

Village of Sauk Village, Illinois

Financial Report
18-Month Period Ended October 31, 2010

Contents

Financial Section	
Independent Auditor's Report	1 - 2
Basic Financial Statements	
Government-Wide Financial Statements (GWFS)	
Statement of Net Assets	3 - 4
Statement of Activities	5
Fund Financial Statements (FFS)	
Balance Sheet - Governmental Funds	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	7
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	9
Statement of Net Assets - Enterprise Funds	10
Statement of Revenues, Expenses, and Changes in Net Assets - Enterprise Funds	11
Statement of Cash Flows - Enterprise Funds	12 - 13
Statement of Fiduciary Net Assets - Fiduciary Funds	14
Statement of Changes in Fiduciary Net Assets - Pension Trust Fund	15
Notes to Basic Financial Statements	16 - 43
Required Supplementary Information	
Schedule of Funding Progress:	
Illinois Municipal Retirement Fund	44
Police Pension Fund	45
Fire Pension Fund	46
Post Retirement Health Care Plan	47
Schedule of Employer Contributions:	
Police Pension Fund	48
Fire Pension Fund	49

Contents

Financial Section (Continued)

Supplementary Information

Governmental Funds

Balance Sheet - General Fund	50
Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund	51 - 57
Combining Balance Sheet - By Fund Type - Nonmajor Governmental Funds	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type - Nonmajor Governmental Funds	59

Nonmajor Special Revenue Funds

Combining Balance Sheet	60
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	61
Schedule of Revenues, Expenditures, and Changes in Fund Balance	
Fire Protection Fund	62 - 63
Motor Fuel Tax Fund	64
Emergency Telephone System Fund	65
Police Seizure Fund	66
Working Cash Fund	67

Nonmajor Capital Projects Funds

Combining Balance Sheet	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance	
Utility Tax Fund	70
Sauk Plaza Redevelopment Plan Fund	71
SurreyBrook Plaza Fund	72
Municipal Building Fund	73

Major Capital Projects Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance	
Sauk Pointe Industrial Park Fund	74
LogistiCenter at Sauk Village Fund	75
Schedule of Revenues, Expenditures, and Changes in Fund Balance	
Debt Service Fund	76

Enterprise Fund

Schedule of Revenues, Expenditures, and Changes in Net Assets	
Waterworks Fund	77 - 78
Sewerage Fund	79 - 80

Fiduciary Fund

Statement of Changes in Assets and Liabilities - Agency Fund	81
--	----

Other Schedules

Schedule of Annual Debt Service Requirements	82 - 85
--	---------



Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Sauk Village, Illinois, as of and for the 18-month period ending October 31, 2010, 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 Sauk Village, 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 and the report of other auditors provide a reasonable basis for our opinions.

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

In our opinion, because of the omission of the Police Pension Fund, as discussed previously, the financial statements referred to in the first paragraph of this report do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate remaining fund information of the Village of Sauk Village as of October 31, 2010, or the changes in financial position thereof for the 18-month period then ended.

In addition, in our opinion, the financial statements referred to in the first paragraph of this report present fairly, in all material respects, the governmental activities, the business-type activities, and each major fund of the Village of Sauk Village, as of October 31, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the 18-month period then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 of the financial statements, during 2010 the District adopted the provisions of Governmental Accounting Standards Board Statement No. 45, *Accounting and Reporting for Postretirement Benefits Other Than Pension Benefits*.

The required supplementary information which includes schedules of funding progress and employer contributions (pages 44 - 49) 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.

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

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 Sauk Village, Illinois. The combining and individual fund financial statements and other schedules listed in the table of contents as supplementary information 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 by us 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 LLP

Chicago, Illinois
November 29, 2012

Basic Financial Statements

Government–Wide Financial Statements (GWFS)

Village of Sauk Village, Illinois

Statement of Net Assets
October 31, 2010

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 10,227,374	\$ 189,170	\$ 10,416,544
Receivables:			
Property taxes	833,180	-	833,180
Accounts	-	263,395	263,395
Other	163,890	-	163,890
Due from other governmental units	436,730	-	436,730
Internal balances	99,600	(99,600)	-
Prepaid items	52,201	-	52,201
Total current assets	11,812,975	352,965	12,165,940
Noncurrent Assets			
Land held for resale	1,063,822	-	1,063,822
Unamortized bond issuance costs	1,291,304	-	1,291,304
Capital assets not being depreciated	574,003	7,500	581,503
Capital assets being depreciated, net	12,610,108	2,915,456	15,525,564
Total noncurrent assets	15,539,237	2,922,956	18,462,193
Total assets	\$ 27,352,212	\$ 3,275,921	\$ 30,628,133

See Notes to Basic Financial Statements.

(Continued)

Village of Sauk Village, Illinois

Statement of Net Assets (Continued)
October 31, 2010

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable	\$ 955,985	\$ 77,003	\$ 1,032,988
Accrued payroll	145,306	-	145,306
Accrued interest	251,361	-	251,361
Compensated absences	77,839	21,089	98,928
Deposits	-	169,709	169,709
Due to fiduciary funds	16,386	-	16,386
Unearned revenue	90,000	-	90,000
General obligation bonds	49,000	-	49,000
Alternate revenue bonds	1,853,704	-	1,853,704
Capital lease	79,418	-	79,418
Total current liabilities	3,518,999	267,801	3,786,800
Long-Term Liabilities, net of current maturities			
General obligation bonds	525,000	-	525,000
Alternate revenue bonds	41,804,850	-	41,804,850
Unamortized bond premium	488,760	-	488,760
Capital lease	401,824	-	401,824
Net pension obligation	1,233,914	-	1,233,914
Net OPEB obligation	147,243	-	147,243
Claims payable	254,000	-	254,000
Total noncurrent liabilities	44,855,591	-	44,855,591
Total liabilities	48,374,590	267,801	48,642,391
Net Assets			
Invested in capital assets, net of related debt	6,362,151	2,922,956	9,285,107
Restricted for:			
Road improvements	224,065	-	224,065
Public safety	712,833	-	712,833
Emergency 911 services	22,400	-	22,400
Tax increment financing projects	352,176	-	352,176
Unrestricted (deficit)	(28,696,003)	85,164	(28,610,839)
Total net assets	\$ (21,022,378)	\$ 3,008,120	\$ (18,014,258)

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Activities

18-Month Period Ended October 31, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense), Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:						
General government	\$ 9,580,045	\$ 1,105,523	\$ 401,064	\$ (8,073,458)	\$ -	\$ (8,073,458)
Public safety	6,521,428	514,882	41,405	(5,965,141)	-	(5,965,141)
Public works	1,401,490	6,781	75,582	(1,319,127)	-	(1,319,127)
Debt service:						
Interest and fees	3,364,819	-	-	(3,364,819)	-	(3,364,819)
Total governmental activities	<u>20,867,782</u>	<u>1,627,186</u>	<u>518,051</u>	<u>(18,722,545)</u>	<u>-</u>	<u>(18,722,545)</u>
Business-type activities:						
Waterworks	1,725,465	1,352,057	-	-	(373,408)	(373,408)
Sewerage	962,643	957,093	-	-	(5,550)	(5,550)
Total business-type activities	<u>2,688,108</u>	<u>2,309,150</u>	<u>-</u>	<u>-</u>	<u>(378,958)</u>	<u>(378,958)</u>
Total	<u>\$ 23,555,890</u>	<u>\$ 3,936,336</u>	<u>\$ 518,051</u>	<u>(18,722,545)</u>	<u>(378,958)</u>	<u>(19,101,503)</u>
General revenues						
Taxes:						
Property				7,989,447	-	7,989,447
Sales				442,468	-	442,468
Income				1,371,397	-	1,371,397
Utility				1,091,737	-	1,091,737
Replacement				44,657	-	44,657
Interest				8,337	67	8,404
Miscellaneous				233,988	-	233,988
Transfers				(53,870)	53,870	-
Total general revenues and transfers				<u>11,128,161</u>	<u>53,937</u>	<u>11,182,098</u>
Change in net assets				(7,594,384)	(325,021)	(7,919,405)
Net assets:						
May 1, 2009				<u>(13,427,994)</u>	<u>3,333,141</u>	<u>(10,094,853)</u>
October 31, 2010				<u>\$ (21,022,378)</u>	<u>\$ 3,008,120</u>	<u>\$ (18,014,258)</u>

See Notes to Basic Financial Statements.

Fund Financial Statements (FFS)

Village of Sauk Village, Illinois

**Balance Sheet
Governmental Funds
October 31, 2010**

	General Fund	Debt Service	Sauk Pointe Industrial Park	LogistiCenter at Sauk Village	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 64,167	\$ 8,467,098	\$ 28,633	\$ 80,030	\$ 542,901	\$ 9,182,829
Receivables:						
Property taxes	833,180	73,715	313,090	268,024	389,716	1,877,725
Other	163,890	-	-	-	27,017	190,907
Due from other governmental units	391,352	-	-	-	18,361	409,713
Due from other funds	335,261	181,037	17,338	215,341	1,753,991	2,502,968
Prepaid items	52,201	-	-	-	-	52,201
Land held for resale	-	-	-	1,063,822	-	1,063,822
Total assets	\$ 1,840,051	\$ 8,721,850	\$ 359,061	\$ 1,627,217	\$ 2,731,986	\$ 15,280,165
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 722,880	\$ -	\$ 4,737	\$ 26,838	\$ 201,530	\$ 955,985
Accrued payroll	145,306	-	-	-	-	145,306
Due to other funds	2,076,000	-	215,341	116,532	11,881	2,419,754
Deferred revenue	459,141	8,311	-	-	155,595	623,047
Total liabilities	3,403,327	8,311	220,078	143,370	369,006	4,144,092
Fund balances (deficits):						
Reserved for:						
Prepaid items	52,201	-	-	-	-	52,201
Land held for resale	-	-	-	1,063,822	-	1,063,822
Debt service	-	8,713,539	-	-	-	8,713,539
Unreserved, reported in:						
General fund	(1,615,477)	-	-	-	-	(1,615,477)
Special revenue funds	-	-	-	-	1,499,945	1,499,945
Capital project funds	-	-	138,983	420,025	863,035	1,422,043
Total fund balances	(1,563,276)	8,713,539	138,983	1,483,847	2,362,980	11,136,073
Total liabilities and fund balances	\$ 1,840,051	\$ 8,721,850	\$ 359,061	\$ 1,627,217	\$ 2,731,986	\$ 15,280,165

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
October 31, 2010**

Total fund balances - governmental funds	\$ 11,136,073
Amounts reported for governmental activities in the statement of net assets are different because:	
Revenues that are deferred in the fund financial statements because they are not available are recognized as revenue in the government-wide financial statements.	533,047
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds	13,184,111
Bond issuance costs that are an expenditure in the fund financial statements are an asset that is amortized over the life of the bonds in the government-wide financial statements.	1,291,304
Premium on bonds that are other financing sources in the fund financial statements are liabilities that are amortized over the life of the bonds in the government-wide financial statements.	(488,760)
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 liabilities consist of:	
Accrued interest	(251,361)
Alternate revenue bonds	(43,658,554)
General obligation bonds	(574,000)
Capital lease	(481,242)
Compensated absences	(77,839)
Net pension obligation	(1,233,914)
Net OPEB obligation	(147,243)
Claims payable	(254,000)
Net assets of governmental activities	<u>\$ (21,022,378)</u>

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 18-Month Period Ended October 31, 2010

