

VILLAGE OF GLENWOOD, ILLINOIS

ANNUAL FINANCIAL REPORT

April 30, 2005

VILLAGE OF GLENWOOD, ILLINOIS

April 30, 2005

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Crowe Chizek and Company LLC
Member Horwath International

INDEPENDENT AUDITORS' REPORT

To the Honorable Village President
and Members of the Board of Trustees
Village of Glenwood, 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 Glenwood, Illinois, (Village), as of and for the year ended April 30, 2005, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of April 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the basic financial statements, the Village adopted the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures* and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, as of May 1, 2004. This has resulted in a change to the format and content of the Village's financial statements for the year ended April 30, 2005.

The Management's Discussion and Analysis, Analysis of Funding Progress, Schedule of Employer Contributions, and Budgetary Comparison Schedule are not a required part of the basic financial statements but are 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 do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying Combining and Individual Fund Financial Statements and Schedules and Other Supplementary Information for the year ended April 30, 2005, as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This additional information is the responsibility of the Village's management. The Combining and Individual Fund Financial Statements and Schedules and Other Supplementary Information have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Crowe Chizek and Company LLC
Crowe Chizek and Company LLC

January 16, 2006
Oak Brook, Illinois

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

As management of the Village of Glenwood ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2005. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements. Comparative analysis will be provided in future years when prior year information is available.

Financial Highlights

- The assets of the Village exceeded liabilities at April 30, 2005 by \$34,772,762.
- At April 30, 2005, the governmental funds reported combined fund balances of \$4,437,919 of which \$3,399,515 was unreserved and is available for spending at the Village's discretion. This compares to April 30, 2004 figures of \$4,308,376 respectfully.
- Governmental fund balances increased \$618,496 as of year end April 30, 2005. This compares to \$544,735 as of April 30, 2004.

Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Village-Wide Financial Statements

The village-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. Over time increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the Village's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Governmental Activities reflect the Village's basic services, including administration, public safety, highways and streets and culture and recreation. Property taxes, shared state taxes and local utility taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation.

The Village-wide financial statements can be found on pages 12-13 of this report.

**VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**April 30, 2005
(Unaudited)**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the outstanding bond holding fund, both of which are considered to be major funds. Information from the Village's seven other governmental funds are combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report. The governmental fund financial statements can be found on pages 14-17 of this report.

The Village maintains three types of proprietary fund (enterprise funds). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sanitary sewer operations and golf course operations. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the water and sewer fund and the golf course fund, both of which are considered to be major funds of the Village. The enterprise fund financial statements can be found on pages 18-20 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds. The fiduciary fund financial statements can be found on pages 21-22 of this report.

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension benefits to its employees. Non-major fund information can be found immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

The following chart reflects the condensed Statement of Net Assets:

CONDENSED STATEMENT OF NET ASSETS
APRIL 30, 2005

	Governmental Business-Type		Total
	Activities	Activities	
Assets:			
Current & other assets	\$ 22,407,742	\$ 669,359	\$ 22,407,742
Capital assets	11,849,621	14,416,156	11,849,621
Total assets	<u>34,257,363</u>	<u>15,085,515</u>	<u>34,257,363</u>
Liabilities:			
Current liabilities	3,072,188	817,774	3,072,188
Long-term liabilities	4,822,860	5,857,294	4,822,860
Total liabilities	<u>7,895,048</u>	<u>6,675,068</u>	<u>7,895,048</u>
Net Assets:			
Invested in capital assets, net,	22,330,824	8,342,896	22,330,824
Restricted	3,133,019	-	3,133,019
Unrestricted	898,472	67,551	898,472
Total Net Assets	<u>\$ 26,362,315</u>	<u>\$ 8,410,447</u>	<u>\$ 26,362,315</u>

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

Current and other assets include cash and cash equivalents, investments, account receivables, inventory, prepaid items, internal balances, deferred amount on refunding, net pension assets, and capital assets.

Long-term liabilities include compensated absences, capital leases, loan payable, general obligation and alternative revenue bonds, and net pension obligation.

The statement of net assets can be found on page 12 of this report.

The following chart reflects the condensed Statement of Activities:

CONDENSED STATEMENT OF ACTIVITIES
Year Ended April 30, 2005

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program Revenues:			
Fees, Fines & Charges for services	\$ 996,848	\$ 2,316,299	\$ 3,313,147
Operating grants & contributions	296,279	-	296,279
Capital grant & contributions	68,987	-	68,987
General revenues:			
Property Taxes	3,488,968	-	3,488,968
Income Taxes	627,635	-	627,635
Sales Taxes	604,443	-	604,443
Utility Taxes	837,496	-	837,496
Other Taxes	319,093	-	319,093
Investment earnings	28,265	32,284	60,549
Other general revenues	4,455	356,451	360,906
Total revenues	7,272,469	2,705,034	9,977,503
Expenses:			
General Government	1,888,509	-	1,888,509
Public Safety	3,428,906	-	3,428,906
Highway and Streets	266,361	-	266,361
Public Works	609,980	-	609,980
Buildings	284,215	-	284,215
Interest on debt	176,002	-	176,002
Water Operations	-	2,212,095	2,212,095
Golf Course Operations	-	1,427,085	1,427,085
Total expenses	6,653,973	3,639,180	10,293,153
Change in net assets	618,496	(934,146)	(315,650)
Net assets beginning of year	25,743,819	9,344,593	35,088,412
Net assets end of year	\$ 26,362,315	\$ 8,410,447	\$ 34,772,762

The statement of activities can be found on page 13 of this report.

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

As noted earlier, the Village of Glenwood uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The Village's governmental funds reported combined ending fund balances of \$4,437,919.

The general fund is the primary operating fund of the Village. During the year, revenue received exceeded expenditures disbursed in the general fund by \$241,632. Revenues from local activities such as licenses and permits, and charges for services were more than anticipated. The General Fund expenditures disbursed were lower than anticipated due to decreases in administration, building, public works, and fire related expenditures.

The TIF Fund balance increased \$138,218 due to higher than anticipated incremental property taxes received from the TIF district.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the water and sewer fund and the golf course fund at the end of the year amounted to \$8,274,411 and \$303,262. The water and sewer fund had a decrease in net assets of \$866,273. This decrease is due in part to higher operations expenses of \$2,011,508. The golf course fund also had a decrease in net assets of \$61,749. The golf course fund decrease is due in part to interest paid of \$314,714 on the golf course bonds.

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule. Explanations of the variances follow:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues Received			
Income Taxes	\$ 560,000	\$ 627,168	\$ 67,168
Building & Electrical Permit	175,000	230,101	55,101
Telecommunications Maintenance Fee	330,000	400,542	70,542
Refuse Services	-	306,305	306,305
Expenditures Disbursed			
Engineer Services	50,000	7,466	42,534
Homewood Disposal	410,000	309,510	100,490

Income tax receipts were over budget due to the fact that the Village received more monies than anticipated from the State of Illinois.

Building & Electrical Permits revenue was over budget during the year because the village experienced a large increase in building & electrical permits due the construction of the new Wal-Mart in the area.

Telecommunications Maintenance Fees were over budget because we received more monies than originally anticipated from the State of Illinois.

The receipts for refuse services were not budgeted for, due to the fact the service was added during August of 2004.

The village anticipated engineer services that did not occur in the current fiscal year.

Homewood disposal was under budget because the contract was not started until August 2004.

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

	Balance at May 1, 2004	Additions	Deletions	Balance at April 30, 2005
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 19,762,043	\$ -	\$ -	\$ 19,762,043
Total Capital Assets not Being Depreciated, Net	<u>19,762,043</u>	<u>-</u>	<u>-</u>	<u>19,762,043</u>
Capital Assets Being Depreciated:				
Improvements	1,248,620	6,360	-	1,254,980
Building	4,594,767	-	-	4,594,767
Machinery & Equipment	3,178,643	111,631	-	3,290,274
Infrastructure	4,997,495	-	-	4,997,495
Subtotal	<u>14,019,525</u>	<u>117,991</u>	<u>-</u>	<u>14,137,516</u>
Less Accumulated Depreciation	<u>(5,773,581)</u>	<u>(451,513)</u>	<u>-</u>	<u>(6,225,094)</u>
Total Capital Assets Being Depreciated, Net	<u>8,245,944</u>	<u>(333,522)</u>	<u>-</u>	<u>7,912,422</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,007,987</u>	<u>\$ (333,522)</u>	<u>\$ -</u>	<u>\$ 27,674,465</u>

The Village's investment in capital assets for its governmental activities as of April 30, 2005, amounts to \$27,674,465 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, and infrastructure. During the fiscal year the Village purchased two police squad car, two fire pickup trucks, one utility vehicle equipment totaling \$105,436 and completed various land improvements totaling \$117,991.

