |
| Commodities | 210,800 | 263,863 |
| Personnel services | 265,200 | 298,299 |
| Maintenance | - | 33,063 |
| Total expenditures | <u>577,600</u> | <u>740,920</u> |
| Change in fund balance | <u>\$ 14,400</u> | (198,911) |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>29,765</u> |
| April 30, 2006 | | <u>\$ (169,146)</u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Motor Fuel Tax Fund
 Year Ended April 30, 2006

| | Budget | Actual |
|---|-----------------|-------------------|
| Revenues: | | |
| Intergovernmental, motor fuel tax allotments | \$ 193,500 | \$ 195,627 |
| Interest | 1,100 | 7,101 |
| Total revenues | <u>194,600</u> | <u>202,728</u> |
| Expenditures, | | |
| current, public works: | | |
| Construction supplies | 30,900 | 27,207 |
| Equipment repair and maintenance | 144,500 | 149,519 |
| Professional services | 10,400 | - |
| Total expenditures | <u>185,800</u> | <u>176,726</u> |
| Change in fund balance | <u>\$ 8,800</u> | 26,002 |
| Fund balance: | | |
| May 1, 2005 | | <u>179,830</u> |
| April 30, 2006 | | <u>\$ 205,832</u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Illinois Municipal Retirement Fund

Year Ended April 30, 2006

| | Budget | Actual |
|--|---------------------------|---------------------------|
| Revenues: | | |
| Property taxes | \$ 5,000 | \$ 64,234 |
| Intergovernmental, personal property replacement tax | - | 2,146 |
| Interest | 1,500 | 1,747 |
| Total revenues | <u>6,500</u> | <u>68,127</u> |
| Expenditures, current, general government, contributions | <u>69,800</u> | <u>147,741</u> |
| Change in fund balance | <u><u>\$ (63,300)</u></u> | <u>(79,614)</u> |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>63,379</u> |
| April 30, 2006 | | <u><u>\$ (16,235)</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Social Security Fund
 Year Ended April 30, 2006

| | Budget | Actual |
|--|---------------------------|----------------------------|
| Revenues: | | |
| Property taxes | \$ 84,900 | \$ 91,823 |
| Intergovernmental, personal property replacement tax | - | 2,908 |
| Interest | 200 | 366 |
| Total revenues | <u>85,100</u> | <u>95,097</u> |
| Expenditures, current, general government, contributions | <u>125,200</u> | <u>175,445</u> |
| Change in fund balance | <u><u>\$ (40,100)</u></u> | <u>(80,348)</u> |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>(74,337)</u> |
| April 30, 2006 | | <u><u>\$ (154,685)</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 State Income Tax Surcharge
 Year Ended April 30, 2006

| | Budget | Actual |
|-------------------------------|------------------|--------------------|
| Revenues: | | |
| Property taxes | \$ 197,400 | \$ 164,973 |
| Interest | 1,400 | 2,519 |
| Grant revenue | 213,600 | - |
| Total revenues | <u>412,400</u> | <u>167,492</u> |
| Expenditures: | | |
| Debt service: | | |
| Principal retirements | 36,200 | 108,076 |
| Interest and fees | 8,600 | 4,196 |
| Capital outlay | 315,900 | 260,931 |
| | <u>360,700</u> | <u>373,203</u> |
| Change in fund balance | <u>\$ 51,700</u> | (205,711) |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>180,167</u> |
| April 30, 2006 | | <u>\$ (25,544)</u> |

Village of University Park, Illinois

Combining Balance Sheet
 Nonmajor Debt Service Funds
 Year Ended April 30, 2006

| | Series 2002 Bonds | 1994 T.I.F. Bond Issue | 1998 Bond Debt Service Fund | Total |
|--|-------------------------|------------------------------|-----------------------------------|---------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 7 | \$ 310,578 | \$ 97,106 | \$ 407,691 |
| Investments | - | 425,734 | - | 425,734 |
| Property taxes receivable | - | 609,332 | 527,761 | 1,137,093 |
| Due from other funds | - | 179,060 | 123,608 | 302,668 |
| Advances to other funds | - | 239,627 | 50,000 | 289,627 |
| Total assets | \$ 7 | \$ 1,764,331 | \$ 798,475 | \$ 2,562,813 |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Unearned revenue | \$ - | \$ 609,332 | \$ 527,761 | \$ 1,137,093 |
| Due to other funds | - | 343,255 | - | 343,255 |
| Advances from other funds | 374,417 | - | - | 374,417 |
| Total liabilities | 374,417 | 952,587 | 527,761 | 1,854,765 |
| Fund balances | | | | |
| Reserved for advances | - | 239,627 | 50,000 | 289,627 |
| Unreserved (deficit) | (374,410) | 572,117 | 220,714 | 418,421 |
| Total fund balances | (374,410) | 811,744 | 270,714 | 708,048 |
| Total liabilities and fund balances | \$ 7 | \$ 1,764,331 | \$ 798,475 | \$ 2,562,813 |