	General Fund	Debt Service	Sauk Pointe Industrial Park	LogistiCenter at Sauk Village	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 2,524,300	\$ 65,404	\$ 1,462,187	\$ 2,310,890	\$ 1,328,052	\$ 7,690,833
Licenses and permits	431,033	-	-	-	-	431,033
Charges for services	1,533,322	-	-	-	514,259	2,047,581
Intergovernmental	1,744,666	-	-	-	397,474	2,142,140
Fines and forfeitures	240,309	-	-	-	-	240,309
Interest	896	1,962	14	342	5,123	8,337
Miscellaneous	172,972	-	-	10,305	50,711	233,988
Total revenues	6,647,498	67,366	1,462,201	2,321,537	2,295,619	12,794,221
Expenditures:						
Current:						
General government	2,205,482	-	8,423	6,768,423	120,715	9,103,043
Public safety	4,780,849	-	-	-	749,036	5,529,885
Public works	639,374	-	-	-	289,653	929,027
Debt service:						
Principal	-	1,390,000	-	-	91,543	1,481,543
Interest and fees	7,685	2,303,234	-	-	14,511	2,325,430
Bond issuance costs	-	-	-	409	66,026	66,435
Capital outlay	338	-	-	-	434,910	435,248
Total expenditures	7,633,728	3,693,234	8,423	6,768,832	1,766,394	19,870,611
Revenues over (under) expenditures	(986,230)	(3,625,868)	1,453,778	(4,447,295)	529,225	(7,076,390)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	574,000	574,000
Capital lease proceeds	-	-	-	-	451,000	451,000
Transfer in	255,556	4,052,504	-	-	17,311	4,325,371
Transfer (out)	(53,870)	-	(1,149,436)	(2,955,786)	(220,149)	(4,379,241)
Sale of capital assets	-	-	-	-	11,000	11,000
Total other financing sources (uses)	201,686	4,052,504	(1,149,436)	(2,955,786)	833,162	982,130
Net change in fund balances	(784,544)	426,636	304,342	(7,403,081)	1,362,387	(6,094,260)
Fund balances (deficits):						
May 1, 2009	(778,732)	8,286,903	(165,359)	8,886,928	1,000,593	17,230,333
October 31, 2010	\$ (1,563,276)	\$ 8,713,539	\$ 138,983	\$ 1,483,847	\$ 2,362,980	\$ 11,136,073

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
18-Month Period Ended October 31, 2010**

Net change in fund balances - total governmental funds	\$	(6,094,260)
--	----	-------------

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 depreciation expense exceeded capital assets addition in the current period.

Capital outlays		451,000
Depreciation expense		(1,211,581)

Revenues that are deferred in the fund financial statements because they are not available are recognized as revenue in the government-wide financial statements.		533,047
---	--	---------

Some capital additions were financed through the issuance of long-term debt. In governmental funds, long-term debt is considered other financing sources, but in the statement of net assets, debt is reported as a liability. In the current period, proceeds were received from:

General obligation bonds		(574,000)
Capital lease		(451,000)

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.

Principal repayment		1,481,543
---------------------	--	-----------

Premium on bonds is recorded as other financing sources in the fund financial statements, but the premium is recorded as a liability in the statement of net assets which is amortized over the life of the bonds. This is the amount in the current period.

Amortization premium on bonds		39,312
-------------------------------	--	--------

Bond issuance costs are recorded as an expenditure in the fund financial statements, but the cost is recorded as an asset in the statement of net assets which is amortized over the life of the bonds. These are the amounts in the current period.

Bond issuance costs		66,026
Amortization bond issuance costs		(130,446)

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 net pension obligation		(386,810)
Increase in net OPEB obligation		(147,243)
Increase in accrued interest		(11,729)
Increase in accreted interest		(936,117)
Increase in claims payable		(254,000)
Decrease in compensated absences		31,874

Change in net assets of governmental activities	\$	<u><u>(7,594,384)</u></u>
---	----	---------------------------

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Net Assets
Enterprise Funds
October 31, 2010

	Business-Type Activities		
	Waterworks Fund	Sewerage Fund	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 188,769	\$ 401	\$ 189,170
Receivables:			
Accounts billed	108,731	81,218	189,949
Accounts unbilled	41,130	32,316	73,446
Due from other funds	-	205,836	205,836
Total current assets	338,630	319,771	658,401
Noncurrent Assets			
Capital assets not being depreciated	7,500	-	7,500
Capital assets being depreciated, net	2,347,922	567,534	2,915,456
Total noncurrent assets	2,355,422	567,534	2,922,956
Total assets	\$ 2,694,052	\$ 887,305	\$ 3,581,357
Liabilities and Net Assets			
Liabilities			
Accounts payable	\$ 70,539	\$ 6,464	\$ 77,003
Compensated absences	9,336	11,753	21,089
Due to other funds	305,436	-	305,436
Deposits	169,709	-	169,709
Total liabilities	555,020	18,217	573,237
Net Assets			
Invested in capital assets, net of related debt	2,355,422	567,534	2,922,956
Unrestricted (deficit)	(216,390)	301,554	85,164
Total net assets	2,139,032	869,088	3,008,120
Total liabilities and net assets	\$ 2,694,052	\$ 887,305	\$ 3,581,357

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Revenues, Expenses and Changes in Net Assets
Enterprise Funds
18-Month Period Ended October 31, 2010

	Business-Type Activities		
	Waterworks Fund	Sewerage Fund	Total
Operating revenues:			
Charges for services	\$ 1,346,134	\$ 957,093	\$ 2,303,227
Meter sales	928	-	928
Miscellaneous	4,995	-	4,995
Total operating revenues	1,352,057	957,093	2,309,150
Operating expenses:			
Operations	1,402,485	922,576	2,325,061
Depreciation	322,980	40,067	363,047
Total operating expenses	1,725,465	962,643	2,688,108
Operating loss	(373,408)	(5,550)	(378,958)
Nonoperating income:			
Interest income	15	52	67
Loss before transfer	(373,393)	(5,498)	(378,891)
Transfer in	53,870	-	53,870
Change in net assets	(319,523)	(5,498)	(325,021)
Net assets:			
May 1, 2009	2,458,555	874,586	3,333,141
October 31, 2010	\$ 2,139,032	\$ 869,088	\$ 3,008,120

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Cash Flows

Enterprise Funds

18-Month Period Ended October 31, 2010

	Business-Type Activities		
	Waterworks Fund	Sewerage Fund	Total
Cash Flows from Operating Activities			
Cash received for services	\$ 1,399,638	\$ 943,745	\$ 2,343,383
Payments to employees	(808,525)	(660,720)	(1,469,245)
Payments to suppliers	(588,776)	(277,038)	(865,814)
Net cash provided by operating activities	2,337	5,987	8,324
Cash Flows from Noncapital Financing Activities			
Decrease in due from other funds	-	(6,038)	(6,038)
Increase in due to other funds	131,706	-	131,706
Transfer in	53,870	-	53,870
Net cash provided by (used in) noncapital financing activities	185,576	(6,038)	179,538
Cash Flows from Investing Activities			
Interest received	15	52	67
Noncash provided by investing activities	15	52	67
Net increase in cash and cash equivalents	187,928	1	187,929
Cash and cash equivalents:			
May 1, 2009	841	400	1,241
October 31, 2010	\$ 188,769	\$ 401	\$ 189,170

Village of Sauk Village, Illinois

Statement of Cash Flows (Continued)
Enterprise Funds
18-Month Period Ended October 31, 2010

	Business-Type Activities		
	Waterworks Fund	Sewerage Fund	Total
Reconciliation of operating loss to net cash provided by operating activities			
Operating loss	\$ (373,408)	\$ (5,550)	\$ (378,958)
Adjustments to reconcile operating loss to net cash provided by operating activities			
Depreciation	322,980	40,067	363,047
Changes in assets and liabilities			
Accounts receivable	(8,652)	(13,348)	(22,000)
Accounts payable	28,619	1,954	30,573
Accrued payroll	(12,009)	(8,689)	(20,698)
Compensated absences	(11,426)	(8,447)	(19,873)
Deposits	56,233	-	56,233
Total adjustments	375,745	11,537	387,282
Net cash provided by operating activities	\$ 2,337	\$ 5,987	\$ 8,324

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Fiduciary Net Assets
Fiduciary Funds
October 31, 2010

	Pension Trust	Agency Flexible Benefits
Assets		
Cash and cash equivalents	\$ 133,412	\$ 6,471
Due from other funds	704	-
Total assets	134,116	6,471
Liabilities		
Due to employees	-	6,471
Net Assets		
Held in trust for pension benefits	<u>\$ 134,116</u>	<u>\$ -</u>

See Notes to Basic Financial Statements.

Village of Sauk Village, Illinois

Statement of Changes in Fiduciary Net Assets
Pension Trust Fund
18-Month Period Ended October 31, 2010

Additions:

Contributions:

Employer	\$	11,847
Employee		12,461
Total contributions		<u>24,308</u>

Investment income:

Net appreciation in fair value of investments		2,723
Interest		236
Less investment expense		(1,582)
Net investment income		<u>1,377</u>

Total additions 25,685

Deductions

-

Change in net assets 25,685

Net assets held in trust for pension benefits:

May 1, 2009		<u>108,431</u>
October 31, 2010	\$	<u>134,116</u>

See Notes to Basic Financial Statements.

Village of Sauk Village, 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

Nature of Activities

The Village of Sauk Village, Illinois is located in Cook County, Illinois and was first incorporated in 1957 under the provisions of the constitution and the general statutes of the State of Illinois. The Village operates under the council/manager form of government. 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 provides the following services as authorized by its charter: public safety (police, fire, civil defense and emergency), highways and streets, parks and playgrounds, and general administrative services.

The accounting policies of the Village of Sauk Village conform to accounting principles generally accepted in the United States of America as applicable to 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:

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.

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.

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

Village of Sauk Village, 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)

Government-Wide and Fund Financial Statements (Continued)

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, Debt Service Fund, Sauk Pointe Industrial Park Fund and LogistiCenter at Sauk Village Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The Village has the following major enterprise funds – Waterworks Fund and Sewerage 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.

Debt Service Fund – Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

Sauk Pointe Industrial Park Fund – A capital projects fund, accounts for the revenue generated from the tax incremental finance district for office and light manufacturing development.

LogistiCenter at Sauk Village Fund – A capital projects fund, accounts for the revenue generated from the tax incremental finance district to finance the first phase development and construction of a one-hundred and fifty (150) acre intermodal transportation facility.

The Village administers the following major proprietary funds:

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

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

Village of Sauk Village, 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)

Government-Wide and Fund Financial Statements (Continued)

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 and an agency fund which holds assets on behalf of certain Village employees.

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 (GASB), in which case the GASB prevails.

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 enterprise fund are accrued and reported in the financial statements.

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.

Village of Sauk Village, 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)

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 annuities, 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.

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 improvements, streets, sidewalks, buildings, storm sewers, sanitary sewers, water distribution system, vehicles, machinery and equipment, and water meters 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 machinery and equipment, \$25,000 for property and buildings, and \$50,000 for infrastructure, and an estimated useful life of greater than four years. 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.

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.

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.

Village of Sauk Village, 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) **Assets, Liabilities, and Net Assets or Equity (Continued)**

Capital Assets (Continued)

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>
Buildings and improvements	20 - 40 years
Waterworks and sewerage systems	10 - 40 years
Machinery and equipment	5 - 25 years
Vehicles	4 - 15 years
Water meters	10 - 20 years
Infrastructure	15 - 40 years

Unearned/Deferred 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 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.

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.

Village of Sauk Village, 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)

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

Long-Term Obligations (Continued)

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise 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.

Fund Balance Reserves

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.

Elimination and Reclassification

In the process of aggregating data for the government-wide Statement of Activities, 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 generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

Change in Fiscal Year

Effective May 1, 2009, the Village has adopted an October 31 year-end for budget and financial reporting purposes. As a result, 2010 results are reported for a period of 18 months beginning May 1, 2009 and ending October 31, 2010.

New Accounting Pronouncements

The Village adopted GASB Statement No. 45 – *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions*, as of October 31, 2010 on a prospective basis.

Note 2. Property Taxes

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by the County and issued on or about February 1 and September 1, and are payable in two installments which become delinquent on or about March 1 and October 1.

Property taxes are billed, collected and remitted periodically by the County Treasurer of Cook County, Illinois. A reduction for collection losses based on historical collection experience has been provided to reduce the taxes receivable to the estimated amount to be collected. That portion of the property taxes receivable which is not expected to be collected within sixty (60) days after year-end is not considered to pay current liabilities and is, therefore, shown as deferred revenue.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 2. Property Taxes (Continued)

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of five percent or the percentage increase in the Consumer Price Index for all Urban Consumers. The limitation includes taxes levied for purposes without a statutory maximum rate. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

Note 3. Cash and Investments

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 October 31, 2010, the carrying amount of the Village's deposits was \$499,378, with bank balances totaling \$591,728. All of the Village's deposits were insured and collateralized at October 31, 2010.