	Balance at May 1, 2004	Additions	Deletions	Balance at April 30, 2005
Business-Type Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 4,502,967	\$ -	\$ -	\$ 4,502,967
Construction In Progress	376,470	-	376,470	-
Total Capital Assets not Being Depreciated, Net	<u>4,879,437</u>	<u>-</u>	<u>376,470</u>	<u>4,502,967</u>
Capital Assets Being Depreciated:				
Improvements	1,537,404	110,620	-	1,648,024
Buildings	1,154,845	554,160	-	1,709,005
Machinery and Equipment	500,008	48,177	-	548,185
Infrastructure	14,023,679	-	-	14,023,679
Subtotal	<u>17,215,936</u>	<u>712,957</u>	<u>-</u>	<u>17,928,893</u>
Less Accumulated Depreciation	<u>(7,671,426)</u>	<u>(344,278)</u>	<u>-</u>	<u>(8,015,704)</u>
Total Capital Assets Being Depreciated, Net	<u>9,544,510</u>	<u>368,679</u>	<u>-</u>	<u>9,913,189</u>
Business-Type Activities Capital Assets, Net	<u>\$ 14,423,947</u>	<u>\$ 368,679</u>	<u>\$ 376,470</u>	<u>\$ 14,416,156</u>

VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)

The Village's investment in capital assets for its business-type activities as of April 30, 2005, amounts to \$14,416,156 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements, buildings, machinery and equipment, and infrastructure. During the fiscal year, the Village completed the construction of the new golf course lift station amounting to \$318,800.

For more detailed information related to capital assets, see Note 4 of the basic financial statements.

Debt Administration

The Village of Glenwood had total outstanding bonded debt of \$6,175,459 at April 30, 2005. This entire amount is backed by the full faith and credit of the Village. The following is a comparative table of outstanding debt:

	<u>2004</u>	<u>2005</u>
Governmental Activities:		
General Obligation Bonds		
Series 2002 Bonds	\$ 1,760,000	\$ 1,335,000
Alternative Revenue Bonds		
Series 1998A Moter Fuel Tax Bonds	945,000	770,000
Series 1998B Village Hall Construction Bonds	<u>2,760,000</u>	<u>2,625,000</u>
Total Alternative Revenue Bonds	3,705,000	3,395,000
Leases Payable	744,183	613,641
Compensated Absences	340,185	480,455
Total Governmental Activities	<u>\$ 6,549,368</u>	<u>\$ 5,824,096</u>
Business-Type Activities:		
Alternative Revenue Bonds		
Golf Course Bonds, Series 2001	\$ 5,910,000	\$ 5,795,000
Installment Contracts	259,365	193,036
Compensated Absences	88,627	102,199
Loan Payable	<u>111,793</u>	<u>85,224</u>
Total Business-Type Activities:	<u>\$ 6,369,785</u>	<u>\$ 6,175,459</u>

The Village did not issue any debt during the fiscal year.

Detailed information on the Village's long term debt activity can be found on Note 5 of the basic financial statements.

**VILLAGE OF GLENWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2005
(Unaudited)**

ECONOMIC FACTORS

Economic development continues in the Village of Glenwood. The housing development at Glenwoodie Golf Course continues to move forward with the models completed.

On Main Street the Nugent Square development has been completed with commercial space available on the main floor and residential condominiums on the top 3 floors.

Another new development is underway on the corner of Halsted and 187th Street. The Glenwood Marketplace will include a Chase Bank, which will open in December 2005. An AutoZone and an Aldi Food store will also occupy the Glenwood Marketplace with anticipated openings of Spring 2006.

The much anticipated opening of WalMart, on the corner of Halsted and Holbrook Road, will take place in August 2005, which will bring an increase to the sales tax revenues for the upcoming fiscal year.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Director of Finance, Village of Glenwood, One Asselborn Way, Glenwood, Illinois, 60425.

STATEMENT OF NET ASSETS

April 30, 2005

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 3,435,338	\$ 302,264	\$ 3,737,602
Investments	606,292	320,739	927,031
Receivables:			
Property Tax Receivable	1,547,448	-	1,547,448
Due from Other Governments	483,102	-	483,102
Interest Receivable	-	4,902	4,902
Accounts Receivable	131,118	215,101	346,219
Other Receivables	-	3,591	3,591
Inventories	-	19,045	19,045
Prepaid Items	-	498	498
Internal Balances	375,538	(375,538)	-
Deferred Amount on Refunding	-	178,757	178,757
Net Pension Asset	4,062	-	4,062
Capital Assets not being Depreciated	19,762,043	4,502,967	24,265,010
Capital Assets being Depreciated, net	7,912,422	9,913,189	17,825,611
Total Assets	34,257,363	15,085,515	49,342,878
LIABILITIES			
Accounts Payable	212,046	253,939	465,985
Accrued Payroll	163,304	10,734	174,038
Deposits Payable	80,883	111,583	192,466
Deferred Revenue	1,633,177	-	1,633,177
Interest Payable	28,019	123,353	151,372
Long-Term Obligations, Due within One Year:			
Compensated Absences	53,000	102,199	155,199
Capital Leases	146,759	68,460	215,219
Loan Payable	-	27,506	27,506
General Obligation Bonds	435,000	-	435,000
Alternative Revenue Bonds	320,000	120,000	440,000
Long-Term Obligations, Due in more than One Year:			
Compensated Absences	355,455	-	355,455
Capital Leases	466,882	124,576	591,458
Loan Payable	-	57,718	57,718
General Obligation Bonds	900,000	-	900,000
Alternative Revenue Bonds	3,075,000	5,675,000	8,750,000
Net Pension Obligation	25,523	-	25,523
Total Liabilities	7,895,048	6,675,068	14,570,116
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	22,330,824	8,342,896	30,673,720
Restricted for:			
Debt Service	1,010,385	-	1,010,385
Community Development	1,911,844	-	1,911,844
Road Projects	210,790	-	210,790
Unrestricted Net Assets	898,472	67,551	966,023
Total Net Assets	\$ 26,362,315	\$ 8,410,447	\$ 34,772,762

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS

STATEMENT OF ACTIVITIES
Year ended April 30, 2005

Functions/Programs Governmental Activities:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Fees, Fines & Charges for Services	Operating grants and contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
General Government	\$ 1,888,509	\$ 19,391	\$ 34,502	\$ (1,240,192)	\$	\$ (1,240,192)
Public Safety	3,428,906	17,681	34,485	(3,240,918)		(3,240,918)
Highway and Streets	266,361	259,207	-	(7,154)		(7,154)
Public Works	609,980	-	-	(586,640)		(586,640)
Buildings	284,215	-	-	(40,953)		(40,953)
Interest on Debt	176,002	-	-	(176,002)		(176,002)
Total Governmental Activities	6,653,973	296,279	68,987	(5,291,859)		(5,291,859)
Business-type Activities:						
Water Operations	2,014,677	-	-		\$ (986,986)	(986,986)
Sewer Operations	197,418	-	-		37,394	37,394
Golf Course Operations	1,427,085	-	-		(373,289)	(373,289)
Total Business-type Activities:	3,639,180	-	-		(1,322,881)	(1,322,881)
Total	\$ 10,293,153	\$ 296,279	\$ 68,987	(5,291,859)	(1,322,881)	(6,614,740)
General Revenues:						
Taxes:						
Property Taxes	3,488,968				-	3,488,968
Income Tax	627,635				-	627,635
Sales Tax	604,443				-	604,443
Utility Tax	837,496				-	837,496
Other Taxes	319,093				-	319,093
Investment Earnings	28,265				32,284	60,549
Other General Revenues	4,455				356,451	360,906
Total General Revenues	5,910,355				388,735	6,299,090
Change in Net Assets	618,496				(934,146)	(315,650)
Net Assets, Beginning of Year, as restated	25,743,819				9,344,593	35,088,412
Net Assets, End of Year	26,362,315				8,410,447	34,772,762