Village of University Park, Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Debt Service Funds
Year Ended April 30, 2006

| | Series 2002 Bonds | 1994 T.I.F. Bond Issue | 1998 Bond Debt Service Fund | Total |
|--|-------------------------|------------------------------|-----------------------------------|------------------|
| Revenues: | | | | |
| Property taxes | \$ - | \$ 488,420 | \$ 420,053 | \$ 908,473 |
| Interest | - | 21,126 | 5,434 | 26,560 |
| Total revenues | - | 509,546 | 425,487 | 935,033 |
| Expenditures, debt service: | | | | |
| Principal retirements | 255,000 | 500,000 | 165,000 | 920,000 |
| Interest and fees | 243,655 | 436,212 | 136,706 | 816,573 |
| Total expenditures | 498,655 | 936,212 | 301,706 | 1,736,573 |
| Deficiency of revenues under expenditures | (498,655) | (426,666) | 123,781 | (801,540) |
| Other financing sources, transfers in | - | 661,937 | - | 661,937 |
| Change in fund balances | (498,655) | 235,271 | 123,781 | (139,603) |
| Fund balances (deficits): | | | | |
| May 1, 2005 | 124,245 | 576,473 | 146,933 | 847,651 |
| April 30, 2006 | \$ (374,410) | \$ 811,744 | \$ 270,714 | \$ 708,048 |

Village of University Park, Illinois

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 Year Ended April 30, 2006

| | T.I.F. I | T.I.F. III | T.I.F. Redevelopment Project | Series 1998 Bond Project | Series 2003 Bond Project | Total |
|--|------------------|-------------------|------------------------------------|--------------------------------|-----------------------------------|--------------------|
| Assets | | | | | | |
| Cash and cash equivalents | \$ 2,585 | \$ 43,221 | \$ - | \$ 1,609 | \$ 45,441 | \$ 92,856 |
| Investments | 3,940 | - | - | 6,207 | - | 10,147 |
| Due from other funds | 4,000 | - | 156,221 | - | - | 160,221 |
| Advances to other funds | - | 189,666 | - | - | 87,194 | 276,860 |
| Total assets | \$ 10,525 | \$ 232,887 | \$ 156,221 | \$ 7,816 | \$ 132,635 | \$ 540,084 |
| Liabilities and Fund Balances | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ 1,346 | \$ 560,364 | \$ - | \$ 14,486 | \$ 10,000 | \$ 586,196 |
| Advances from other funds | 423,065 | - | 626,749 | 500,351 | 157,396 | 1,707,561 |
| Total liabilities | 424,411 | 560,364 | 626,749 | 514,837 | 167,396 | 2,293,757 |
| Fund balances | | | | | | |
| Reserved for advances | - | 189,666 | - | - | 87,194 | 276,860 |
| Unreserved (deficit) | (413,886) | (517,143) | (470,528) | (507,021) | (121,955) | (2,030,533) |
| Total fund balances | (413,886) | (327,477) | (470,528) | (507,021) | (34,761) | (1,753,673) |
| Total liabilities and fund balances | \$ 10,525 | \$ 232,887 | \$ 156,221 | \$ 7,816 | \$ 132,635 | \$ 540,084 |