Investments

As of October 31, 2010, the Village had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)
		Less Than 1
Illinois Funds *	\$ 411,505	\$ 411,505
Money Market Fund *	129,571	129,571
Illinois Metropolitan Investment Fund *	8,471,428	8,471,428
	<u>\$ 9,012,504</u>	<u>\$ 9,012,504</u>

*Weighted average maturity is less than one year.

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.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 3. Cash and Investments (Continued)

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 October 31, 2010, the Village's investments in investments in the Illinois Funds and IMET were rated AAA and Aaa by Standard & Poor's and Moody's, respectively. The Illinois Metropolitan Investment Fund and Money Market Funds were not rated.

Concentration of Credit Risk – The Village's investment policy does not restrict the amount of investments in any one issuer. The Illinois Funds Investment Pool, Illinois Metropolitan Investment Funds, and Money Market Funds are not subject to concentration of credit risk. The Village's investment policy does not address concentration of credit risk for investments.

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 annuity contracts are held by the Village's agent in the Village's name. The Illinois Funds Investment Pool, Illinois Metropolitan Investment Funds, and Money Market Funds are not subject to custodial credit risk. The Village's investment policy does not address custodial credit risk for investments.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets

A summary of changes in the capital assets for governmental activities of the Village for the 18-month period ended October 31, 2010, is as follows:

	Balance at May 1, 2009	Additions	Deletions	Balance at October 31, 2010
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 574,003	\$ -	\$ -	\$ 574,003
Capital assets being depreciated:				
Buildings	7,495,050	-	-	7,495,050
Machinery and equipment	2,041,823	-	-	2,041,823
Vehicles	3,110,002	451,000	23,500	3,537,502
Infrastructure	34,852,298	-	-	34,852,298
Total capital assets being depreciated	47,499,173	451,000	23,500	47,926,673
Less accumulated depreciation for:				
Buildings	(1,145,310)	(289,327)	-	(1,434,637)
Machinery and equipment	(1,255,288)	(266,474)	-	(1,521,762)
Vehicles	(1,745,036)	(340,702)	(23,500)	(2,062,238)
Infrastructure	(29,982,850)	(315,078)	-	(30,297,928)
Total accumulated depreciation	(34,128,484)	(1,211,581)	(23,500)	(35,316,565)
Total capital assets being depreciated, net	13,370,689	(760,581)	-	12,610,108
Governmental activities Capital assets, net	\$ 13,944,692	\$ (760,581)	\$ -	\$ 13,184,111

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

A summary of changes in the capital assets for business-type activities of the Village for the 18-month period ended October 31, 2010, is as follows:

	Balance at May 1, 2009	Additions	Deletions	Balance at October 31, 2010
Business-type activities:				
Capital assets not being depreciated				
Land	\$ 7,500	\$ -	\$ -	\$ 7,500
Capital assets being depreciated:				
Buildings	51,117	-	-	51,117
Waterworks and sewerage system	6,820,994	-	-	6,820,994
Machinery and equipment	553,772	-	-	553,772
Vehicles	469,211	-	-	469,211
Water meters	644,961	-	-	644,961
Total capital assets being depreciated	8,540,055	-	-	8,540,055
Less accumulated depreciation for:				
Buildings	(44,833)	(2,249)	-	(47,082)
Waterworks and sewerage system	(3,865,769)	(223,595)	-	(4,089,364)
Machinery and equipment	(438,920)	(27,659)	-	(466,579)
Vehicles	(413,369)	(29,294)	-	(442,663)
Water meters	(498,661)	(80,250)	-	(578,911)
Total accumulated depreciation	(5,261,552)	(363,047)	-	(5,624,599)
Total capital assets being depreciated, net	3,278,503	(363,047)	-	2,915,456
Business-type activities				
Capital assets, net	\$ 3,286,003	\$ (363,047)	\$ -	\$ 2,922,956

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Depreciation was charged to functions/programs as follows:

Governmental activities:			
General government	\$	227,183	
Public safety		548,924	
Public works		435,474	
		<u>435,474</u>	
Total depreciation expense - governmental activities	\$	1,211,581	
		<u><u>1,211,581</u></u>	
Business-type activities:			
Waterworks	\$	322,980	
Sewerage		40,067	
		<u>40,067</u>	
Total depreciation expense - business-type activities	\$	363,047	
		<u><u>363,047</u></u>	

Note 5. Short-Term Obligations

The following is a summary of short-term obligation activity for the Village associated with governmental activities for the year ended October 31, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Deletions	Outstanding Debt as of October 31, 2010
Note payable	\$ 200,000	\$ -	\$ 200,000	\$ -

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the 18-month period ended October 31, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Reductions	Accreted Interest	Outstanding Debt as of October 31, 2010	Due Within One Year
Alternate revenue bonds	\$ 44,112,437	\$ -	\$ 1,390,000	\$ 936,117	\$ 43,658,554	\$ 1,853,704
General obligation bonds	-	574,000	-	-	574,000	49,000
Unamortized bond premium	528,072	-	39,312	-	488,760	-
Capital lease	121,785	451,000	91,543	-	481,242	79,418
Compensated absences	109,713	331,589	363,463	-	77,839	21,089
Net OPEB obligation*	-	147,243	-	-	147,243	-
Net pension obligation*	847,104	386,810	-	-	1,233,914	-
	<u>\$ 45,719,111</u>	<u>\$ 1,890,642</u>	<u>\$ 1,884,318</u>	<u>\$ 936,117</u>	<u>\$ 46,661,552</u>	<u>\$ 2,003,211</u>

*The General Fund resources are used to liquidate this liability.

The following is a summary of long-term obligation activity for the Village associated with business-type activities for the 18-month period ended October 31, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Reductions	Outstanding Debt as of October 31, 2010	Due Within One Year
Compensated absences	\$ 40,962	\$ 80,133	\$ 100,006	\$ 21,089	\$ 21,089

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

Outstanding debt as of October 31, 2010, consists of the following:

Alternate Revenue Bonds:

2000 General obligation (alternate revenue source) tax increment financing bond issue which provides for serial retirement of the principal at the rate of \$95,000 in 2011 and \$675,000 in 2012 with interest rates between 5.35% and 5.50%. Payments are to be funded by operations of the Sauk Point Industrial Park TIF. \$ 770,000

2002A General obligation (alternate revenue source) tax increment refunding bond issue which provides for serial retirement of the principal at the rate of \$385,000 in 2011, \$485,000 in 2012, \$505,000 in 2013, \$530,000 in 2014, \$650,000 in 2015, \$685,000 in 2016, \$715,000 in 2017, \$755,000 in 2018, \$900,000 in 2019, \$945,000 in 2020, \$1,000,000 in 2021 and \$2,200,000 in 2022 with interest rates between 5.00% and 5.35%. Payments are to be funded by operations of the LogistiCenter at Sauk Village TIF. 9,755,000

2002B General obligation (alternate revenue source) tax increment financing bond issue which provides for serial retirement of the principal at the rate of \$671,728 in 2013, \$682,129 in 2014, \$685,071 in 2015, \$691,878 in 2016, \$694,453 in 2017, \$703,056 in 2018, \$706,828 in 2019, \$711,982 in 2020, \$717,774 in 2021 and \$1,442,308 in 2022 with interest rates between 5.00% and 5.95% (including accreted interest at \$2,707,851). Payments are to be funded by operations of the LogistiCenter at Sauk Village TIF. 7,707,207

2003 General obligation (alternate revenue source) tax increment refunding bond issue which provides for serial retirement of the principal at the rate of \$630,000 in 2011 with interest rates of 3.30%. Payments are to be funded by operations of the Sauk Point Industrial Park TIF. 630,000

2007A General obligation (alternate revenue source) bond issue which provides for serial retirement of the principal at the rate of \$671,897 in 2011, \$645,963 in 2012, \$620,424 in 2013, \$599,656 in 2014, \$574,816 in 2015, \$546,481 in 2016, \$526,637 in 2017, \$503,343 in 2018 and \$477,130 in 2019 with interest rates between 3.90% and 4.30% (including accreted interest at \$587,772). Payments are to be funded by operations of the General Fund and LogistiCenter at Sauk Village TIF. 5,166,347

2007B General obligation (alternate revenue source) bond issue which provides for serial retirement of the principal at the rate of \$30,000 in 2011, \$35,000 in 2012, \$40,000 in 2013, \$40,000 in 2014, \$45,000 in 2015, \$50,000 in 2016, \$55,000 in 2017, \$60,000 in 2018, \$65,000 in 2019, \$75,000 in 2020, \$80,000 in 2021, \$85,000 in 2022, \$95,000 in 2023, \$100,000 in 2024, \$110,000 in 2025, \$120,000 in 2026, \$125,000 in 2027 and \$140,000 in 2028 with interest rates between 3.85% and 5.00%. Payments are to be funded by operations of the Emergency Telephone System Fund. 1,350,000

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

2007C General obligation (alternate revenue source) bond issue which provides for serial retirement of the principal at the rate of \$20,000 in 2011, \$20,000 in 2012, \$20,000 in 2013, \$25,000 in 2014, \$25,000 in 2015, \$30,000 in 2016, \$30,000 in 2017, \$35,000 in 2018, \$40,000 in 2019, \$40,000 in 2020, \$45,000 in 2021, \$50,000 in 2022, \$55,000 in 2023, \$60,000 in 2024, \$65,000 in 2025, \$65,000 in 2026, \$75,000 in 2027 and \$80,000 in 2028 with interest rates between 3.90% and 5.00%. Payments are to be funded by operations of the Fire Protection Fund.	\$ 780,000
2008 General obligation (alternate revenue source) tax increment financing bond issue which provides for serial retirement of the principal at the rate of \$20,000 in 2011, \$30,000 in 2012, \$85,000 in 2013, \$185,000 in 2014, \$165,000 in 2015, \$175,000 in 2016, \$230,000 in 2017, \$215,000 in 2018, \$160,000 in 2019, \$210,000 in 2020, \$185,000 in 2021, \$150,000 in 2022, \$220,000 in 2023, \$1,295,000 in 2024, \$1,470,000 in 2025, \$1,355,000 in 2026, \$1,075,000 in 2027, \$1,110,000 in 2028 and \$1,165,000 in 2029 with interest rates between 5.40% and 7.25%. Payments are to be funded by operations of the LogistiCenter at Sauk Village TIF.	9,500,000
2009 General obligation (alternate revenue source) tax increment financing bond issue which provides for serial retirement of the principal at the rate of \$75,000 in 2011, \$90,000 in 2012, \$130,000 in 2013, \$195,000 in 2014, \$190,000 in 2015, \$275,000 in 2016, \$200,000 in 2017, \$155,000 in 2018, \$180,000 in 2019, \$105,000 in 2020, \$1,105,000 in 2024, \$885,000 in 2025, \$675,000 in 2026, \$635,000 in 2027, \$1,105,000 in 2028 and \$2,000,000 in 2029 with interest rates between 4.30% and 7.50%. Payments are to be funded by operations of the LogistiCenter at Sauk Village TIF.	8,000,000
2010 General obligation working cash bond issue which provides for the serial retirement of principal at the rate of \$49,000 in 2011, \$50,000 in 2012, \$50,000 in 2013, \$55,000 in 2014, \$55,000 in 2015, \$55,000 in 2016, \$60,000 in 2017, \$65,000 in 2018, \$65,000 in 2019 and \$70,000 in 2020 with interest rates between 3.50% and 5.00%.	574,000
Less unamortized bond issuance costs	<u>488,760</u>
Total alternate revenue bonds	<u>44,721,314</u>
Capital Lease	481,242
Compensated Absences	77,839
Net OPEB Obligation	147,243
Net Pension Obligation	<u>1,233,914</u>
Total	<u><u>\$ 46,661,552</u></u>

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

The annual payments to amortize the principal amount of all outstanding alternate revenue bonds as of October 31, 2010, excluding accreted interest of \$3,295,623 are as follows:

Year Ending	Principal	Interest	Total
2011	\$ 1,902,704	\$ 1,754,011	\$ 3,656,715
2012	1,959,749	1,701,055	3,660,804
2013	1,835,328	1,969,037	3,804,365
2014	2,017,811	1,992,706	4,010,517
2015	2,093,469	2,003,449	4,096,918
2016-2020	10,785,579	9,989,109	20,774,688
2021-2025	10,617,291	6,812,422	17,429,713
2026-2029	9,725,000	1,156,093	10,881,093
	<u>\$ 40,936,931</u>	<u>\$ 27,377,882</u>	<u>\$ 68,314,813</u>

The Village's legal debt limitation of \$10,075,107 is based on 8.625% of the 2009 equalized assessed valuation of \$116,812,838 less outstanding debt of \$574,000 resulting in a legal debt margin of \$9,501,107. Alternate revenue bonds of \$40,362,931 are not included for purposes of legal debt margin calculation.