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2005

	Major Funds		Nonmajor Governmental Funds	Total
	General Fund	TIF Fund		
ASSETS				
Cash and Cash Equivalents	\$ 21,339	\$ 1,870,635	\$ 1,543,364	\$ 3,435,338
Investments	-	-	606,292	606,292
Receivables:				
Property Tax Receivable	1,106,452	-	440,996	1,547,448
Due from Other Governments	440,095	-	43,007	483,102
Accounts Receivable	128,416	-	2,702	131,118
Due from Other Funds	569,418	-	375,000	944,418
TOTAL ASSETS	<u>\$ 2,265,720</u>	<u>\$ 1,870,635</u>	<u>\$ 3,011,361</u>	<u>\$ 7,147,716</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 124,510	\$ 2,973	\$ 84,563	\$ 212,046
Accrued Payroll	163,304	-	-	163,304
Deposits	80,883	-	-	80,883
Due to Other Funds	565,000	-	3,880	568,880
Deferred Revenue	1,157,959	-	526,725	1,684,684
Total Liabilities	<u>2,091,656</u>	<u>2,973</u>	<u>615,168</u>	<u>2,709,797</u>
FUND BALANCE				
Reserved for Debt Service	-	-	1,038,404	1,038,404
Unreserved, reported in:				
General Fund	174,064	-	-	174,064
Special Revenue Funds	-	1,867,662	974,814	2,842,476
Capital Projects Funds	-	-	382,975	382,975
Total Fund Balance	<u>174,064</u>	<u>1,867,662</u>	<u>2,396,193</u>	<u>4,437,919</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,265,720</u>	<u>\$ 1,870,635</u>	<u>\$ 3,011,361</u>	<u>\$ 7,147,716</u>

VILLAGE OF GLENWOOD, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET ASSETS
April 30, 2005

Total fund balances - governmental funds		\$ 4,437,919
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital Assets	33,899,559	
Accumulated Depreciation	<u>(6,225,094)</u>	
Net Capital Assets		27,674,465
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Sales Taxes Receivable		51,507
Net Pension Asset is reported in the statement of net assets but is not a current financial resource and therefore is not reported in governmental funds.		
		4,062
Net Pension Liability is reported in the statement of net assets but is not a current financial resource and therefore is not reported in governmental funds.		
		(25,523)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		
		(28,019)
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 :		
Compensated Absences	(408,455)	
Capital Leases	(613,641)	
General Obligation Bonds	(1,335,000)	
Alternative Revenue Bonds	<u>(3,395,000)</u>	
Total Long-term Liabilities		<u>(5,752,096)</u>
Net assets of governmental activities		\$ <u>26,362,315</u>

VILLAGE OF GLENWOOD, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended April 30, 2005

	Major Funds		Nonmajor Governmental Funds	Total
	General Fund	TIF Fund		
Revenues				
Property Taxes	\$ 1,847,823	\$ 733,166	\$ 907,979	\$ 3,488,968
Licenses and Permits	452,642	-	117,338	569,980
Fines	110,454	-	-	110,454
Other Taxes	574,280	-	-	574,280
Intergovernmental	1,267,116	-	335,030	1,602,146
Interest	2,315	15,332	50,922	68,569
Charges for Services	890,291	-	-	890,291
Miscellaneous	292,831	-	17,741	310,572
Total Revenues	<u>5,437,752</u>	<u>748,498</u>	<u>1,429,010</u>	<u>7,615,260</u>
Expenditures				
Current:				
Administration	1,024,893	124	67,316	1,092,333
Building	294,260	-	-	294,260
Public Works	422,419	-	-	422,419
Parks	100,157	-	-	100,157
Police	2,333,909	-	14,212	2,348,121
Fire	968,244	-	-	968,244
E.S.D.A.	42,048	-	-	42,048
Senior Center	10,190	-	-	10,190
Highways and Streets	-	-	192,416	192,416
Pension Contributions	-	-	350,748	350,748
Debt Service:				
Principal Retired	-	-	735,000	735,000
Interest and Charges	-	-	193,248	193,248
Capital Outlay	-	610,156	126,377	736,533
Total Expenditures	<u>5,196,120</u>	<u>610,280</u>	<u>1,679,317</u>	<u>7,485,717</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>241,632</u>	<u>138,218</u>	<u>(250,307)</u>	<u>129,543</u>
Other Financing Sources (Uses)				
Transfers In	-	-	408,294	408,294
Transfers Out	(214,000)	-	(194,294)	(408,294)
Total Other Financing Sources (Uses)	<u>(214,000)</u>	<u>-</u>	<u>214,000</u>	<u>-</u>
Net Change in Fund Balances	27,632	138,218	(36,307)	129,543
Fund Balances at Beginning of Year	<u>146,432</u>	<u>1,729,444</u>	<u>2,432,500</u>	<u>4,308,376</u>
Fund Balances at End of Year	<u>\$ 174,064</u>	<u>\$ 1,867,662</u>	<u>\$ 2,396,193</u>	<u>\$ 4,437,919</u>

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
Year Ended April 30, 2005

Net change in total fund balances		\$ 129,543
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.		
The change from fiscal year 2004 to 2005 consists of Sales Taxes received from the State of Illinois.		7,957
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Decrease in long-term compensated absences	(68,270)	
Decrease in accrued interest on debt	17,246	
Total expenses of non-current resources		(51,024)
Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital Outlay	117,991	
Depreciation	(451,513)	
Capital expenditures in excess of depreciation		(333,522)
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.		
General Obligation Bonds Payable	310,000	
Alternative Revenue Bonds Payable	425,000	
Capital Leases Payable	130,542	
Total payment of principal on long-term debt		865,542
Change in net assets of governmental activities		<u>\$ 618,496</u>

VILLAGE OF GLENWOOD, ILLINOIS

STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
April 30, 2005

	Major Funds		Other Enterprise Fund	Total
	Water and Sewer Fund	Golf Course Fund	Golf Course Housing Project Fund	
ASSETS				
Cash and Cash Equivalents	\$ 190,630	\$ 111,634	\$ -	\$ 302,264
Investments	320,670	69	-	320,739
Receivables:				
Interest Receivable	4,902	-	-	4,902
Accounts Receivable	207,978	7,123	-	215,101
Other Receivables	-	3,591	-	3,591
Inventories	-	19,045	-	19,045
Prepaid Items	-	498	-	498
Due from Other Funds	715,000	562,265	-	1,277,265
Deferred Amount on Refunding	-	178,757	-	178,757
Capital Assets not being Depreciated	-	4,502,967	-	4,502,967
Capital Assets being Depreciated, net	7,135,257	2,331,719	446,213	9,913,189
TOTAL ASSETS	8,574,437	7,717,668	446,213	16,738,318
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts Payable	136,044	66,721	51,174	253,939
Accrued Payroll	7,291	3,443	-	10,734
Deposits	80,387	31,196	-	111,583
Due to Other Funds	-	1,090,538	562,265	1,652,803
Interest Payable	-	123,353	-	123,353
Long-Term Obligations, Due within One Year:				
Compensated Absences	76,304	25,895	-	102,199
Capital Leases	-	68,460	-	68,460
Loan Payable	-	27,506	-	27,506
Alternative Revenue Bonds	-	120,000	-	120,000
Long-Term Obligations, Due in more than One Year:				
Capital Leases	-	124,576	-	124,576
Loan Payable	-	57,718	-	57,718
Alternative Revenue Bonds	-	5,675,000	-	5,675,000
Total Liabilities	300,026	7,414,406	613,439	8,327,871
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	7,135,257	761,426	446,213	8,342,896
Unrestricted Net Assets	1,139,154	(458,164)	(613,439)	67,551
Total Net Assets	\$ 8,274,411	\$ 303,262	\$ (167,226)	\$ 8,410,447

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 ENTERPRISE FUNDS
 Year Ended April 30, 2005