Village of University Park, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

Year Ended April 30, 2006

| | T.I.F. I | T.I.F. III | T.I.F. Redevelopment Project | Series 1998 Bond Project | Series 2003 Bond Project | Total |
|--------------------------------|-----------------|----------------|------------------------------------|--------------------------------|-----------------------------------|------------------|
| Revenues: | | | | | | |
| Property taxes | \$ 152,663 | \$ 497,469 | \$ - | \$ - | \$ - | \$ 650,132 |
| Intergovernmental, sales tax | 6,690 | - | - | - | - | 6,690 |
| Interest | 461 | 7,868 | - | 60 | 3,223 | 11,612 |
| Grant revenue | - | - | 35,752 | - | - | 35,752 |
| Miscellaneous | - | - | - | 132 | - | 132 |
| Total revenues | 159,814 | 505,337 | 35,752 | 192 | 3,223 | 704,318 |
| Expenditures: | | | | | | |
| Current, general government: | | | | | | |
| Contractual services | 25,529 | 8,633 | 35,754 | - | - | 69,916 |
| Capital programs | - | 394,468 | - | - | 417,440 | 811,908 |
| Debt service: | | | | | | |
| Principal retirements | 152,830 | - | - | - | - | 152,830 |
| Interest and fees | - | - | - | - | 601 | 601 |
| Total expenditures | 178,359 | 403,101 | 35,754 | - | 418,041 | 1,035,255 |
| Change in fund balances | (18,545) | 102,236 | (2) | 192 | (414,818) | (330,937) |
| Fund balances (deficits): | | | | | | |
| May 1, 2005 | (395,341) | (429,713) | (470,526) | (507,213) | 380,057 | (1,422,736) |
| April 30, 2006 | \$ (413,886) | \$ (327,477) | \$ (470,528) | \$ (507,021) | \$ (34,761) | \$ (1,753,673) |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

T.I.F. I

Year Ended April 30, 2006

| | Budget | Actual |
|--|-----------------------|---------------------|
| Revenues: | | |
| Property taxes | \$ 154,600 | \$ 152,663 |
| Intergovernmental, sales taxes | 7,000 | 6,690 |
| Interest | 2,300 | 461 |
| Total revenues | <u>163,900</u> | <u>159,814</u> |
| Expenditures: | | |
| Current, general government, contractual services | 42,400 | 25,529 |
| Debt service, principal retirements | - | 152,830 |
| Total expenditures | <u>42,400</u> | <u>178,359</u> |
| Change in fund balance | <u>\$ 121,500</u> | (18,545) |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>(395,341)</u> |
| April 30, 2006 | | <u>\$ (413,886)</u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

T.I.F. II

Year Ended April 30, 2006

| | Budget | Actual |
|---|--------------------|---------------------|
| Revenues: | | |
| Property taxes | \$ 2,405,800 | \$ 2,432,219 |
| Utility taxes | 56,400 | 55,927 |
| Interest | 7,800 | 45,083 |
| Total revenues | <u>2,470,000</u> | <u>2,533,229</u> |
| Expenditures, capital outlay: | | |
| Contractual services | 268,400 | 1,500,962 |
| Capital programs | 102,135 | 114,865 |
| Total expenditures | <u>370,535</u> | <u>1,615,827</u> |
| Excess of revenues over expenditures | <u>2,099,465</u> | <u>917,402</u> |
| Other financing sources (uses): | | |
| Transfers in | 29,406 | - |
| Transfers (out) | (1,375,000) | (2,467,822) |
| Total other financing sources (uses) | <u>(1,345,594)</u> | <u>(2,467,822)</u> |
| Change in fund balance | <u>\$ 753,871</u> | <u>(1,550,420)</u> |
| Fund balance: | | |
| May 1, 2005 | | <u>2,749,370</u> |
| April 30, 2006 | | <u>\$ 1,198,950</u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

T.I.F. III

Year Ended April 30, 2006

| | Budget | Actual |
|-------------------------------|------------------|---------------------|
| Revenues: | | |
| Property taxes | \$ 514,600 | \$ 497,469 |
| Interest | 3,100 | 7,868 |
| Total revenues | <u>517,700</u> | <u>505,337</u> |
| Expenditures, | | |
| current, general government: | | |
| Contractual services | 111,900 | 8,633 |
| Capital programs | 312,700 | 394,468 |
| Total expenditures | <u>424,600</u> | <u>403,101</u> |
| Change in fund balance | <u>\$ 93,100</u> | 102,236 |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>(429,713)</u> |
| April 30, 2006 | | <u>\$ (327,477)</u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