The Village has issued debt over several years to be paid by pledged revenue sources. The 2000 bonds are to be paid from property tax revenue of the Sauk Point Industrial Park TIF. The 2002, 2003, 2008, 2009 and a portion of the 2007A bonds are to be paid from property tax revenue of the LogistiCenter TIF Fund. A portion of the 2007A bonds will be paid from impact fees from the General Fund. The 2007B bonds are to be paid from 911 and wireless surcharge revenue of the Emergency Telephone System Fund. The 2007C bonds are to be paid from fire property revenue of the Fire Protection Fund. These pledges will remain until all bonds are retired. The amount of the pledges remaining as of October 31, 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
2000	Property taxes	\$ 828,229	12/01/2011
2002	Property taxes	25,438,123	06/01/2022
2003	Property taxes	650,790	12/01/2010
2007A	Impact fees/Property taxes	6,185,000	12/01/2018
2007B	Wireless surcharge revenue	2,042,668	12/01/2027
2007C	Property taxes	1,196,746	12/01/2027
2008	Property taxes	17,743,122	12/01/2028
2009	Property taxes	13,469,875	04/01/2029

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

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Revenue	Principal and Interest Retired	Percentage of Revenue Pledged
1997	Property taxes	\$ 1,462,187	\$ 304,500	20.82%
2000	Property taxes	1,462,187	179,141	12.25%
2002	Property taxes	2,310,890	747,735	32.36%
2003	Property taxes	2,310,890	298,985	12.94%
2007A	Impact fees/Property taxes	2,310,890	685,000	29.64%
2007B	Wireless surcharge revenue	127,879	120,011	93.85%
2007C	Property taxes	920,728	68,925	7.49%
2008	Property taxes	2,310,890	865,467	37.45%
2009	Property taxes	2,310,890	464,125	20.08%

Note 7. Capital Lease Obligations

The Village leases vehicles under capital leases, which expire in January 2014 and February 2016. The annual lease payments, including interest at 4.89%, are \$28,044 and \$74,907. The net book value of the vehicles acquired under the capital leases are \$479,292 and are included under vehicles in the governmental activities capital assets.

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of October 31, 2010 are as follows:

Year Ending April 30:

2011	\$ 102,951
2012	102,951
2013	102,951
2014	102,951
2015	74,907
2016	74,907
Total minimum lease payments	<u>561,618</u>
Less amount representing interest	<u>80,376</u>
Present value of net minimum lease payments	481,242
Less current portion	<u>79,418</u>
Long-term portion	<u><u>\$ 401,824</u></u>

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 8. Employee Retirement Plans

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

Illinois Municipal Retirement Fund

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

Information related to the employer's contributions and three-year trend information is on a fiscal year basis. The actuarial information and schedule of funding progress are on a calendar year basis as that is the year used by IMRF.

Funding Policy. As set by statute, the Village's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates for calendar years ended December 31, 2010 and 2009 used by the Village were 9.21 percent and 8.37 percent, respectively, of annual covered payroll. The Village's annual required contribution rates for calendar years ended December 31, 2012 and 2011 were 11.68 percent and 8.37 percent, respectively. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

The required contributions for 2010 and 2009 were determined as part of the December 31, 2008 and 2007, actuarial valuations using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008 and 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability at the December 31, 2008 and 2007 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Annual Pension Cost. The following table shows the components of the Village's annual pension costs for the fiscal 18-month period ended October 31, 2010, the amount actually contributed to the plan, and changes in the Village's net pension obligation to the plan:

Annual required contribution	\$ 235,900
Interest on net pension obligation	-
Adjustment to annual requirement contribution	-
Annual pension cost	<u>235,900</u>
Contributions made	<u>205,473</u>
Increase in net pension obligation	30,427
Net pension obligation, beginning of period	<u>-</u>
Net pension obligation, end of period	<u><u>\$ 30,427</u></u>

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 8. Employee Retirement Plans (Continued)

Three-Year Trend Information for the Regular Plan

Fiscal Period Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
October 31, 2010	\$ 235,900	87%	\$ 30,427
April 30, 2009	128,826	100%	-
April 30, 2008	117,486	100%	-

Funded Status and Funding Progress. As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 61.82 percent funded. The actuarial accrued liability for benefits was \$2,721,637 and the actuarial value of assets was \$1,682,513, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,039,124. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$1,461,639 and the ratio of UAAL to covered payroll was 71.09 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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 percent 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 actuarial determination was as of April 30, 2009. The employer rate for fiscal year 2009 was 9.11 percent of covered payroll.

The Village's annual pension cost and net pension asset to the Plan for the 18-month period ended October 31, 2010 were as follows:

Annual required contribution	\$ 486,221
Interest on net pension obligation	42,716
Adjustment to annual requirement contribution	<u>(29,175)</u>
Annual pension cost	499,762
Contributions made	<u>158,913</u>
Increase in net pension obligation	340,849
Net pension obligation, beginning of period	<u>816,477</u>
Net pension obligation, end of period	<u><u>\$ 1,157,326</u></u>

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 8. Employee Retirement Plans (Continued)

The annual required contribution for the 18-month period ended October 31, 2010, was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. 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, 2009, was 24 years.

As of April 30, 2009, the Plan was 50.27 percent funded. The actuarial accrued liability for benefits was \$8,508,959 and the actuarial accrued value of assets was \$4,277,100, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,231,859. The covered payroll (annual payroll of active employees covered by the Plan) was \$1,422,117 and the ratio of UAAL to covered payroll was 293.45 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Three-Year Trend Information

Fiscal Period Ending	Annual Pension Costs (APC)	Percentage of APC Contributed	Annual Pension Contributions	Net Pension Obligation
October 31, 2010	\$ 499,762	31.8 %	\$ 158,913	\$ 1,157,326
April 30, 2009	337,688	38.9	131,446	816,477
April 30, 2008	298,037	44.1	131,561	610,235

Membership in the plan consisted of the following as of April 30, 2009:

Retirees and beneficiaries receiving benefits	9
Terminated plan members entitled to but not yet receiving benefits	4
Active vested plan members	10
Active nonvested plan members	16
Total members	39

Fire Pension Plan

Fire sworn personnel are covered by the Fire 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 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 9.46 percent of their base salary to the Fire 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, 2009. The employer rate for fiscal year 2009 was 6.903 percent of covered payroll.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 8. Employee Retirement Plans (continued)

The Village's annual pension cost and net pension asset to the Plan for the 18-month period ended October 31, 2010 were as follows:

Annual required contribution	\$ 26,624
Interest on net pension obligation	1,512
Adjustment to annual requirement contribution	(755)
Annual pension cost	<u>27,381</u>
Contributions made	<u>11,847</u>
Increase in net pension obligation	15,534
Net pension obligation, beginning of period	<u>30,627</u>
 Net pension obligation, end of period	 <u><u>\$ 46,161</u></u>

The annual required contribution for the 18-month period ended October 31, 2010, was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, and (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Fire 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 Fire Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at October 31, 2010, was 26 years.

As of April 30, 2009, the Plan was 52.12 percent funded. The actuarial accrued liability for benefits was \$208,209 and the actuarial accrued value of assets was \$108,511, resulting in an unfunded actuarial accrued liability (UAAL) of \$99,698. The covered payroll (annual payroll of active employees covered by the Plan) was \$137,297 and the ratio of UAAL to covered payroll was 72.61 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Three-Year Trend Information

Fiscal Period Ending	Annual Pension Costs (APC)	Percentage of APC Contributed	%	Annual Pension Contributions	Net Pension Obligation
October 31, 2010	\$ 27,381	43.3	%	\$ 11,847	\$ 46,161
April 30, 2009	18,506	51.2		9,477	30,627
April 30, 2008	16,380	62.0		10,155	21,598

Membership in the plan consisted of the following as of October 31, 2010:

Retirees and beneficiaries receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	-
Active nonvested plan members	<u>2</u>
 Total members	 <u><u>2</u></u>

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 9. Other Financial Disclosures (FFS Level Only)

Individual interfund receivable and payable balances as of October 31, 2010, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
General		
Debt Service	\$ -	\$ 181,037
Sauk Pointe Industrial Park	-	17,338
LogistiCenter at Sauk Village	115,756	-
Nonmajor Governmental	11,881	1,753,215
Waterworks	207,624	-
Sewerage	-	108,024
Pension Trust	-	16,386
	<u>335,261</u>	<u>2,076,000</u>
Debt Service		
General	<u>181,037</u>	-
Sauk Pointe Industrial Park		
General	17,338	-
LogistiCenter at Sauk Village	-	215,341
	<u>17,338</u>	<u>215,341</u>
LogistiCenter at Sauk Village		
General	-	115,756
Sauk Pointe Industrial Park	215,341	-
Nonmajor Governmental	-	776
	<u>215,341</u>	<u>116,532</u>
Nonmajor Governmental		
General	1,753,215	11,881
LogistiCenter at Sauk Village	776	-
	<u>1,753,991</u>	<u>11,881</u>
Waterworks		
General	-	207,624
Sewerage	-	97,812
	<u>-</u>	<u>305,436</u>
Sewerage		
General	108,024	-
Waterworks	97,812	-
	<u>205,836</u>	<u>-</u>
Pension Trust		
General	<u>16,386</u>	-
Total	<u>\$ 2,725,190</u>	<u>\$ 2,725,190</u>

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

The Pension Trust Fund amount of \$16,386 includes \$15,682 that is due to the police pension fund, which is not presented in the financial statements.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 9. Other Financial Disclosures (FFS Level Only) (Continued)

Transfers for the 18-month period ended October 31, 2010, are as follows:

<u>Fund</u>	<u>Transfer From</u>	<u>Transfer To</u>
General		
LogistiCenter at Sauk Village	\$ 171,009	\$ -
Nonmajor Governmental	84,547	-
Waterworks	-	53,870
	<u>255,556</u>	<u>53,870</u>
Debt Service		
Sauk Pointe Industrial Park	1,149,436	-
LogistiCenter at Sauk Village	2,784,777	-
Nonmajor Governmental	118,291	-
	<u>4,052,504</u>	<u>-</u>
Sauk Pointe Industrial Park		
Debt Service	<u>-</u>	<u>1,149,436</u>
LogistiCenter at Sauk Village		
General	-	171,009
Debt Service	-	2,784,777
	<u>-</u>	<u>2,955,786</u>
Nonmajor Governmental		
General	-	84,547
Debt Service	-	118,291
Nonmajor Governmental	17,311	17,311
	<u>17,311</u>	<u>220,149</u>
Waterworks		
General	<u>53,870</u>	<u>-</u>
Total	<u><u>\$ 4,379,241</u></u>	<u><u>\$ 4,379,241</u></u>

Interfund transfers are pledged revenues to debt service fund to cover current and future debt service payments and cover expenses incurred in the general fund and waterworks fund for work related to other funds.

The following funds had deficit fund balances at October 31, 2010:

<u>Fund</u>	<u>Deficit</u>
General	\$ 1,563,276
Municipal Building	9,261

The Village plans to fund the deficit fund balance in the General Fund through the reduction of expenditures in future years and increased charges.