	Major Funds		Other Enterprise Fund	Total
	Water and Sewer Fund	Golf Course Fund	Golf Course Housing Project Fund	
Operating Revenues				
Charges for Services	\$ 1,264,636	\$ 1,358,924	\$ -	\$ 2,623,560
Miscellaneous	49,190	-	-	49,190
Total Operating Revenues	<u>1,313,826</u>	<u>1,358,924</u>	<u>-</u>	<u>2,672,750</u>
Operating Expenses				
Operations	2,011,508	968,680	-	2,980,188
Depreciation	200,587	137,494	6,197	344,278
Total Operating Expenses	<u>2,212,095</u>	<u>1,106,174</u>	<u>6,197</u>	<u>3,324,466</u>
Operating Income (Loss)	<u>(898,269)</u>	<u>252,750</u>	<u>(6,197)</u>	<u>(651,716)</u>
Nonoperating Revenues and (Expenses)				
Interest Revenue	31,996	215	73	32,284
Interest Expense	-	(314,714)	-	(314,714)
Total Nonoperating Revenues and (Expenses)	<u>31,996</u>	<u>(314,499)</u>	<u>73</u>	<u>(282,430)</u>
Change in Net Assets	<u>(866,273)</u>	<u>(61,749)</u>	<u>(6,124)</u>	<u>(934,146)</u>
Net Assets at Beginning of Year, as Restated	<u>9,140,684</u>	<u>365,011</u>	<u>(161,102)</u>	<u>9,344,593</u>
Net Assets at End of Year	<u>\$ 8,274,411</u>	<u>\$ 303,262</u>	<u>\$ (167,226)</u>	<u>\$ 8,410,447</u>

VILLAGE OF GLENWOOD, ILLINOIS

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
Year Ended April 30, 2005

	Major Funds		Other Enterprise Fund	Total
	Water and Sewer Fund	Golf Course Fund	Golf Course Housing Project Fund	
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 1,321,777	\$ 1,371,615	\$ -	\$ 2,693,392
Cash Payments for Goods and Services	(1,579,755)	(691,774)	(91,582)	(2,363,111)
Cash Payments to Employees	(331,847)	(306,376)	-	(638,223)
Net Cash Provided by (Used in) Operating Activities	(589,825)	373,465	(91,582)	(307,942)
Cash Flows From Noncapital Financing Activities:				
Interfund borrowing	-	665,538	419,498	1,085,036
Interfund Lending	(283,150)	(419,498)	-	(702,648)
Net Cash Provided by (Used in) Noncapital Financing Activities	(283,150)	246,040	419,498	382,388
Cash Flows From Capital Financing Activities:				
Interest & fiscal charges	-	(300,188)	-	(300,188)
Repayment of Installment Contracts	-	(66,329)	-	(66,329)
Repayment of Loans Payable	-	(26,569)	-	(26,569)
Repayment of Alternative Revenue Bonds	-	(115,000)	-	(115,000)
Purchases of capital assets	(25,187)	-	(311,300)	(336,487)
Net Cash Provided by (Used in) Capital Financing Activities	(25,187)	(508,086)	(311,300)	(844,573)
Cash Flows From Investing Activities:				
Sales of Investments	495,980	-	-	495,980
Interest Revenue	31,996	215	73	32,284
Net Cash Provided by (Used in) Investing Activities	527,976	215	73	528,264
Net Increase (Decrease) in Cash	(370,186)	111,634	16,689	(241,863)
Cash and Cash Equivalents, Beginning of Year	560,816	-	(16,689)	544,127
Cash and Cash Equivalents, End of Year	\$ 190,630	\$ 111,634	\$ -	\$ 302,264
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (898,269)	\$ 252,750	\$ (6,197)	\$ (651,716)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	200,587	137,494	6,197	344,278
Decrease (Increase) in Accounts Receivable	7,951	12,691	-	20,642
Decrease (Increase) in Inventories	17,124	6,100	-	23,224
Increase (Decrease) in Accounts Payable	78,133	(43,680)	(91,582)	(57,129)
Increase (Decrease) in Accrued Payroll	1	2	-	3
Increase (Decrease) in Deposits Payable	(4,956)	4,140	-	(816)
Increase (Decrease) in Compensated Absences	9,604	3,968	-	13,572
Total Adjustments	308,444	120,715	(85,385)	343,774
Net Cash Provided by (Used in) Operating Activities	\$ (589,825)	\$ 373,465	\$ (91,582)	\$ (307,942)

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
April 30, 2005

	Pension <u>Trust Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 913,193
Investments	<u>5,188,680</u>
TOTAL ASSETS	<u>\$ 6,101,873</u>
NET ASSETS	
Plan Net Assets Held in Trust for Pension Benefits	<u>\$ 6,101,873</u>

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
Year ended April 30, 2005

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions	
Employer	\$ 253,902
Plan Members	<u>269,943</u>
Total Contributions	<u>523,845</u>
Net Investment Income	<u>8,650</u>
Total Additions	<u>532,495</u>
DEDUCTIONS	
Benefits & Refunds	325,401
Administrative Expenses	<u>82,470</u>
Total Deductions	<u>407,871</u>
Increase (Decrease) in Net Assets	124,624
Plan Net Assets at Beginning of Year	<u>5,977,249</u>
Plan Net Assets at End of Year	<u>\$ 6,101,873</u>

See accompanying notes to financial statements.

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

The Village of Glenwood (the "Village") operates under a Board-Manager form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies and the presentation of the basic financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") 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 significant accounting policies.

Financial Reporting Entity: The Village has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" under which these basic financial statements include all organizations, activities, functions and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden with the Village. The component units included in these financial statements are discussed below.

In conformity with GAAP, the Village's Police and Firefighters' Pension funds have been included as blended component units in the Village's basic financial statements. Although they are separate legal entities, these funds exist to provide pension benefits for the Village's police officers and firefighters. Thus, the financial information of these two funds has been blended within the Village's basic financial statements.

Adoption of New Reporting Standards:

The Village has implemented new accounting standards beginning May 1, 2004 for its fiscal year ending April 30, 2005. These standards include GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures* and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

The standards have established new financial reporting requirements for state and local governments throughout the United States. They require new information and restructure much of the information that the Village had presented in the past. Comparability with reports issued in all prior years has been affected.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Basis of Presentation - Fund Accounting:

The Village's basic financial statements consist of Village-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The Village-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Village-wide Financial Statements - The statement of net assets and the statement of activities display information about the Village as a whole. In the Village-wide statement of net assets, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Village-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

Fund Financial Statements - The financial transactions of the Village are recorded in individual funds. A fund is defined, as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Measurement Focus And Basis Of Accounting:

Village-wide Financial Statements - The Village-wide financial statements, component unit financial statements, and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the Village applies all GASB pronouncements and all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

For purpose of the statement of cash flows, the Village considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. "Cash and cash equivalents" includes cash on hand, savings accounts and checking accounts.

The Village has reported three categories of program revenues in the statement of activities (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net assets to remove the "grossing-up" effect on assets and liabilities within the governmental and business-type activities columns for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental or proprietary funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net assets as accounts receivable or payable to external parties.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Village considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Nonexchange transactions, in which the Village receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Deferred revenue is reported on the governmental fund balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria. Deferred revenues also arise when resources are received prior to the government having a legal claim to them. In a subsequent period, when both recognition criteria are met, or when the government has a legal claim to the resources, the liability is removed and the revenue recognized.

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the Village-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the Village-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund

Tax Increment Financing District Fund – (a special revenue fund) is used to account for revenues derived from the special Tax Increment Financing District to pay development cost and retire debt.

Proprietary Funds

Proprietary funds account for the Village's ongoing activities which are similar to those often found in the private sectors where the determination of net income is necessary or useful to sound financial administration, or where service from such activities can be provided either to outside parties or to other departments within the Village. The Enterprise Funds represent the proprietary fund of the Village.

The Village reports the following major proprietary funds:

Water and Sewer Fund – This fund accounts for the revenues and expenses related to the operation of the Village's water and sewer enterprise. Revenues are generated through charges to users based upon water consumption.

Golf Course Fund – This fund accounts for the revenues and expenses related to the operation of the Glenwoodie Golf Course. Revenues are generated through charges to users based on rounds played and concessions purchased.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the Pension Trust Funds.

In addition to the major funds mentioned above, the Village uses the following fund types:

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Governmental Fund Types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

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

Capital Projects Funds - The Capital Projects Funds are used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds.

Budgets: Budgets are adopted on a basis consistent with GAAP. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Village Manager submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted by the Village to obtain taxpayer comments.
- c) Subsequently, the budget is adopted by the Village Board. This is the Village's legal budgetary document. The budget ordinance is enacted through passage of a Village ordinance.
- d) Formal budgetary integration is employed as a management control device during the year for all governmental funds.
- e) Budgets for all governmental funds are adopted on a basis consistent with generally accepted accounting principles.
- f) Appropriations lapse at year-end.
- g) Transfers between line items and departments may be made by administrative action, however, amounts to be transferred between funds would require Village Board approval. The level of legal control is the individual fund budget in total.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

- h) Budgeted amounts are as originally adopted, with the exceptions of Board approved transfers which were not material in relation to the budget taken as a whole.
- i) The Village adopts budgets for the General, Special Revenue, Debt Service and Enterprise Fund Types except for the Police Forfeiture Fund, Main Street TIF Fund (Special Revenue fund type) and Golf Course Housing Project Fund (Enterprise Fund). No budgets were adopted for the Capital Projects Funds.