T.I.F. IV

Year Ended April 30, 2006

| | Budget | Actual |
|--|--------------------------|----------------------------|
| Revenues: | | |
| Property taxes | \$ 1,055,700 | \$ 1,029,410 |
| Interest | 5,800 | 21,993 |
| Total revenues | <u>1,061,500</u> | <u>1,051,403</u> |
| Expenditures, | | |
| capital outlay: | | |
| Contractual services | 5,600 | 10,100 |
| Capital programs | 515,700 | 611,579 |
| Total expenditures | <u>521,300</u> | <u>621,679</u> |
| Excess of revenues over expenditures | 540,200 | 429,724 |
| Other financing (uses), transfers (out) | <u>(387,400)</u> | - |
| | | |
| Change in fund balance | <u><u>\$ 152,800</u></u> | 429,724 |
| Fund balance: | | |
| May 1, 2005 | | <u>1,063,515</u> |
| April 30, 2006 | | <u><u>\$ 1,493,239</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

T.I.F. V

Year Ended April 30, 2006

| | Budget | Actual |
|---|----------------------------|----------------------------|
| Revenues: | | |
| Property Tax | \$ 8,600 | \$ 889,788 |
| Interest | 100 | 21,704 |
| Reimbursed expenses | - | 2,509,356 |
| Total revenues | <u>8,700</u> | <u>3,420,848</u> |
| Expenditures: | | |
| Current, general government, redevelopment agreement payments | 6,100 | - |
| Capital outlay: | | |
| Contractual services | 26,500 | 55,393 |
| Capital programs | 495,900 | 1,888,627 |
| Total expenditures | <u>528,500</u> | <u>1,944,020</u> |
| Excess (deficiency) of revenues over (under) expenditures | (519,800) | 1,476,828 |
| Other financing sources, transfers in | <u>387,400</u> | - |
| Change in fund balance | <u><u>\$ (132,400)</u></u> | 1,476,828 |
| Fund balance: | | |
| May 1, 2005 | | <u>146,937</u> |
| April 30, 2006 | | <u><u>\$ 1,623,765</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

T.I.F. Redevelopment Project

Year Ended April 30, 2006

| | Budget | Actual |
|-------------------------------|----------------------------|----------------------------|
| Revenues: | | |
| Interest | \$ 1,330 | \$ - |
| Grant revenue | 139,600 | 35,752 |
| Total revenues | <u>140,930</u> | <u>35,752</u> |
| Expenditures, | | |
| current, general government: | | |
| Contractual services | 82,707 | 35,754 |
| Capital programs | 547,500 | - |
| Total expenditures | <u>630,207</u> | <u>35,754</u> |
| | | |
| Change in fund balance | <u><u>\$ (489,277)</u></u> | (2) |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>(470,526)</u> |
| April 30, 2006 | | <u><u>\$ (470,528)</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Series 1998 Bond Project Fund
 Year Ended April 30, 2006

| | Budget | Actual |
|---|------------------------------|----------------------------|
| Revenues: | | |
| Interest | \$ 8,300 | \$ 60 |
| Miscellaneous | 100 | 132 |
| Total revenues | <u>8,400</u> | <u>192</u> |
| | | |
| Expenditures, current, general government, capital programs | <u>2,678,300</u> | - |
| | | |
| Excess (deficiency) of revenues over (under) expenditures | (2,669,900) | 192 |
| | | |
| Other financing (uses), transfers (out) | <u>(800,000)</u> | - |
| | | |
| Change in fund balance | <u><u>\$ (3,469,900)</u></u> | 192 |
| | | |
| Fund balance (deficit): | | |
| May 1, 2005 | | <u>(507,213)</u> |
| April 30, 2006 | | <u><u>\$ (507,021)</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Series 2003 Bond Project Fund
 Year Ended April 30, 2006

| | Budget | Actual |
|------------------------------------|---------------------------|----------------------|
| Revenues, interest | \$ 2,100 | \$ 3,223 |
| Expenditures: | | |
| Current, general government: | | |
| Contractual services | 47,600 | - |
| Capital programs | 48,000 | 417,440 |
| Debt service, interest and fees | 30,000 | 601 |
| Capital outlay | 4,430,000 | - |
| Total expenditures | 4,555,600 | 418,041 |
| Change in fund balance | \$ (4,553,500) | (414,818) |
| Fund balance (deficit): | | |
| May 1, 2005 | | 380,057 |
| April 30, 2006 | | \$ (34,761) |