The Village plans to fund the deficit fund balance in the Municipal Building Fund through impact fees.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

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 participates in the Illinois Municipal League (IML) which is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The Village pays annual premiums to IML for its workers' compensation, general liability and property coverage.

The Village assumes the first \$1,000 of each occurrence, and IML has a mix of self-insurance and commercial insurance at various amounts above that level. The Village appoints one delegate, along with an alternate delegate, to represent the Village on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors.

The Village, along with IML's other members, has a contractual obligation to fund any deficit of IML attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits. There have been no supplemental contributions in any of the last three fiscal years.

The Village contracts with a commercial insurance company for its health insurance. To date, health insurance claims have not exceeded coverage.

The Village has not had a significant reduction in insurance coverage during the current year, nor did settlements exceed insurance coverage in any of the last three years.

Note 11. Commitments

The Village is committed to pay several developers within tax incremental finance (TIF) districts after the developers have completed certain project improvements and satisfied other conditions. These conditions vary from developer to developer; however, in all cases these amounts are only due to be paid from future revenues which will arise from the new development within the new districts. For the 18-month period ended October 31, 2010, the Village expended approximately \$6,524,000 under these agreements.

The Village has committed to make certain improvements to the Village's public water supply system. The Village is currently in the process of evaluating the costs of the project and possible financing sources to fund the project. Until this process is completed the Village has committed approximately \$79,000 per month for air stripping of the Village's water supply beginning in August 2012.

Note 12. Litigation

There are several pending lawsuits in which the Village is involved. The Village has accrued \$254,000 at October 31, 2010 in the financial statements related to settlement payments that occurred subsequent to year-end. Management and the Village's legal counsel believe that all other potential claims against the Village that are not accrued at October 31, 2010 and not covered by insurance would not have a materially adverse effect on the Village's financial position.

Note 13. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. For the fiscal 18-month period ended October 31, 2010, the Village made no contribution.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 14. Post Retirement Health Care Plan

The Village adopted GASB Statement No. 45 – *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions*, as of October 31, 2010 on a prospective basis. The Village recorded a \$147,243 liability due to the adoption of this Standard.

Plan Description

The Village Board provides postretirement health insurance benefits, as per the requirements of a local ordinance, for all employees who retire from the Village on or after attaining age 55 (age 50 for police officers) with at least 10 years of service, until the retiree reaches the age of 65. As of October 31, 2010, five (5) retirees have met those eligibility requirements. The Village pays the following percentage of the monthly premium, based on the number of years of service, until the retiree becomes eligible for Medicare:

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

Funding Policy

The contribution requirements of plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document." The required contribution is based on projected pay-as-you-go financing requirements. For 18-month period ending October 31, 2010, the Village contributed \$148,354 to the Plan. Plan members receiving benefits were not required to make any contributions during the same period.

Annual OPEB Cost and Net OPEB Obligation

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

The following table shows the components of the Village's annual OPEB cost, the amount actually contributed to the Plan, and changes in the Village's net OPEB obligation to the Plan for the 18-month period ending October 31, 2010:

Annual required contribution	\$ 295,597
Interest on net OPEB obligation	-
Adjustment to annual requirement contribution	-
Annual pension cost	295,597
Contributions made	148,354
Increase in net OPEB obligation	147,243
Net OPEB obligation, beginning of period	-
Net OPEB obligation, end of period	<u>\$ 147,243</u>

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 14. Post Retirement Health Care Plan (Continued)

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2010 was as follows:

<u>Fiscal Period Ending</u>	<u>Annual Pension Costs (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Annual Pension Contributions</u>	<u>Net OPEB Obligation</u>
October 31, 2010	\$ 295,597	50.2 %	\$ 148,354	\$ 147,243

The Village implemented GASB Statement No. 45 during the 18-month period ended October 31, 2010.

Funded Status and Funding Progress

As of October 31, 2010, the most recent actuarial valuation date, the Plan was 100 percent unfunded. The actuarial accrued liability for benefits was \$2,823,887, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,823,887. The covered payroll (annual payroll of active employees covered by the plan) was \$5,605,772, and the ratio of the UAAL to the covered payroll was 50.37 percent.

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

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 31, 2010 actuarial valuation (most recent available), the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (includes inflation at 3.0 percent), projected salary increases of 5.0 percent, and healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 6.0 percent ultimately. The actuarial value of assets was determined using market value. The UAAL is being amortized as a level percentage of projected payroll on an open 30 years basis.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 15. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the Village, beginning with its year ending October 31, 2011. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definition*, will be effective for the Village beginning with its year ending October 31, 2011. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

GASB Statement No. 59, *Financial Instrument Omnibus*, will be effective for the Village with its year ending October 31, 2011. This Statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, will be effective for the Village beginning with its year ending October 31, 2013. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, will be effective for the Village beginning with its year ending October 31, 2013. The objective of this statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, will be effective for the Village beginning with its year ending October 31, 2014. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 15. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, will be effective for the Village beginning with its year ending October 31, 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate.

GASB Statement No. 67, *Financial Reporting for Pension Plans – and amendment to GASB Statement No. 25*, will be required to be implemented by the Village with its year ending October 31, 2014. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement replaces the requirements of GASB Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of GASB Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment to GASB Statement No. 27*, will be required to be implemented by the Village with its year ending October 31, 2015. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of GASB Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of *GASB Statements 27 and 50* remain applicable for pensions that are not covered by the scope of this Statement.

Management has not yet determined the impact, if any, these Statements will have on the financial position and results of operations of the Village.

Village of Sauk Village, Illinois

Notes to Basic Financial Statements

Note 16. Violation of Laws and Regulations

The Village did not meet the following significant filing requirements during the current period.

- State statute requires the Village to submit an Annual Financial Report and Annual Audit to the State Comptroller's office within 180 days of the fiscal year-end.
- State statute requires the Village to submit annually their financial information for each Tax Increment Financing District to the State Comptroller's office within 180 days of the fiscal year-end.
- State statute requires the Village to submit an annual report of pension fund information to the Illinois Department of Insurance office within 180 days of the fiscal year-end.
- Securities and Exchange Commission Rule 15c2-12 required the Village to submit annual financial information and its audited financial statements electronically through the Electronic Municipal Market Access system on a timely basis.

Required Supplementary Information

Village of Sauk Village, Illinois

**Schedule of Funding Progress
Illinois Municipal Retirement Fund**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2010	\$ 1,682,513	\$ 2,721,637	\$ 1,039,124	61.82 %	\$ 1,461,639	71.09 %
12/31/2009	1,809,270	3,054,295	1,245,025	59.24	1,694,170	73.49
12/31/2008	2,534,073	3,451,656	917,583	73.42	1,568,052	58.52

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$1,917,078. On a market value basis, the funded ratio would be 70.44%.

Village of Sauk Village, Illinois

**Schedule of Funding Progress
Police Pension Fund**

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 is a Percentage of Covered Payroll ((b-a)/c)
04/30/2009	\$ 4,277,100	\$ 8,508,959	\$ 4,231,859	50.27	% \$ 1,442,117	293.45 %
04/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
04/30/2007	4,956,107	7,345,490	2,389,383	67.47	1,183,499	201.89
04/30/2006	4,573,100	7,375,482	2,802,382	62.00	1,203,353	232.88
04/30/2005	4,088,404	6,220,739	2,132,335	65.72	1,067,430	199.76
04/30/2004	3,867,248	5,815,517	1,948,269	66.50	1,068,434	182.35

N/A – The Village is required to have an actuarial valuation done biannually. No valuation was done for the year ended April 30, 2008.

Village of Sauk Village, Illinois

**Schedule of Funding Progress
Fire Pension Fund**

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 is a Percentage of Covered Payroll ((b-a)/c)
04/30/2009	\$ 108,511	\$ 208,209	\$ 99,698	52.12 %	\$ 137,297	72.61 %
04/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
04/30/2007	60,947	98,697	37,750	61.75	125,093	30.18
04/30/2006	44,779	70,448	25,669	63.56	66,436	38.64
04/30/2005	38,213	42,989	4,776	88.89	61,550	7.76

Information presented for as many years as available.

N/A – The Village is required to have an actuarial valuation done biannually. No valuation was done for the year ended April 30, 2008.

Village of Sauk Village, Illinois

**Schedule of Funding Progress
Post Retirement Health Care Plan**

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 is a Percentage of Covered Payroll ((b-a)/c)
10/31/2010	\$ -	\$ 2,823,887	\$ 2,823,887	- %	\$ 5,605,772	50.37 %

Village of Sauk Village, Illinois

**Schedule of Employer Contributions
Police Pension Fund**

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
Period Year		
2010	\$ 486,221	32.68 %
2009	324,147	40.55
2008	298,037	44.14
2007	272,928	45.06
2006	234,168	47.58
2005	234,168	41.63

Village of Sauk Village, Illinois

**Schedule of Employer Contributions
Fire Pension Fund**

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	
Period Year			
2010	\$ 26,624	44.50	%
2009	17,749	53.39	
2008	15,880	63.95	
2007	15,880	53.49	
2006	15,880	13.65	
2005	25,795	100.00	

Supplementary Information

Village of Sauk Village, Illinois

Balance Sheet
General Fund
October 31, 2010

Assets		
Cash and cash equivalents		\$ 64,167
Receivables:		
Property taxes		833,180
Other		163,890
Due from other governmental agencies:		
Income taxes	\$ 333,852	
Municipal retailers occupation taxes	48,372	
Replacement taxes	5,993	
Court fines	3,135	391,352
Due from other funds		335,261
Prepaid items		52,201
		<u>52,201</u>
Total assets		<u><u>\$ 1,840,051</u></u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable		\$ 722,880
Accrued payroll		145,306
Due to other funds		2,076,000
Deferred revenue		459,141
Total liabilities		<u><u>3,403,327</u></u>
Fund balance (deficit):		
Reserved for prepaid items		52,201
Unreserved		(1,615,477)
Total fund balance		<u><u>(1,563,276)</u></u>
Total liabilities and fund balance		<u><u>\$ 1,840,051</u></u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

General Fund

18-Month Period Ended October 31, 2010

Revenues:	
Property taxes	<u>\$ 2,524,300</u>
Licenses and permits:	
Business licenses	79,742
Liquor licenses	8,730
Vending machine licenses	4,315
Vehicle licenses	216,671
Animal licenses	6,722
Building permits	80,708
Other permits and licenses	4,170
Building occupation and inspection	29,975
	<u>431,033</u>
Charges for services:	
Utility tax	728,752
Cable TV franchise fees	108,869
General fund services	522,503
Police reports	2,525
Garbage collection fee	123,511
Rental income	41,747
Other	5,415
	<u>1,533,322</u>
Intergovernmental:	
Replacement taxes	44,657
State income taxes	1,136,964
Municipal sales taxes	442,468
Welch park donations	1,125
School District #168 grant	3,000
Cops hire grant	28,847
Other state grants	590
Police equipment grant	11,458
Youth access to tobacco grant	1,100
Youth program grant	74,457
	<u>1,744,666</u>
Fines and forfeitures:	
Police fines	145,609
Tow release fees	94,700
	<u>240,309</u>
Interest	<u>896</u>

(continued)

Village of Sauk Village, Illinois

**Schedule of General Fund Revenues, Expenditures and Changes in Fund Balance
General Fund (continued)
18-Month Period Ended October 31, 2010**

Revenues (Continued):	
Miscellaneous:	
Training reimbursement	\$ 21,238
Refunds and reimbursements	19,867
Concessions	3,522
Security detail	7,736
Other	120,609
	<u>172,972</u>
 Total revenues	 <u>6,647,498</u>
Expenditures:	
General government:	
Finance and administration:	
Regular employee wages	224,293
Part-time employee wages	4,350
Fringe benefits	105,252
Office supplies	9,574
Computer software supplies	1,509
Tools and equipment	2,531
Other materials and supplies	1,198
Telephone	8,870
Postage	5,647
Insurance	570,834
Printing	3,117
Equipment repair and maintenance	4,003
Organization business expense	1,110
Professional development	848
Publications and memberships	285
Professional services	530,753
Computer contractual services	22,275
Public information	2,013
Other rents and leases	264
Other contractual services	50,446
Refunds	90
Total finance and administration	<u>1,549,262</u>
Elected officials:	
Public official wages	121,929
Fringe benefits	9,559
Telephone	5,209
Printing	582
Organization business expense	218
Professional development	3,544
Publications and memberships	9,158
Public information	8,689