Cash and Cash Equivalents: Cash and cash equivalents include demand deposits and investments with a maturity date of less than three months when acquired by the Village.

Investments: Investments are stated at fair value.

Inventories: Inventory is stated at the lower of cost or market determined on the first in - first out basis.

Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the Village-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	75-100 Years
Improvements and Equipment	10 Years
Infrastructure - Bridges	80 Years
Infrastructure - Roads	80 Years
Infrastructure - Water and Sewer	75-100 Years
Vehicles and Equipment	15 Years

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Compensated Absences: Accumulated unpaid compensated absences are accrued as liabilities in proprietary funds using the accrual basis of accounting. For governmental funds using the modified accrual basis of accounting, such amounts, which are expected to be paid from current available resources, are accrued as liabilities of the funds and those amounts which are not expected to be paid from current available resources, are accounted for in the statement of net assets.

Interfund Receivables and Payables:

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of interfund loans or "advances to/from other funds" for the non-current portion of interfund loans. All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the Village-wide financial statements as "internal balances". All receivables are shown net of an allowance for uncollectibles.

Prepaid Items:

Certain payments reflect costs to future periods and are recorded as prepaid items in both the Village-wide and governmental fund financial statements.

Long-term Debt:

In the Village-wide financial statements and in the proprietary funds in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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 are reported as debt service expenditures.

Net Assets/Fund Equity:

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction of improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

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. Designations of fund balance represent tentative management plans that are subject to change.

Use of Estimates: The preparation of the basic financial statements in conformity with GAAP requires Village's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and/or the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates, but the Village believes that the differences would be insignificant.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

The Village's investment policy is to establish cash management and investment guidelines for Village officials responsible for the stewardship of public funds. The Village has established specific objectives to meet their guidelines.

The Village deposits and invests all its monies in investments allowed by state statutes. The statutes authorize the Village to make deposits in commercial banks and savings and loan institutions, and to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, and life insurance company contracts.

Cash and Cash Equivalents: As of April 30, 2005, the carrying amount of the Village's deposits were \$5,576,589 with bank balances of \$5,779,774. All of the bank balances were covered by federal depository insurance or collateralized with securities held by the Village or its agent in the Village's name. In addition, the Village had \$1,235 of cash on hand.

Investments: The Village's investments are categorized below to give an indication of the level of risk assumed by the Village. Category 1 includes securities that are insured or registered or the securities are held by the Village or its agent in the Village's name. Category 2 includes securities that are held by the counterparty's trust department or agent in the Village's name. Category 3 includes securities that are held by the counterparty, or by its trust department or agent but not in the Village's name.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

	Category 1	Category 2	Category 3	Fair Value/ Carrying Amount
United States Treasury Strips	\$ 73,345	\$ -	\$ -	\$ 73,345
G.N.M.A.	441,618	-	-	441,618
Total U.S. Gov't Securities	<u>\$ 514,963</u>	<u>\$ -</u>	<u>\$ -</u>	514,963
Investments not subject to the risk categorization:				
Mutual Funds				2,262,882
Annuities				<u>2,410,837</u>
				<u>\$ 5,188,682</u>

The above cash, cash equivalents and investments are reconciled to the basic financial statements of the Village as follows:

<u>Basic Statements:</u>		<u>Notes:</u>	
Statement 1		Carrying amount of deposits	\$ 5,576,589
Cash and Cash Equivalents	\$ 3,737,602	Cash on Hand	1,235
Investments	927,031	Fair Value of Investments	<u>5,188,682</u>
Statement 10		Total per Note 2	<u>\$ 10,766,506</u>
Cash and Cash Equivalents	913,193		
Investments	<u>5,188,680</u>		
Total Basic Statements	<u>\$ 10,766,506</u>		

NOTE 3 - PROPERTY TAXES

Property Taxes: The property taxes receivable represents the uncollected portion of the 2004 tax levy which attached as an enforceable lien on January 1, 2004. The tax levy ordinance was approved on December 16, 2004. Tax bills are prepared by the county and issued on or about February 1, 2005 and September 1, 2005 and are payable in two installments, on or about March 1, 2005 and October 1, 2005. The county collects such taxes and periodically remits them to the Village. The property tax revenue in the current year financial statements reflects the collections of half of the 2003 and half of the 2004 levies. A reduction for collection losses, based on historical collections, has been applied to reduce property taxes receivable to the estimated amount to be collected.

Property taxes accounted for in the governmental fund types are recognized as revenue as they become both measurable and available (modified accrual). Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter is not to exceed 60 days. Property taxes levied in the current year which are not collected at year end are not used to pay liabilities of the current period. Therefore, this revenue does not meet the "available" criterion and is reported as deferred revenue.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 4 - CAPITAL ASSETS

A summary of changes in Governmental capital assets follows:

	Balance at May 1, 2004	Additions	Deletions	Balance at April 30, 2005
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 19,762,043	\$ -	\$ -	\$ 19,762,043
Capital Assets Being Depreciated:				
Improvements	1,248,620	6,360	-	1,254,980
Buildings	4,594,767	-	-	4,594,767
Machinery and equipment	3,178,643	111,631	-	3,290,274
Infrastructure	4,997,495	-	-	4,997,495
Subtotal	<u>14,019,525</u>	<u>117,991</u>	<u>-</u>	<u>14,137,516</u>
Accumulated Depreciation				
Improvements	(774,583)	(62,146)	-	(836,729)
Buildings	(1,044,230)	(80,869)	-	(1,125,099)
Machinery and equipment	(1,229,473)	(233,493)	-	(1,462,966)
Infrastructure	(2,725,295)	(75,005)	-	(2,800,300)
Subtotal	<u>(5,773,581)</u>	<u>(451,513)</u>	<u>-</u>	<u>(6,225,094)</u>
Total Capital Assets Being Depreciated, net	<u>8,245,944</u>	<u>(333,522)</u>	<u>-</u>	<u>7,912,422</u>
Governmental Activities Capital Assets, net	<u>\$ 28,007,987</u>	<u>\$ (333,522)</u>	<u>\$ -</u>	<u>\$ 27,674,465</u>

Depreciation expense of \$451,513 was charged to the governmental activities functional expense categories as follows:

<u>Governmental Activities:</u>	<u>Depreciation</u>
General Government	\$ 49,860
Public Safety	191,419
Highway and Streets	73,945
Public Works	134,330
Buildings	1,959
Total	<u>\$ 451,513</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 4 - CAPITAL ASSETS (Continued)

A summary of changes in Business-type Activities capital assets follows:

	Balance at May 1, 2004	Additions	Deletions	Balance at April 30, 2005
Business-Type Activities:				
Capital Assets not being depreciated:				
Land	\$ 4,502,967	\$ -	\$ -	\$ 4,502,967
Construction in Progress	376,470	-	376,470	-
Total capital assets not being depreciated:	4,879,437	-	376,470	4,502,967
Capital assets being depreciated:				
Improvements	1,537,404	110,620	-	1,648,024
Buildings	1,154,845	554,160	-	1,709,005
Machinery and equipment	500,008	48,177	-	548,185
Infrastructure	14,023,679	-	-	14,023,679
Subtotal	17,215,936	712,957	-	17,928,893
Accumulated Depreciation				
Improvements	(441,408)	(79,919)	-	(521,327)
Buildings	(239,304)	(42,871)	-	(282,175)
Machinery and equipment	(220,069)	(32,149)	-	(252,218)
Infrastructure	(6,770,645)	(189,339)	-	(6,959,984)
Subtotal	(7,671,426)	(344,278)	-	(8,015,704)
Total capital assets being depreciated, net	9,544,510	368,679	-	9,913,189
Business-Type Activities Capital Assets, net	\$ 14,423,947	\$ 368,679	\$ 376,470	\$ 14,416,156

Depreciation expense of \$344,278 was charged to the business-type activities functional expense categories as follows:

<u>Business-Type Activities:</u>	<u>Depreciation</u>
Water Operations	\$ 106,974
Sewer Operations	93,613
Golf Course Operations	143,691
Total	\$ 344,278

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 5 - LONG-TERM DEBT

The following is a summary of the changes in the long-term debt of the Village for the year ended April 30, 2005.