Village of University Park, Illinois

Schedule of Revenues, Expenses and Changes in Net Assets
 Budget and Actual
 Towncenter Fund
 Year Ended April 30, 2006

| | Budget | Actual |
|--|--------------------------|----------------------------|
| Operating revenues: | | |
| Charges for services | \$ 30,700 | \$ 140,695 |
| Miscellaneous | - | 58,818 |
| Total operating revenue | <u>30,700</u> | <u>199,513</u> |
| Operating expenses: | | |
| Operations: | | |
| Building maintenance | 34,800 | 1,322 |
| Utilities | 4,300 | 17,155 |
| Contractual | 300 | - |
| Audit | - | 11,200 |
| Real estate tax | - | 55,445 |
| Fees | - | 17 |
| Total operations | <u>39,400</u> | <u>85,139</u> |
| Capital outlay | - | 45,158 |
| Total operating expenses | <u>39,400</u> | <u>130,297</u> |
| Operating income (loss) before depreciation | (8,700) | 69,216 |
| Depreciation | - | 202,288 |
| Operating loss | <u>(8,700)</u> | <u>(133,072)</u> |
| Nonoperating income (expense): | | |
| Interest income | 125 | 2,903 |
| Loss on disposal of capital assets | - | (56,773) |
| Total nonoperating income (expense) | <u>125</u> | <u>(53,870)</u> |
| Change in net assets | <u><u>\$ (8,575)</u></u> | (186,942) |
| Net Assets: | | |
| May 1, 2005 | | <u>2,990,887</u> |
| April 30, 2006 | | <u><u>\$ 2,803,945</u></u> |

Village of University Park, Illinois

Schedule of Revenues, Expenses and Changes in Net Assets

Budget and Actual

Golf Course Fund

Year Ended April 30, 2006

| | Budget | Actual |
|--|----------------|------------------|
| Operating revenues: | | |
| Charges for services | \$ 111,200 | \$ 779,418 |
| Retail and concession sales | 66,400 | 531,431 |
| Miscellaneous | - | 1,844 |
| Total operating revenue | 177,600 | 1,312,693 |
| Operating expenses: | | |
| Salaries: | | |
| Employee wages | 142,700 | 660,891 |
| Overtime | 2,900 | 32,207 |
| Total salaries | 145,600 | 693,098 |
| Supplies, fees, and services: | | |
| Office supplies | 8,100 | 7,210 |
| Insurance | 24,800 | 137,061 |
| Postage | - | 24 |
| Printing | 2,700 | 257 |
| Other materials and supplies | 65,000 | 393,708 |
| Advertising, marketing and promotion | 9,500 | 45,335 |
| Utilities | 14,900 | 63,011 |
| Disposal service | 1,100 | 6,901 |
| Publications and memberships | 4,800 | 12,500 |
| Professional development | 2,600 | 135,160 |
| Professional services | 12,400 | 11,125 |
| Public information | - | 35 |
| General services | 17,600 | 189,797 |
| Other rents and leases | 800 | 77,287 |
| Other contractual services | 2,900 | 2,959 |
| Total supplies, fees and services | 167,200 | 1,082,370 |

(continued)

Village of University Park

Schedule of Revenues, Expenses and Changes in Net Assets

Budget and Actual (continued)

Golf Course Fund

Year Ended April 30, 2006

| | Budget | Actual |
|--|----------------------------|----------------------------|
| Repairs and maintenance: | | |
| Equipment repair and maintenance | \$ 9,400 | \$ 37,033 |
| Vehicle repair and maintenance | 3,900 | 2,634 |
| Facility maintenance | 22,000 | 50,765 |
| Total repairs and maintenance | <u>35,300</u> | <u>90,432</u> |
| Capital outlay: | | |
| Tools and equipment | 3,600 | 358 |
| Major tools and work equipment | 11,700 | 45,595 |
| Total capital outlay | <u>15,300</u> | <u>45,953</u> |
| Total operating expenses | <u>363,400</u> | <u>1,911,853</u> |
| Operating loss before depreciation | (185,800) | (599,160) |
| Depreciation | <u>-</u> | <u>101,020</u> |
| Operating loss | <u>(185,800)</u> | <u>(700,180)</u> |
| Nonoperating income (expense): | | |
| Interest income | 200 | 701 |
| Loss on disposal of capital assets | - | (60,376) |
| Total nonoperating income (expense) | <u>200</u> | <u>(59,675)</u> |
| Loss before contributions | (185,600) | (759,855) |
| Contribution of capital assets from governmental funds | <u>-</u> | <u>407,369</u> |
| Change in net assets | <u><u>\$ (185,600)</u></u> | <u>(352,486)</u> |
| Net assets: | | |
| May 1, 2005 | | <u>5,269,964</u> |
| April 30, 2006 | | <u><u>\$ 4,917,478</u></u> |