(continued)

Village of Sauk Village, Illinois

**Schedule of General Fund Revenues, Expenditures and Changes in Fund Balance
General Fund (Continued)
18-Month Period Ended October 31, 2010**

Expenditures (Continued):	
General government (continued):	
Elected officials: (continued)	
Freedom of information act	\$ 666
Public relations committee	2,266
Special events	(637)
Human relations commission	464
Fire and police commission	2,674
Senior citizens committee	345
Other contractual services	921
Total elected officials	<u> 165,587</u>
Community development:	
Regular employee wages	319,301
Overtime	266
Fringe benefits	112,125
Office supplies	129
Vehicle expense	6,576
Uniforms and clothing	180
Operating supplies	24
Computer software supplies	283
Telephone	2,470
Postage	1,863
Printing	538
Vehicle repair and maintenance	1,033
Professional development	71
Publications and memberships	255
Professional services	25,257
Computer contractual services	2,856
Intergovernmental services	6,180
Other contractual services	10,926
Refunds	300
Total community development	<u> 490,633</u>
Total general government	<u> 2,205,482</u>

(continued)

Village of Sauk Village, Illinois

Schedule of General Fund Revenues, Expenditures and Changes in Fund Balance
General Fund (Continued)
18-Month Period Ended October 31, 2010

Expenditures: (continued)

Public safety:

Police department:

Employee wages	\$ 2,397,327
Part-time wages	15,276
Overtime	300,059
Fringe benefits	816,019
Pension contributions	158,913
Office supplies	6,851
Vehicle expense	117,839
Uniforms and clothing	18,376
Facility maintenance supplies	139
Operating supplies	6,493
Computer software supplies	2,553
Tools and equipment	1,340
Construction supplies	6,389
Other materials and supplies	1,624
Telephone	35,538
Postage	2,698
K-9	1,640
Printing	1,329
Equipment repair and maintenance	8,549
Vehicle repair and maintenance	40,403
Organization business expense	126
Special operations	400
Professional development	5,437
Academy training	9,755
Publications and memberships	1,634
Professional services	14,249
Computer contractual services	12,822
Intergovernmental services	1,000
Other rents and leases	2,668
Other contractual services	18,040
Refunds	200
Total police department	4,005,686

(continued)

Village of Sauk Village, Illinois

**Schedule of General Fund Revenues, Expenditures and Changes in Fund Balance
General Fund (Continued)
18-Month Period Ended October 31, 2010**

Expenditures (Continued):	
Public safety (continued):	
Civil defense:	
Part-time wages	\$ 57,852
Employer fringe benefits	4,505
Office supplies	408
Vehicle expense	7,318
Uniforms and clothing	778
Facility maintenance supplies	24
Operating supplies	1,319
Computer software supplies	55
Other materials and supplies	126
Telephone	3,213
Equipment repair and maintenance	290
Vehicle repair and maintenance	2,476
Professional development	1,510
Publications and memberships	255
Other rents and leases	2,397
Total civil defense	<u>82,526</u>
Dispatch:	
Regular wages	391,501
Overtime	45,661
Employer fringe benefits	209,620
Office supplies	185
Computer software supplies	739
Other materials and supplies	460
Telephone	14,366
Equipment repair and maintenance	21,300
Computer contractual services	8,805
Total dispatch	<u>692,637</u>
Total public safety	<u>4,780,849</u>

(continued)

Village of Sauk Village, Illinois

**Schedule of General Fund Revenues, Expenditures and Changes in Fund Balance
General Fund (Continued)
18-Month Period Ended October 31, 2010**

Expenditures (Continued):

Public works:

Public grounds and buildings:

Regular employee wages	\$	47,221
Overtime		222
Fringe benefits		23,814
Vehicle expense		13,587
Uniforms and clothing		963
Facility maintenance supplies		17,591
Operating supplies		65
Computer software supplies		74
Tools and equipment		67
Construction supplies		970
Telephone		11,054
Utilities		24,367
Equipment repair and maintenance		524
Facility maintenance		80,935
Organization business		78
Other rents and leases		1,229
Other contractual services		1,731
Total public grounds and buildings		<u>224,492</u>

Streets:

Regular employee wages		160,352
Overtime		17,705
Fringe benefits		96,411
Office supplies		133
Vehicle expense		26,356
Uniforms and clothing		579
Operating supplies		329
Tools and equipment		686
Other materials and supplies		75
Printing		1,646
Equipment repair and maintenance		2,076
Vehicle repair and maintenance		3,836
Professional services		110
Intergovernmental services		2,000
Other rents and leases		556
Total streets		<u>312,850</u>

(continued)

Village of Sauk Village, Illinois

**Schedule of General Fund Revenues, Expenditures and Changes in Fund Balance
General Fund (Continued)
18-Month Period Ended October 31, 2010**

Expenditures: (Continued)	
Public works (continued):	
Parks and playgrounds:	
Regular employee wages	\$ 50,585
Part-time wages	8,393
Fringe benefits	23,160
Operating supplies	9,003
Telephone	588
Utilities	761
Other contractual services	4,107
Youth development grant	4,805
Refunds	630
Total parks and playgrounds	<u>102,032</u>
 Total public works	 <u>639,374</u>
 Debt service, interest and fees	 <u>7,685</u>
 Capital outlay	 <u>338</u>
 Total expenditures	 <u>7,633,728</u>
 Deficiency of revenues under expenditures	 <u>(986,230)</u>
 Other financing sources (uses):	
Transfer in	255,556
Transfer (out)	(53,870)
Total other financing sources (uses)	<u>201,686</u>
 Change in fund balance	 <u>(784,544)</u>
 Fund balance (deficit):	
May 1, 2009	<u>(778,732)</u>
 October 31, 2010	 <u><u>\$ (1,563,276)</u></u>

Nonmajor Governmental Funds

Village of Sauk Village, Illinois

Combining Balance Sheet - By Fund Type
 Nonmajor Governmental Funds
 October 31, 2010

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 218,449	\$ 324,452	\$ 542,901
Receivables:			
Property taxes	300,423	89,293	389,716
Other	2,377	24,640	27,017
Due from other governmental units	18,361	-	18,361
Due from other funds	1,118,454	635,537	1,753,991
Total assets	\$ 1,658,064	\$ 1,073,922	\$ 2,731,986
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 90,686	\$ 110,844	\$ 201,530
Due to other funds	1,838	10,043	11,881
Deferred revenue	65,595	90,000	155,595
Total liabilities	158,119	210,887	369,006
Fund balances,			
unreserved, reported in:			
Special revenue funds	1,499,945	-	1,499,945
Capital projects funds	-	863,035	863,035
Total fund balances	1,499,945	863,035	2,362,980
Total liabilities and fund balances	\$ 1,658,064	\$ 1,073,922	\$ 2,731,986

Village of Sauk Village, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 By Fund Type
 Nonmajor Governmental Funds
 18-Month Period Ended October 31, 2010

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 920,728	\$ 407,324	\$ 1,328,052
Charges for services	151,274	362,985	514,259
Intergovernmental	397,474	-	397,474
Interest	4,786	337	5,123
Miscellaneous	4,714	45,997	50,711
Total revenues	1,478,976	816,643	2,295,619
Expenditures:			
Current:			
General government	-	120,715	120,715
Public safety	749,036	-	749,036
Public works	289,653	-	289,653
Debt service:			
Principal	69,455	22,088	91,543
Interest and fees	8,555	5,956	14,511
Bond issuance costs	66,026	-	66,026
Capital outlay	451,406	(16,496)	434,910
Total expenditures	1,634,131	132,263	1,766,394
Excess of revenues over expenditures	(155,155)	684,380	529,225
Other financing sources (uses):			
Bond proceeds	574,000	-	574,000
Capital lease proceeds	451,000	-	451,000
Transfer in	-	17,311	17,311
Transfer out	(193,602)	(26,547)	(220,149)
Sale of capital assets	11,000	-	11,000
Total other financing sources (uses)	842,398	(9,236)	833,162
Change in fund balance	687,243	675,144	1,362,387
Fund balances:			
May 1, 2009	812,702	187,891	1,000,593
October 31, 2010	\$ 1,499,945	\$ 863,035	\$ 2,362,980

Village of Sauk Village, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 October 31, 2010

	Fire Protection	Motor Fuel Tax	Emergency Telephone System	Police Seizure	Working Cash	Total
Assets						
Cash and cash equivalents	\$ 385	\$ 165,307	\$ 24,861	\$ 22,111	\$ 5,785	\$ 218,449
Receivables:						
Property taxes	300,423	-	-	-	-	300,423
Other	-	-	2,377	-	-	2,377
Due from other governmental units	-	18,361	-	-	-	18,361
Due from other funds	432,035	85,462	-	500	600,457	1,118,454
Total assets	\$ 732,843	\$ 269,130	\$ 27,238	\$ 22,611	\$ 606,242	\$ 1,658,064
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 42,621	\$ 45,065	\$ 3,000	\$ -	\$ -	\$ 90,686
Due to other funds	-	-	1,838	-	-	1,838
Deferred revenue	65,595	-	-	-	-	65,595
Total liabilities	108,216	45,065	4,838	-	-	158,119
Fund balances						
Unreserved	624,627	224,065	22,400	22,611	606,242	1,499,945
Total liabilities and fund balances	\$ 732,843	\$ 269,130	\$ 27,238	\$ 22,611	\$ 606,242	\$ 1,658,064

Village of Sauk Village, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 18-Month Period Ended October 31, 2010

	Fire Protection	Motor Fuel Tax	Emergency Telephone System	Police Seizure	Working Cash	Total
Revenues:						
Property taxes	\$ 920,728	\$ -	\$ -	\$ -	\$ -	\$ 920,728
Charges for services	23,395	-	127,879	-	-	151,274
Intergovernmental	-	397,474	-	-	-	397,474
Interest	32	123	122	3,919	590	4,786
Miscellaneous	-	4,667	47	-	-	4,714
Total revenues	944,155	402,264	128,048	3,919	590	1,478,976
Expenditures:						
Current:						
Public safety	680,329	-	62,385	6,322	-	749,036
Public works	-	289,653	-	-	-	289,653
Debt service:						
Principal	69,455	-	-	-	-	69,455
Interest and fees	6,614	-	1,941	-	-	8,555
Bond issuance costs	-	-	-	-	66,026	66,026
Capital outlay	451,406	-	-	-	-	451,406
Total expenditures	1,207,804	289,653	64,326	6,322	66,026	1,634,131
Excess (deficiency) of revenues over (under) expenditures	(263,649)	112,611	63,722	(2,403)	(65,436)	(155,155)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	574,000	574,000
Capital lease proceeds	451,000	-	-	-	-	451,000
Transfer out	(57,998)	-	(77,604)	-	(58,000)	(193,602)
Sale of capital assets	11,000	-	-	-	-	11,000
Total other financing sources (uses)	404,002	-	(77,604)	-	516,000	842,398
Change in fund balance	140,353	112,611	(13,882)	(2,403)	450,564	687,243
Fund balances:						
May 1, 2009	484,274	111,454	36,282	25,014	155,678	812,702
October 31, 2010	\$ 624,627	\$ 224,065	\$ 22,400	\$ 22,611	\$ 606,242	\$ 1,499,945

Village of Sauk Village, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Fire Protection Fund
18-Month Period Ended October 31, 2010**