	Governmental Activities			Ending Balance	Due Within One Year
	Beginning Balance	Additions	Retirements		
General Obligation Bonds:					
G.O. Refunding Bonds, Series 2002	\$ 1,760,000	\$ -	\$ 425,000	\$ 1,335,000	\$ 435,000
Alternative Revenue Bonds:					
Series 1998A Motor Fuel Tax Bonds	945,000	-	175,000	770,000	180,000
Series 1998B Village Hall Const. Bonds	<u>2,760,000</u>	-	<u>135,000</u>	<u>2,625,000</u>	<u>140,000</u>
Total Alternative Revenue Bonds	<u>3,705,000</u>	-	<u>310,000</u>	<u>3,395,000</u>	<u>320,000</u>
Capital Leases	744,183	-	130,542	613,641	146,759
Compensated Absences	<u>340,185</u>	<u>408,455</u>	<u>340,185</u>	<u>408,455</u>	<u>53,000</u>
Total Governmental Activities	<u>\$ 6,549,368</u>	<u>\$ 408,455</u>	<u>\$ 1,205,727</u>	<u>\$ 5,752,096</u>	<u>\$ 954,759</u>
Business-type Activities					
Alternative Revenue Bonds:					
Golf Course Bonds, Series 2001	\$ 5,910,000	-	\$ 115,000	\$ 5,795,000	\$ 120,000
Installment Contracts:					
Lawn Mowers	40,929	-	13,440	27,489	14,459
Golf Carts, 2003	<u>218,436</u>	-	<u>52,889</u>	<u>165,547</u>	<u>54,001</u>
Total Installment Contracts	<u>259,365</u>	-	<u>66,329</u>	<u>193,036</u>	<u>68,460</u>
Compensated Absences	88,627	102,199	88,627	102,199	102,199
Loan Payable	<u>111,793</u>	-	<u>26,569</u>	<u>85,224</u>	<u>27,506</u>
Total Business-type Activities	<u>\$ 6,369,785</u>	<u>\$ 102,199</u>	<u>\$ 296,525</u>	<u>6,175,459</u>	<u>\$ 318,165</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 5 - LONG-TERM DEBT (Continued)

Details of the Governmental Activities long term debt as of April 30, 2005 follow:

General Obligation Bonds:

General Obligation Refunding Bonds, Series 2002, dated October 1, 2002 due in annual installments of \$405,000 to \$455,000 through December 1, 2008; interest at 3.75% to 4.25%. The debt is paid from the 1992 Debt Service Fund from tax revenues.

Alternative Revenue Bonds:

Alternative Revenue Bonds, series 1998A Motor Fuel Tax Bonds due in annual installments of \$165,000 to \$205,000 through December 1, 2009; interest at 3.75% to 4.10%. The debt is paid from the 1998 MFT Bond Fund from motor fuel tax revenues.

Alternative Revenue Bonds, series 1998B Village Hall Construction Bonds due in annual installments of \$125,000 to \$250,000 through December 1, 2019; interest at 3.75% to 4.65%. The debt is paid from the 1998B Bond Fund from utility tax revenues.

Capital Lease for photocopier due in annual installments of \$1,265 through fiscal year 2007; interest at 5.00%.

Capital Lease for fire trucks due in annual installments of \$164,711 through fiscal year 2009; interest at 3.00%.

Details of the Business-type Activities long term debt are as of April 30, 2005 follow:

General obligation bonds, series 2001, dated May 1, 2001 due in annual installments of \$110,000 to \$395,000 through December 1, 2031; interest at 3.00% to 5.38%. The debt is paid from the Golf Course Fund from golf revenues. The debt is paid from the Golf Course Fund.

Installment contract for the purchase of lawn mowers with due in monthly installments through fiscal year 2007; interest at 5.90%. The debt is paid from the Golf Course Fund.

Installment contract for the purchase of golf carts with due in monthly installments through fiscal year 2008; interest 5.0%. The debt is paid from the Golf Course Fund.

Loan for the purchase of golf carts with due in monthly installments through fiscal year 2008; interest 3.47%. The debt is paid from the Golf Course Fund.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 5 - LONG-TERM DEBT (Continued)

The annual payments to retire interest-bearing debt as of April 30, 2005 are as follows:

Governmental Activities									
Due in Fiscal Year	Alternative Revenue Bonds Series 1998A		Alternative Revenue Bonds Series 1998B		General Obligation Refunding Bonds 2002		Capital Lease 2003		Total Governmental
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Debt Service
2006	\$ 180,000	\$ 31,013	\$ 140,000	\$ 115,128	\$ 435,000	\$ 30,330	\$ 146,759	\$ 19,650	\$ 1,097,880
2007	190,000	23,903	145,000	109,598	445,000	22,065	151,342	15,097	1,102,005
2008	195,000	16,303	155,000	103,798	455,000	11,830	155,859	10,267	1,103,057
2009	205,000	8,405	160,000	97,520	-	-	159,681	5,030	635,636
2010	-	-	165,000	90,960	-	-	-	-	255,960
2011-2015	-	-	935,000	343,390	-	-	-	-	1,278,390
2016-2020	-	-	925,000	110,098	-	-	-	-	1,035,098
Totals	\$ 770,000	\$ 79,624	\$ 2,625,000	\$ 970,492	\$ 1,335,000	\$ 64,225	\$ 613,641	\$ 50,044	\$ 6,508,026

Business-type Activities									
Due in Fiscal Year	General Obligation Bonds Series 2001		2003 Note Payable		2001 Golf Equipment Lease		2003 Golf Cart Lease		Total Business-type
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Debt Service
2006	\$ 120,000	\$ 296,049	\$ 27,506	\$ 2,520	\$ 15,460	\$ 1,526	\$ 54,001	\$ 5,554	\$ 522,616
2007	120,000	291,488	28,474	1,552	12,029	437	55,165	3,201	512,346
2008	125,000	286,689	29,244	549	-	-	56,381	739	498,602
2009	130,000	281,563	-	-	-	-	-	-	411,563
2010	140,000	276,103	-	-	-	-	-	-	416,103
2011-2015	785,000	1,282,630	-	-	-	-	-	-	2,067,630
2016-2020	1,000,000	1,069,360	-	-	-	-	-	-	2,069,360
2021-2025	1,305,000	767,914	-	-	-	-	-	-	2,072,914
2026-2030	1,675,000	385,014	-	-	-	-	-	-	2,060,014
2031	395,000	21,231	-	-	-	-	-	-	416,231
Totals	\$ 5,795,000	\$ 4,958,041	\$ 85,224	\$ 4,621	\$ 27,489	\$ 1,963	\$ 165,547	\$ 9,494	\$ 11,047,379

Defeasance of Debt

In fiscal year 2002, the Village issued \$2,170,000 of general obligation refunding bonds series 2002, to advance refund \$2,125,000 of the Village's Series 1992 Sewer Bonds. The proceeds from the 2002 bonds have been placed in an irrevocable trust with an escrow agent who purchased U.S. Government securities to provide for the future debt service payments. As a result, \$2,125,000 of the bonds listed above are considered to be defeased and the liability for these bonds have been removed from the financial statements. As of April 30, 2005 \$2,125,000 of the Series 1992 bonds were outstanding.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 5 - LONG-TERM DEBT (Continued)

In prior years, the Village defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Village's financial statements. As of April 30, 2005, \$605,000 of bonds outstanding are considered defeased.