Village of University Park, Illinois

Schedule of Assessed Valuations, Tax Rates,
Tax Extensions and Tax Collections
Year Ended April 30, 2006

| | Tax Year | | | | |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2005 | 2004 | 2003 | 2002 | 2001 |
| Assessed valuations | \$ 83,862,614 | \$ 78,756,569 | \$ 70,612,963 | \$ 68,655,716 | \$ 65,995,445 |
| Tax rates: | | | | | |
| Corporate | 2.2028 | 2.3202 | 2.4459 | 2.6605 | 2.8979 |
| Street and Bridge | 0.4531 | 0.4787 | 0.5311 | 0.5759 | 0.1829 |
| IMRF | 0.0873 | 0.0915 | 0.0921 | 0.0073 | 0.097 |
| Social Security | 0.1241 | 0.1308 | 0.1417 | 0.1238 | 0.1516 |
| Police Pension | 0.3250 | 0.3175 | 0.3173 | 0.2854 | 0.2622 |
| Fire Pension | 0.3070 | 0.2413 | 0.2564 | 0.2461 | 0.2486 |
| Capital Improvement | 0.2266 | 0.2350 | 0.255 | 0.2876 | 0.1328 |
| Bond and Interest | 1.3559 | 1.2941 | 0.9145 | 0.9054 | 0.4529 |
| Total | 5.082 | 5.109 | 4.954 | 5.092 | 4.4259 |
| Extended Tax Rate | 5.082 | 5.109 | 4.954 | 5.092 | 4.426 |
| Tax extensions: | | | | | |
| Corporate | \$ 1,847,304 | \$ 1,827,310 | \$ 1,727,148 | \$ 1,826,371 | \$ 1,660,086 |
| Street and Bridge | 380,003 | 377,008 | 375,000 | 395,603 | 373,102 |
| IMRF | 73,212 | 72,062 | 65,035 | 5,012 | 64,016 |
| Social Security | 104,074 | 103,014 | 100,059 | 84,996 | 100,049 |
| Police Pension | 272,553 | 250,052 | 224,055 | 195,943 | 173,040 |
| Fire Pension | 257,458 | 190,040 | 181,052 | 168,962 | 164,065 |
| Capital Improvement | 190,033 | 185,078 | 180,063 | 197,454 | 87,642 |
| Bond and Interest | 1,137,093 | 1,019,189 | 645,756 | 621,609 | 298,893 |
| | 4,261,730 | 4,023,753 | 3,498,168 | 3,495,950 | 2,920,893 |
| Road and Bridge | 83,642 | 79,748 | 78,158 | 76,414 | 74,574 |
| Totals | \$ 4,345,372 | \$ 4,103,501 | \$ 3,576,326 | \$ 3,572,364 | \$ 2,995,467 |
| Tax Collections | \$ - | \$ 3,434,596 | \$ 3,563,067 | \$ 3,481,707 | \$ 2,984,329 |
| Percent collected | 0.00% | 83.70% | 99.63% | 97.46% | 99.63% |

Village of University Park, Illinois

Schedule of Annual Debt Service Requirements

April 30, 2006

Page 1 of 3

| | Year Ended April 30, | Principal | Interest | Total |
|--|----------------------------|---------------------|-------------------|---------------------|
| Tax Increment Finance Revenue Bonds | | | | |
| Dated January 11, 1994 | 2007 | \$ 365,000 | \$ 230,350 | \$ 595,350 |
| Interest payable June 1 | 2008 | 395,000 | 199,325 | 594,325 |
| and December 1 at | 2009 | 430,000 | 165,750 | 595,750 |
| a rate of 8.5% | 2010 | 465,000 | 129,200 | 594,200 |
| | 2011 | 500,000 | 89,675 | 589,675 |
| | 2012 | 555,000 | 47,175 | 602,175 |
| | | <u>\$ 2,710,000</u> | <u>\$ 861,475</u> | <u>\$ 3,571,475</u> |
| General Obligation Bonds | | | | |
| Dated December 22, 1998 | 2007 | \$ 170,000 | \$ 128,988 | \$ 298,988 |
| Interest payable June 1 and | 2008 | 180,000 | 121,550 | 301,550 |
| December 1 at a rate between | 2009 | 185,000 | 113,675 | 298,675 |
| 4.25% and 4.40% | 2010 | 195,000 | 105,581 | 300,581 |
| | 2011 | 205,000 | 97,050 | 302,050 |
| | 2012 | 210,000 | 88,081 | 298,081 |
| | 2013 | 220,000 | 78,894 | 298,894 |
| | 2014 | 235,000 | 69,269 | 304,269 |
| | 2015 | 245,000 | 58,988 | 303,988 |
| | 2016 | 255,000 | 48,269 | 303,269 |
| | 2017 | 270,000 | 37,113 | 307,113 |
| | 2018 | 280,000 | 25,300 | 305,300 |
| | 2019 | 295,000 | 12,980 | 307,980 |
| | | <u>\$ 2,945,000</u> | <u>\$ 985,738</u> | <u>\$ 3,930,738</u> |