<hr/>	
Revenues:	
Property taxes	\$ 920,728
Charges for service	23,395
Interest	32
Total revenues	<u>944,155</u>
Expenditures:	
Current:	
Public safety:	
Employee wages	192,427
Part-time wages	168,670
Fringe benefits	65,222
Pension contributions	11,847
Office supplies	1,304
Vehicle expense	22,209
Uniforms and clothing	1,397
Facility maintenance supplies	2,459
Operating supplies	271
Computer software supplies	788
Tools and equipment	12,021
Other materials and supplies	562
Telephone	11,649
Utilities	3,030
Postage	192
Printing	563
Equipment repair and maintenance	14,811
Vehicle repair and maintenance	9,996
Facility maintenance	2,176
Organization business expense	178
Professional development	6,964
Publications and memberships	1,922
Professional services	7,986
Computer contractual services	1,335
Intergovernmental services	3,000
Public information	6,428
General fund services	29,078
Trust fees	6,000
Other contractual services	95,844
Total public safety	<u>680,329</u>
Debt service:	
Principal	69,455
Interest and fees	6,614
Total debt service	<u>76,069</u>
Capital outlay	<u>451,406</u>
 Total expenditures	 <u>1,207,804</u>

(continued)

Village of Sauk Village, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Fire Protection Fund (Continued)
18-Month Period Ended October 31, 2010**

Expenditures over revenues	<u>\$ (263,649)</u>
Other financing sources (uses):	
Capital lease proceeds	451,000
Transfer out	(57,998)
Sale of capital assets	<u>11,000</u>
Total other financing sources (uses)	<u>404,002</u>
Change in fund balance	140,353
Fund balance:	
May 1, 2009	<u>484,274</u>
October 31, 2010	<u><u>\$ 624,627</u></u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Motor Fuel Tax Fund
18-Month Period Ended October 31, 2010

Revenues:		
Intergovernmental:		
Motor fuel tax allotments	\$	397,474
Interest		123
Miscellaneous		4,667
Total revenues		<u>402,264</u>
Expenditures:		
Current:		
Public works:		
Operating supplies		38,751
Construction supplies		17,110
Utilities		45,043
Equipment repair and maintenance		9,564
Professional services		3,813
Contractual services		7,520
Construction		167,852
Total expenditures		<u>289,653</u>
Change in fund balance		112,611
Fund balance:		
May 1, 2009		<u>111,454</u>
October 31, 2010	\$	<u>224,065</u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Emergency Telephone System Fund
18-Month Period Ended October 31, 2010

Revenues:	
Charges for service:	
911 surcharge	\$ 7,678
Wireless surcharge	120,201
Interest	122
Miscellaneous	47
Total revenues	<u>128,048</u>
Expenditures:	
Current:	
Public safety:	
Equipment repair and maintenance	56,385
Trust fees	6,000
Total public safety	<u>62,385</u>
Debt service:	
Interest and fees	<u>1,941</u>
Total expenditures	<u>64,326</u>
Excess of revenues over expenditures	63,722
Other financing uses:	
Transfer out	<u>(77,604)</u>
Change in fund balance	(13,882)
Fund balance:	
May 1, 2009	<u>36,282</u>
October 31, 2010	<u>\$ 22,400</u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Police Seizure Fund
18-Month Period Ended October 31, 2010

Revenues:		
Interest	\$	3,919
Expenditures:		
Current:		
Public safety:		
Professional development		<u>6,322</u>
Change in fund balance		(2,403)
Fund balance:		
May 1, 2009		<u>25,014</u>
October 31, 2010	\$	<u><u>22,611</u></u>

Village of Sauk Village, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Working Cash Fund
18-Month Period Ended October 31, 2010**

Revenues:	
Interest	\$ 590
Expenditures:	
Debt service:	
Bond issuance costs	<u>66,026</u>
Expenditures over Revenues	<u>(65,436)</u>
Other financing sources (uses):	
Bond proceeds	574,000
Transfer out	<u>(58,000)</u>
Total other financing sources (uses)	<u>516,000</u>
Change in fund balance	450,564
Fund balance:	
May 1, 2009	<u>155,678</u>
October 31, 2010	<u><u>\$ 606,242</u></u>

Village of Sauk Village, Illinois

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 October 31, 2010

	Utility Tax	Community Development Block Grant	Sauk Plaza Redevelop- ment Plan	SurreyBrook Plaza	Municipal Building	Total
Assets						
Cash and cash equivalents	\$ -	\$ 90,000	\$ 98,166	\$ 132,504	\$ 3,782	\$ 324,452
Receivables:						
Property taxes	-	-	44,059	45,234	-	89,293
Other	24,640	-	-	-	-	24,640
Due from other funds	495,480	-	100,233	39,824	-	635,537
Total assets	\$ 520,120	\$ 90,000	\$ 242,458	\$ 217,562	\$ 3,782	\$ 1,073,922
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ 8,041	\$ 99,803	\$ 3,000	\$ 110,844
Due to other funds	-	-	-	-	10,043	10,043
Deferred revenue	-	90,000	-	-	-	90,000
Total liabilities	-	90,000	8,041	99,803	13,043	210,887
Fund balances (deficits)						
Unreserved	520,120	-	234,417	117,759	(9,261)	863,035
Total liabilities and fund balances	\$ 520,120	\$ 90,000	\$ 242,458	\$ 217,562	\$ 3,782	\$ 1,073,922

Village of Sauk Village, Illinois

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Capital Projects Funds

18-Month Period Ended October 31, 2010

	Utility Tax	Community Development Block Grant	Sauk Plaza Redevelop- ment Plan	SurreyBrook Plaza	Municipal Building	Total
Revenues:						
Property taxes	\$ -	\$ -	\$ 177,201	\$ 230,123	\$ -	\$ 407,324
Charges for services	362,985	-	-	-	-	362,985
Intergovernmental	-	-	-	-	-	-
Interest	27	-	73	202	35	337
Miscellaneous	45,997	-	-	-	-	45,997
Total revenues	409,009	-	177,274	230,325	35	816,643
Expenditures:						
Current:						
General government	12,376	-	9,051	93,287	6,001	120,715
Debt service:						
Principal	22,088	-	-	-	-	22,088
Interest and fees	5,956	-	-	-	-	5,956
Capital outlay	(16,496)	-	-	-	-	(16,496)
Total expenditures	23,924	-	9,051	93,287	6,001	132,263
Excess (deficiency) of revenues over (under) expenditures	385,085	-	168,223	137,038	(5,966)	684,380
Other financing sources (uses):						
Transfer in	17,311	-	-	-	-	17,311
Transfer out	(26,547)	-	-	-	-	(26,547)
Total other financing sources (uses)	(9,236)	-	-	-	-	(9,236)
Change in fund balance	375,849	-	168,223	137,038	(5,966)	675,144
Fund balances (deficits):						
May 1, 2009	144,271	-	66,194	(19,279)	(3,295)	187,891
October 31, 2010	\$ 520,120	\$ -	\$ 234,417	\$ 117,759	\$ (9,261)	\$ 863,035

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance

Utility Tax Fund

18-Month Period Ended October 31, 2010

Revenues:		
Charges for services:		
Utility taxes	\$	362,985
Interest		27
Miscellaneous		45,997
Total revenues		<u>409,009</u>
Expenditures:		
Current:		
General government:		
Refunds		12,376
Debt service:		
Principal		22,088
Interest and fees		5,956
Capital outlay		(16,496)
Total expenditures		<u>23,924</u>
Excess of revenues over expenditures		<u>385,085</u>
Other financing sources (uses):		
Transfer in		17,311
Transfer out		(26,547)
Total other financing sources (uses)		<u>(9,236)</u>
Change in fund balance		375,849
Fund balance:		
May 1, 2009		<u>144,271</u>
October 31, 2010	\$	<u>520,120</u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Sauk Plaza Redevelopment Plan Fund
18-Month Period Ended October 31, 2010

Revenues:	
Property taxes	\$ 177,201
Interest	73
Total revenues	<u>177,274</u>
Expenditures:	
Current:	
General government:	
Professional services	<u>9,051</u>
Change in fund balance	168,223
Fund balance:	
May 1, 2009	<u>66,194</u>
October 31, 2010	<u><u>\$ 234,417</u></u>

Village of Sauk Village, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance
SurreyBrook Plaza Fund
18-Month Period Ended October 31, 2010**

Revenues:		
Property taxes	\$	230,123
Interest		202
Total revenues		<u>230,325</u>
Expenditures:		
Current:		
General government:		
Professional services		<u>93,287</u>
Change in fund balance		137,038
Fund balance (deficit):		
May 1, 2009		<u>(19,279)</u>
October 31, 2010	\$	<u><u>117,759</u></u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Municipal Building Fund
18-Month Period Ended October 31, 2010

Revenues:	
Interest	<u>\$ 35</u>
Expenditures:	
Current:	
General government:	
Professional services	1
Amalgamated trust fees	<u>6,000</u>
Total expenditures	<u>6,001</u>
Change in fund balance	(5,966)
Fund balance (deficit):	
May 1, 2009	<u>(3,295)</u>
October 31, 2010	<u><u>\$ (9,261)</u></u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Sauk Pointe Industrial Park Fund
18-Month Period Ended October 31, 2010

Revenues:	
Property taxes	\$ 1,462,187
Interest	14
Total revenues	<u>1,462,201</u>
Expenditures:	
Current:	
General government:	
Professional services	<u>8,423</u>
Excess of revenues over expenditures	1,453,778
Other financing uses:	
Transfer out	<u>(1,149,436)</u>
Change in fund balance	304,342
Fund balance (deficit):	
May 1, 2009	<u>(165,359)</u>
October 31, 2010	<u><u>\$ 138,983</u></u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
LogistiCenter at Sauk Village Fund
18-Month Period Ended October 31, 2010

Revenues:	
Property taxes	\$ 2,310,890
Interest	342
Miscellaneous	10,305
Total revenues	<u>2,321,537</u>
Expenditures:	
Current:	
General government:	
Utilities	2,019
Organization business expense	10
Professional services	196,406
Trust fees	41,274
Other contractual services	224
Developer payments	6,523,490
Land	5,000
Debt Service:	
Bond issuance costs	409
Total expenditures	<u>6,768,832</u>
Expenditures over Revenues	(4,447,295)
Other financing uses:	
Transfer out	<u>(2,955,786)</u>
Change in fund balance	(7,403,081)
Fund balance:	
May 1, 2009	<u>8,886,928</u>
October 31, 2010	<u>\$ 1,483,847</u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
Debt Service Fund
18-Month Period Ended October 31, 2010

Revenues:	
Property taxes	\$ 65,404
Interest	1,962
	<u>67,366</u>
Expenditures:	
Debt service:	
Principal	1,390,000
Interest and fees	2,303,234
Total expenditures	<u>3,693,234</u>
Deficiency of revenues under expenditures	(3,625,868)
Other financing sources:	
Transfer in	<u>4,052,504</u>
Change in fund balance	426,636
Fund balance:	
May 1, 2009	<u>8,286,903</u>
October 31, 2010	<u>\$ 8,713,539</u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenses and Changes in Net Assets

Waterworks Fund

18-Month Period Ended October 31, 2010

Operating revenues:	
Charges for services	\$ 1,346,134
Meter sales	928
Miscellaneous	4,995
Total operating revenue	<u>1,352,057</u>
Operating expenses:	
Salaries:	
Employee wages	483,703
Part-time wages	2,608
Overtime	45,117
Total salaries	<u>531,428</u>
Fringe benefits	<u>253,662</u>
Supplies, fees and services:	
Office supplies	433
Vehicle expense	12,504
Uniforms and clothing	6,604
Facility maintenance supplies	2,846
Operating supplies	62,101
Tools and equipment	1,228
Construction supplies	41,825
Other materials and supplies	65
Telephone	13,667
Utilities	82,438
Postage	8,953
Printing	1,171
Professional development	360
Publications and memberships	155
Professional services	81,395
Computer contractual services	5,203
Intergovernmental services	14,938
Public information	1,353
General fund services	254,325
Other rents and leases	2,037
Other contractual services	6,514
Refunds	14
Total supplies, fees and services	<u>600,129</u>

(continued)

Village of Sauk Village, Illinois

Schedule of Revenues, Expenses and Changes in Net Assets

Waterworks Fund (Continued)

18-Month Period Ended October 31, 2010

Repairs and maintenance:	
Equipment repair and maintenance	\$ 3,415
Vehicle repair and maintenance	989
Facility maintenance	5,574
Total repairs and maintenance	<u>9,978</u>
Capital outlay:	
Major tools and work equipment	6,185
Construction	1,103
Total capital outlay	<u>7,288</u>
Total operating expenses	<u>1,402,485</u>
Operating loss before depreciation	(50,428)
Depreciation	<u>322,980</u>
Operating loss	(373,408)
Nonoperating income:	
Interest income	<u>15</u>
Loss before transfer	(373,393)
Other financing sources	
Transfer in	<u>53,870</u>
Change in net assets	(319,523)
Net assets:	
May 1, 2009	<u>2,458,555</u>
October 31, 2010	<u>\$ 2,139,032</u>

Village of Sauk Village, Illinois

Schedule of Revenues, Expenses and Changes in Net Assets
Sewerage Fund
18-Month Period Ended October 31, 2010

Operating revenues:	
Charges for services	\$ 957,093
<hr/>	
Operating expenses:	
Salaries:	
Employee wages	429,454
Overtime	24,316
Total salaries	<u>453,770</u>
Fringe benefits	<u>189,814</u>
Supplies, fees and services:	
Office supplies	315
Vehicle expense	10,364
Uniforms and clothing	6,009
Operating supplies	874
Tools and equipment	35
Construction supplies	4,938
Telephone	530
Postage	3,178
Printing	1,171
Professional services	130
Computer contractual services	5,212
Intergovernmental services	65
General fund services	239,100
Other rents and leases	926
Other contractual services	3,178
Total supplies, fees and services	<u>276,025</u>

(continued)

Village of Sauk Village, Illinois

**Schedule of Revenues, Expenses and Changes in Net Assets
Sewerage Fund (Continued)
18-Month Period Ended October 31, 2010**

Repairs and maintenance:	
Equipment repair and maintenance	\$ 498
Vehicle repair and maintenance	1,886
Total repairs and maintenance	<u>2,384</u>
Capital outlay:	
Major tools and work equipment	<u>583</u>
Total operating expenses	<u>922,576</u>
Operating income before depreciation	34,517
Depreciation	<u>40,067</u>
Operating loss	(5,550)
Nonoperating income:	
Interest income	<u>52</u>
Change in net assets	(5,498)
Net assets:	
May 1, 2009	<u>874,586</u>
October 31, 2010	<u>\$ 869,088</u>

Village of Sauk Village, Illinois

**Statement of Changes in Assets and Liabilities
Agency Fund
18-Month Period Ended October 31, 2010**

	Balance at April 1, 2009	Additions	Deletions	Balance at October 31, 2010
<hr/>				
Flexible Benefits Fund:				
Assets,				
cash and cash equivalents	\$ 5,821	\$ 4,956	\$ 4,306	\$ 6,471
	<hr/>	<hr/>	<hr/>	<hr/>
Liabilities,				
due to employees	\$ 5,821	\$ 4,956	\$ 4,306	\$ 6,471
	<hr/>	<hr/>	<hr/>	<hr/>

Village of Sauk Village, Illinois

Schedule of Annual Debt Service Requirements
October 31, 2010

	Year Ending April 30,	Principal	Interest	Total
2000 General Obligation				
(Alternate Revenue Source) Tax Increment Financing Bond Issue:				
Dated December 15, 2000	2011	\$ 95,000	\$ 39,666	\$ 134,666
Interest Payable June 1 and December 1 at rates between 5.35% and 5.50%	2012	675,000	18,563	693,563
		<u>\$ 770,000</u>	<u>\$ 58,229</u>	<u>\$ 828,229</u>
2002A General Obligation				
(Alternate Revenue Source) Tax Increment Refunding Bond Issue:				
Dated June 15, 2002	2011	\$ 385,000	\$ 488,191	\$ 873,191
Interest Payable June 1 and December 1 at rates between 5.00% and 5.35%	2012	485,000	464,919	949,919
	2013	505,000	438,436	943,436
	2014	530,000	410,750	940,750
	2015	650,000	379,185	1,029,185
	2016	685,000	344,330	1,029,330
	2017	715,000	308,809	1,023,809
	2018	755,000	271,503	1,026,503
	2019	900,000	229,750	1,129,750
	2020	945,000	183,625	1,128,625
	2021	1,000,000	135,000	1,135,000
	2022	2,200,000	83,625	2,283,625
		<u>\$ 9,755,000</u>	<u>\$ 3,738,123</u>	<u>\$ 13,493,123</u>
2002B General Obligation				
(Alternate Revenue Source) Tax Increment Financing Bond Issue:				
Dated June 27, 2002	2013	\$ 454,108	\$ 305,892	\$ 760,000
Interest Payable December 1 at rates between 5% and 5.95%	2014	455,821	359,179	815,000
	2015	454,263	410,737	865,000
	2016	455,248	469,752	925,000
	2017	453,425	531,575	985,000
	2018	455,514	604,486	1,060,000
	2019	454,443	680,557	1,135,000
	2020	454,243	765,757	1,220,000
	2021	454,424	860,576	1,315,000
	2022	907,867	1,957,133	2,865,000
		<u>4,999,356</u>	<u>6,945,644</u>	<u>11,945,000</u>
Accumulated accreted interest		<u>2,707,851</u>	<u>(2,707,851)</u>	<u>-</u>
		<u>\$ 7,707,207</u>	<u>\$ 4,237,793</u>	<u>\$ 11,945,000</u>

(continued)

Village of Sauk Village, Illinois

Schedule of Annual Debt Service Requirements (continued)
October 31, 2010

	Year Ending April 30,	Principal	Interest	Total
<hr/>				
2003 General Obligation (Alternate Revenue Source) Tax Increment Refunding Bond Issue: Dated March 15, 2003 Interest Payable June 1 and December 1 at rate of 3.30%	2011	\$ 630,000	\$ 20,790	\$ 650,790
		<u>\$ 630,000</u>	<u>\$ 20,790</u>	<u>\$ 650,790</u>
2007A General Obligation (Alternate Revenue Source) Dated June 6, 2007 Interest Payable December 1 at rates between 3.90% and 4.30%	2011	\$ 598,704	\$ 86,296	\$ 685,000
	2012	574,749	110,251	685,000
	2013	551,220	133,780	685,000
	2014	531,990	158,010	690,000
	2015	509,206	180,794	690,000
	2016	483,398	201,602	685,000
	2017	465,163	224,837	690,000
	2018	443,939	246,061	690,000
	2019	420,206	264,794	685,000
		<u>4,578,575</u>	<u>1,606,425</u>	<u>6,185,000</u>
Accumulated accreted interest		<u>587,772</u>	<u>(587,772)</u>	<u>-</u>
		<u>\$ 5,166,347</u>	<u>\$ 1,018,653</u>	<u>\$ 6,185,000</u>
2007B General Obligation (Alternate Revenue Source) Dated: June 6, 2007 Interest Payable June 1 and December 1 at rates between 3.85% and 5.00%	2011	\$ 30,000	\$ 58,660	\$ 88,660
	2012	35,000	57,409	92,409
	2013	40,000	55,965	95,965
	2014	40,000	54,405	94,405
	2015	45,000	52,726	97,726
	2016	50,000	50,850	100,850
	2017	55,000	48,776	103,776
	2018	60,000	46,490	106,490
	2019	65,000	43,990	108,990
	2020	75,000	41,190	116,190
	2021	80,000	38,030	118,030
	2022	85,000	34,606	119,606
	2023	95,000	30,871	125,871
	2024	100,000	26,825	126,825
	2025	110,000	22,000	132,000
	2026	120,000	16,250	136,250
	2027	125,000	10,125	135,125
	2028	140,000	3,500	143,500
		<u>\$ 1,350,000</u>	<u>\$ 692,668</u>	<u>\$ 2,042,668</u>

(continued)

Village of Sauk Village, Illinois

Schedule of Annual Debt Service Requirements (continued)
 October 31, 2010

	Year Ending April 30,	Principal	Interest	Total
2007C General Obligation				
(Alternate Revenue Source)	2011	\$ 20,000	\$ 35,170	\$ 55,170
Dated: June 6, 2007	2012	20,000	34,390	54,390
Interest Payable June 1	2013	20,000	33,610	53,610
and December 1 at rates	2014	25,000	32,733	57,733
between 3.90% and 5.00%	2015	25,000	31,758	56,758
	2016	30,000	30,685	60,685
	2017	30,000	29,500	59,500
	2018	35,000	28,200	63,200
	2019	40,000	26,700	66,700
	2020	40,000	25,100	65,100
	2021	45,000	23,400	68,400
	2022	50,000	21,250	71,250
	2023	55,000	18,625	73,625
	2024	60,000	15,750	75,750
	2025	65,000	12,625	77,625
	2026	65,000	9,375	74,375
	2027	75,000	5,875	80,875
	2028	80,000	2,000	82,000
		<u>\$ 780,000</u>	<u>\$ 416,746</u>	<u>\$ 1,196,746</u>
2008 General Obligation				
(Alternate Revenue	2011	\$ 20,000	\$ 591,610	\$ 611,610
Source) Tax Increment	2012	30,000	589,798	619,798
Financing Bond Issue:	2013	85,000	585,629	670,629
Dated December 23, 2008	2014	185,000	575,841	760,841
Interest Payable June 1	2015	165,000	563,154	728,154
and December 1 at rates	2016	175,000	550,829	725,829
between 5.40% and 7.25%	2017	230,000	536,148	766,148
	2018	215,000	520,016	735,016
	2019	160,000	506,423	666,423
	2020	210,000	493,010	703,010
	2021	185,000	480,403	665,403
	2022	150,000	471,208	621,208
	2023	220,000	460,683	680,683
	2024	1,295,000	416,479	1,711,479
	2025	1,470,000	334,500	1,804,500
	2026	1,355,000	249,073	1,604,073
	2027	1,075,000	174,689	1,249,689
	2028	1,110,000	107,223	1,217,223
	2029	1,165,000	36,406	1,201,406
		<u>\$ 9,500,000</u>	<u>\$ 8,243,122</u>	<u>\$ 17,743,122</u>

(continued)

Village of Sauk Village, Illinois

Schedule of Annual Debt Service Requirements (continued)
October 31, 2010

	Year Ending April 30,	Principal	Interest	Total
2009 General Obligation				
(Alternate Revenue	2011	\$ 75,000	\$ 408,728	\$ 483,728
Source) Tax Increment	2012	90,000	402,540	492,540
Financing Bond Issue:	2013	130,000	394,290	524,290
Dated April 28, 2009	2014	195,000	382,103	577,103
Interest Payable June 1	2015	190,000	367,665	557,665
and December 1 at rates	2016	275,000	350,228	625,228
between 4.30% and 7.50%	2017	200,000	332,415	532,415
	2018	155,000	319,103	474,103
	2019	180,000	306,540	486,540
	2020	105,000	295,853	400,853
	2021	-	291,915	291,915
	2022	-	291,915	291,915
	2023	-	291,915	291,915
	2024	1,105,000	268,158	1,373,158
	2025	885,000	224,930	1,109,930
	2026	675,000	190,273	865,273
	2027	635,000	160,480	795,480
	2028	1,105,000	120,184	1,225,184
	2029	2,000,000	70,640	2,070,640
		<u>\$ 8,000,000</u>	<u>\$ 5,469,875</u>	<u>\$ 13,469,875</u>
2010 General Obligation				
Working Cash Bond Issue:	2011	\$ 49,000	\$ 24,900	\$ 73,900
Dated February 1, 2010	2012	50,000	23,185	73,185
Interest Payable August 1	2013	50,000	21,435	71,435
and February 1 at rates	2014	55,000	19,685	74,685
between 3.50% and 5.00%	2015	55,000	17,430	72,430
	2016	55,000	15,175	70,175
	2017	60,000	12,700	72,700
	2018	65,000	10,000	75,000
	2019	65,000	6,750	71,750
	2020	70,000	35,000	105,000
		<u>\$ 574,000</u>	<u>\$ 186,260</u>	<u>\$ 760,260</u>