(continued)

Village of University Park, Illinois

Schedule of Annual Debt Service Requirements (continued)

April 30, 2006

Page 2 of 3

| | Year Ended April 30, | Principal | Interest | Total |
|--|----------------------------|---------------------|---------------------|---------------------|
| General Obligation Bonds | | | | |
| Dated August 13, 2002 | 2007 | \$ 175,000 | \$ 171,182 | \$ 346,182 |
| Interest payable June 1 and December 1 at a rate between 3.90% and 4.00% | 2008 | 180,000 | 164,358 | 344,358 |
| | 2009 | 185,000 | 157,337 | 342,337 |
| | 2010 | 195,000 | 150,123 | 345,123 |
| | 2011 | 200,000 | 142,517 | 342,517 |
| | 2012 | 210,000 | 134,518 | 344,518 |
| | 2013 | 220,000 | 126,117 | 346,117 |
| | 2014 | 230,000 | 117,318 | 347,318 |
| | 2015 | 240,000 | 108,117 | 348,117 |
| | 2016 | 250,000 | 98,518 | 348,518 |
| | 2017 | 265,000 | 88,267 | 353,267 |
| | 2018 | 280,000 | 77,138 | 357,138 |
| | 2019 | 295,000 | 65,238 | 360,238 |
| | 2020 | 605,000 | 52,700 | 657,700 |
| | 2021 | 635,000 | 26,988 | 661,988 |
| | | <u>\$ 4,165,000</u> | <u>\$ 1,680,436</u> | <u>\$ 5,845,436</u> |
| General Obligation Bonds | | | | |
| Dated November 14, 2003 | 2007 | \$ 260,000 | \$ 239,031 | \$ 499,031 |
| Interest payable June 1 and December 1 at a rate between 2.00% and 4.65% | 2008 | 265,000 | 233,831 | 498,831 |
| | 2009 | 270,000 | 227,869 | 497,869 |
| | 2010 | 280,000 | 221,119 | 501,119 |
| | 2011 | 285,000 | 212,719 | 497,719 |
| | 2012 | 295,000 | 203,456 | 498,456 |
| | 2013 | 305,000 | 193,131 | 498,131 |
| | 2014 | 320,000 | 182,075 | 502,075 |
| | 2015 | 330,000 | 170,075 | 500,075 |
| | 2016 | 340,000 | 157,700 | 497,700 |
| | 2017 | 355,000 | 144,440 | 499,440 |
| | 2018 | 370,000 | 130,240 | 500,240 |
| | 2019 | 385,000 | 115,070 | 500,070 |
| | 2020 | 400,000 | 98,900 | 498,900 |
| | 2021 | 420,000 | 81,500 | 501,500 |
| | 2022 | 435,000 | 62,810 | 497,810 |
| | 2023 | 455,000 | 43,018 | 498,018 |
| | 2024 | 475,000 | 22,088 | 497,088 |
| | | <u>\$ 6,245,000</u> | <u>\$ 2,739,072</u> | <u>\$ 8,984,072</u> |

(continued)

Village of University Park, Illinois

Schedule of Annual Debt Service Requirements (continued)

April 30, 2006

Page 3 of 3

| | Year Ended April 30, | Principal | Interest | Total |
|---|----------------------------|-----------|----------|-----------|
| Installment Note Dated December 3, 1996 Principal and interest payable annually at 6.15% | 2007 | \$ 26,691 | \$ 1,644 | \$ 28,335 |