Legal Debt Margin

A computation of the legal debt margin of the Village as of April 30, 2005, is as follows:

Assessed valuation - 2004 tax year	\$	111,301,667
Legal debt limit - 8.625% of assessed valuation		9,599,769
General Obligation Bonds	1,335,000	
Total debt subject to debt limit		<u>1,335,000</u>
Legal Debt Margin	\$	<u>8,264,769</u>

NOTE 6 - PENSION AND RETIREMENT PLAN COMMITMENTS

Illinois Municipal Retirement Fund:

The Village's defined benefit pension plan, Illinois Municipal Retirement (IMRF) provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent-multiple-employer pension plan that acts as a common investment and administrative agent for local Governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for calendar year 2004 was 8.15 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2004 was 10 years.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
 NOTES TO THE FINANCIAL STATEMENTS
 April 30, 2005

NOTE 6 - PENSION AND RETIREMENT PLAN COMMITMENTS (Continued)

For December 31, 2004, the Village's annual pension cost of \$108,780 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2002 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2004 actuarial valuation were based on the 1999-2001 experience study. Trend information follows:

TREND INFORMATION - IMRF

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2004	\$ 108,780	100%	\$ -
12/31/2003	78,558	100%	-
12/31/2002	48,958	100%	-
12/31/2001	44,980	100%	-
12/31/2000	89,482	100%	-
12/31/1999	78,142	100%	-
12/31/1998	77,425	100%	-
12/31/1997	75,545	100%	-
12/31/1996	66,326	100%	-
12/31/1995	59,898	100%	-

Police Pension:

Plan Description:

Police sworn personnel are covered by the Police Pension Fund, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Police Pension Fund does not issue its own stand-alone financial statements. At April 30, 2003, the Police Pension Fund membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet receiving them	11
Current Employees Vested and Nonvested	<u>17</u>
TOTAL	<u><u>28</u></u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 6 - PENSION AND RETIREMENT PLAN COMMITMENTS (Continued)

The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

The Police Pension Fund provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as additions in the period in which employee services are performed.

Method Used to Value Investments

Fixed-income securities are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Contributions:

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 6 - PENSION AND RETIREMENT PLAN COMMITMENTS (Continued)

Concentrations of Investments:

The Police Pension Fund has the following investments, other than those issued or guaranteed by the U.S. Government which represents 5% or more of net assets:

American Legacy	\$	426,924
Jefferson Pilot Life		274,662
AmCap Fund Inc.		285,445
Fundamental Investors A		290,120
Growth Fund of America		288,310
Washington Mutual		291,776
Prosaver Plantinum		251,820

Change in Net Pension Obligation for the past two fiscal years:

	April 30, 2003	April 30, 2002
Annual required contribution	\$ 166,140	\$ 136,034
Interest on net pension obligation	161	(30)
Adjustment to annual required contribution	(92)	17
Annual pension cost	166,209	136,021
Contributions made	142,983	133,294
Increase (decrease) in net pension obligation	23,226	2,727
Net pension obligation beginning of year	2,297	(430)
Net pension obligation end of year	<u>\$ 25,523</u>	<u>\$ 2,297</u>

The Net Pension Obligation has been recorded in the Statement of Net Assets.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 6 - PENSION AND RETIREMENT PLAN COMMITMENTS (Continued)

Firefighters' Pension:

Plan Description:

Firefighter sworn personnel are covered by the Firefighters' Pension Fund which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Firefighters' Pension Fund does not issue its own stand-alone financial statements. At April 30, 2003, the Firefighters' Pension Fund membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	1
Current Employees	
Vested and nonvested	<u>4</u>
TOTAL	<u><u>5</u></u>

The following is a summary of the Firefighters' Pension Fund as provided for in Illinois State Statutes.

The Firefighters' Pension Fund provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement.

The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1% of such monthly service for each additional month over 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a Firefighter who retired with 30 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as additions in the period in which employee services are performed.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 6 - PENSION AND RETIREMENT PLAN COMMITMENTS (Continued)

Method Used to Value Investments

Fixed-income securities are reported at fair value. Short-term investments are reported at cost which approximates fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Contributions:

Covered employees are required to contribute 8.455% of their salary to the Firefighters' Pension Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts (not less than 9 1/4%) necessary to finance the plan as actuarially determined by an enrolled actuary.

Concentrations of Investments:

The Firefighters' Pension Fund has the following investments, other than those issued or guaranteed by the U.S. Government which represent 5% or more of net assets:

Guardian Investor	\$	135,801
ING Annuity		159,474

Current Year Annual Pension Cost and Net Pension Obligation:

The net pension obligation at April 30, 2003 was comprised of the following:

	April 30, 2003	April 30, 2002
Annual Required Contribution (ARC)	\$ 54,273	\$ 54,273
Interest on the NPO	-	-
Adjustment to the ARC	-	-
Annual Pension Cost	54,273	54,273
Contribution	58,335	54,273
Decrease in net pension obligation	(4,062)	-
Net Pension Obligation at Beginning of the Year	-	-
Net Pension Obligation at End of the Year	<u>\$ (4,062)</u>	<u>\$ -</u>

The Net Pension Asset has been recorded in the Statement of Net Assets.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 7 - DEFERRED COMPENSATION PLAN

The Village offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to certain Village employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination/retirement, death, or unforeseeable emergency. With the adoption of GASB Statement No. 32, the Village no longer reports this fund in its financial statements.

NOTE 8 - 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 TIF districts.

NOTE 9 - WATER PURCHASE RIGHTS

In prior years, the Board of Trustees approved a water purchase contract between the Village and the City of Chicago Heights, Illinois (Chicago Heights). The contract expires in July 2014 and provides that Chicago Heights will deliver lake water to the Village at a point of delivery within the Village limits.

NOTE 10 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Village carries commercial insurance for all risks except for workers' compensation and employee health and accident claims. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

The Village pays annual premiums to the Illinois Public Risk Fund (IPRF), which is an organization of public entities, which have formed as an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The Village pays annual premiums to the IPRF for its workers' compensation.

The member agreement provides that IPRF will be self-sustaining through member premiums and provides coverage of \$2,500,000 with an additional \$15,000,000 of insurance provided by an umbrella policy. The Village, along with IPRF's other members, has a contractual obligation to fund any deficit of IPRF attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits. There were no supplemental contributions paid in the previous three years.

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 10 - RISK MANAGEMENT (Continued)

IPRF is governed by a five-person board of trustees. None of its members have any direct equity interest in IPRF.

The Village is self-insured for employee health and accident claims. A purchased insurance policy limits the aggregate claims the Village may potentially pay to \$25,000 per individual. All administration and claims processing is done by an independent administrator.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are estimated based on historical cost information and include an amount for claims that have been incurred but not reported.

A reconciliation of claims payable for the current year and that of the preceding year is as follows:

	<u>2004</u>	<u>2005</u>
Claims payable, beginning of year	\$ 71,627	\$ 76,042
Claims incurred and changes in estimate	425,567	371,108
Claims paid	<u>(444,006)</u>	<u>(375,523)</u>
Claims payable, end of year	<u>\$ 53,188</u>	<u>\$ 71,627</u>

The claims payable are listed as part of the General Fund's accounts payable balance as of April 30, 2005.

NOTE 11 - OTHER INDIVIDUAL FUND DISCLOSURES

Transfers

The following transfers were made during the fiscal year:

	<u>Transfer In</u>	<u>Transfer Out</u>
Major Governmental Funds:		
General Fund	\$ -	\$ 214,000
Nonmajor Governmental Funds	<u>408,294</u>	<u>194,294</u>
Total Transfers	<u>\$ 408,294</u>	<u>\$ 408,294</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
 NOTES TO THE FINANCIAL STATEMENTS
 April 30, 2005

NOTE 11 - OTHER INDIVIDUAL FUND DISCLOSURES

Interfund receivables and payables

The following individual interfund receivable and payable balances as of April 30, 2005 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Governmental Funds:		
General Fund	\$ 569,418	\$ 565,000
Nonmajor Governmental Funds	375,000	3,880
Major Enterprise Funds:		
Water and Sewer Fund	715,000	
Golf Course Fund	562,265	(1,090,538)
Nonmajor Enterprise Fund	-	562,265
Total Interfunds	<u>\$ 2,221,683</u>	<u>\$ 2,221,683</u>

Excess over Budgets

The following funds had an excess of expenditures/expenses/deductions over budget:

<u>Fund</u>	<u>Amount in excess of budget</u>
Road and Bridge Fund	\$ 15,902
Emergency 911 Fund	67,316
Series 1992 Bond Fund	2,658
Series 1998A Bond Fund	750

Deficit Equity Balances

The following funds had deficit equity balances:

<u>Fund</u>	<u>Amount</u>
Community Development Block Grant Fund	\$ 7,666
New Village Hall Fund	83
Golf Course Housing Project Fund	167,226

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2005

NOTE 11 - OTHER INDIVIDUAL FUND DISCLOSURES (Continued)

Restatement of beginning equity:

As a result of implementing GASB Statement Number 34, the Village restated the beginning equity of the Water and Sewer Fund, Golf Course Fund and the Governmental Activities, as follows:

	Water and Sewer Fund	Golf Course Fund	
Equity 4/30/04	\$ 9,935,390	\$ (852,020)	
Restatements:			
Capital Assets	<u>(794,706)</u>	<u>1,217,031</u>	
Equity 5/1/04, as restated	<u>\$ 9,140,684</u>	<u>\$ 365,011</u>	
Fund Balances, All Governmental Funds, 4/30/04			\$ 4,308,376
Restatements for:			
Capital Assets			28,007,987
Long term Debt			(6,549,368)
Net Pension Asset			4,062
Net Pension Obligation			(25,523)
Interest Payable			(45,265)
Deferred Revenue			<u>43,550</u>
Beginning Net Assets, Governmental Activities 5/1/04			<u>\$ 25,743,819</u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF GLENWOOD, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 ANALYSIS OF FUNDING PROGRESS
 ILLINOIS MUNICIPAL RETIREMENT FUND
 APRIL 30, 2005

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payoroll ((b-a)/c)
12/31/04	\$ 2,065,847	\$ 2,106,774	\$ 40,927	98.06%	\$ 1,334,730	3.07%
12/31/03	2,067,548	1,990,695	(76,853)	103.86%	1,279,445	-6.01%
12/31/02	1,861,530	1,722,836	(138,694)	108.05%	1,174,066	-11.81%
12/31/01	1,748,653	1,437,891	(310,762)	121.61%	1,038,798	-29.92%
12/31/00	1,756,899	1,372,898	(384,001)	127.97%	904,770	-42.44%
12/31/99	1,615,161	1,352,496	(262,665)	119.42%	848,456	-30.96%
12/31/98	1,237,186	1,346,318	109,132	91.89%	851,757	12.81%
12/31/97	1,103,349	1,313,270	209,921	84.02%	766,660	27.38%
12/31/96	1,315,840	1,421,844	106,004	92.54%	694,517	15.26%
12/31/95	1,215,467	1,296,400	80,933	93.76%	640,621	12.63%

On a market value basis, the actuarial value of assets as of December 31, 2004 is \$2,070,976. On a market basis, the funded ratio would be 98.30%.

* Digest of Changes

2004 Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2004 are based on the 1999-2001 experience study.

The principal changes were:

- Fewer members are expected to take refunds early in their career.
- For Regular members, fewer normal and early retirements are expected to occur

VILLAGE OF GLENWOOD, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 ANALYSIS OF FUNDING PROGRESS
 PENSION TRUST FUNDS
 APRIL 30, 2005

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1)/(2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3)/(5)
<u>Police Pension Fund</u>						
4/30/2003	\$ 4,471,682	\$ 6,105,292	\$ 1,633,610	73.24%	\$ 734,137	222.52%
4/30/2002	4,710,619	6,559,688	1,849,069	71.81%	690,113	267.94%
4/30/2001	5,002,538	6,112,691	1,110,153	81.84%	790,939	140.36%
4/30/1999	4,847,252	5,246,623	399,371	92.39%	784,201	50.93%
<u>Firefighters' Pension Fund</u>						
4/30/2003	\$ 1,163,341	\$ 1,512,169	\$ 348,828	76.93%	\$ 230,186	151.54%
4/30/2002	1,098,659	1,340,404	241,745	81.96%	200,970	120.29%
4/30/2001	N/A	N/A	N/A	N/A	N/A	N/A
4/30/1999	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Information has not been prepared.

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, and the unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the unfunded actuarial accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded actuarial accrued liability and covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effect of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

VILLAGE OF GLENWOOD, ILLINOIS
 SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION TRUST FUNDS
 YEAR ENDED APRIL 30, 2005

Fiscal Year <u>Ended</u>	POLICE PENSION				FIREFIGHTERS' PENSION			
	Annual Pension <u>Cost</u>	Annual Contributions <u>Made</u>	Percentage <u>Contributed</u>	Net Pension <u>Obligation</u>	Annual Pension <u>Cost</u>	Annual Contributions <u>Made</u>	Percentage <u>Contributed</u>	Net Pension <u>Obligation</u>
4/30/2003	\$ 166,209	\$ 142,983	86.0%	\$ 25,523	\$ 54,273	\$ 58,335	107.5%	\$ (4,062)
4/30/2002	136,021	133,294	98.0%	2,297	54,273	54,273	100.0%	-
4/30/2001	135,484	118,628	87.6%	(430)	N/A	N/A	N/A	N/A
4/30/1999	104,601	112,459	107.5%	(17,286)	N/A	N/A	N/A	N/A

N/A - Information has not been prepared.

The information presented in the required supplementary schedules was determined as a part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

	<u>Police Pension</u>	<u>Fire Pension</u>
Actuarial Valuation Date	April 30, 2003	April 30, 2003
Actuarial Cost Method	Entry age	Entry age
Amortization Method	Level % payroll	Level % payroll
Remaining Amortization Period	30	30
Actuarial Valuation Method	Market	Market
Significant Actuarial Assumptions:		
a) Rate of return on investments of present and future assets	7.0% compounded annually	7.0% compounded annually
b) Projected salary increases - attributable to inflation	5.5% compounded annually	5.5% compounded annually
c) Cost-of-living adjustments	3.0%	3.0%

VILLAGE OF GLENWOOD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND AND MAJOR SPECIAL REVENUE FUND
 Year Ended April 30, 2005

	General Fund			TIF Fund		
	Original & Final Budget	Actual	Variance from Budget Positive (Negative)	Original & Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues						
Property Taxes	\$ 2,001,651	\$ 1,847,823	\$ (153,828)	\$ 500,000	\$ 733,166	\$ 233,166
Licenses and Permits	300,300	452,642	152,342	-	-	-
Fines	106,200	110,454	4,254	-	-	-
Other Taxes	618,000	574,280	(43,720)	-	-	-
Intergovernmental	1,170,000	1,267,116	97,116	-	-	-
Interest	2,000	2,315	315	10,000	15,332	5,332
Charges for Services	383,368	890,291	506,923	-	-	-
Miscellaneous	376,401	292,831	(83,570)	-	-	-
Total Revenues	<u>4,957,920</u>	<u>5,437,752</u>	<u>479,832</u>	<u>510,000</u>	<u>748,498</u>	<u>238,498</u>
Expenditures						
Current:						
Administration	1,236,272	1,024,893	211,379	5,700	124	5,576
Building	330,339	294,260	36,079	-	-	-
Public Works	440,178	422,419	17,759	-	-	-
Parks	112,550	100,157	12,393	-	-	-
Police	2,255,941	2,333,909	(77,968)	-	-	-
Fire	1,020,916	968,244	52,672	-	-	-
E.S.D.A.	42,000	42,048	(48)	-	-	-
Senior Center	16,250	10,190	6,060	-	-	-
Capital Outlay	-	-	-	800,000	610,156	189,844
Total Expenditures	<u>5,454,446</u>	<u>5,196,120</u>	<u>258,326</u>	<u>805,700</u>	<u>610,280</u>	<u>195,420</u>
Excess (Deficiency) of Revenues						
Over Expenditures	<u>(496,526)</u>	<u>241,632</u>	<u>738,158</u>	<u>(295,700)</u>	<u>138,218</u>	<u>433,918</u>
Other Financing Sources (Uses)						
Transfers Out	<u>(214,000)</u>	<u>(214,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(214,000)</u>	<u>(214,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (710,526)</u>	<u>27,632</u>	<u>\$ 738,158</u>	<u>\$ (295,700)</u>	<u>138,218</u>	<u>\$ 433,918</u>
Fund Balances at Beginning of Year		<u>146,432</u>			<u>1,729,444</u>	
Fund Balances at End of Year		<u>\$ 174,064</u>			<u>\$ 1,867,662</u>	

Note to the RSI:

(1) The budget is prepared on the GAAP basis of accounting. The original budget was not modified during the fiscal year.

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	<u>Final Budget</u>	<u>Actual</u>
Revenues		
Property Taxes	\$ 2,001,651	\$ 1,847,823
Other Taxes		
Utility Taxes	420,000	405,990
Muni Auto Rental Tax	13,000	9,089
Real Estate Transfer Tax	185,000	159,201
Total Other Taxes	<u>618,000</u>	<u>574,280</u>
Intergovernmental		
Sales Tax	550,000	596,486
Income Tax	560,000	627,168
Personal Property Replacement Tax	60,000	24,071
Grants	-	19,391
Total Intergovernmental	<u>1,170,000</u>	<u>1,267,116</u>
Licenses and Permits		
Zoning Board/Hearing App. Fee	2,500	2,850
Glenwoodie Land Permits	-	87,500
Building & Electrical Permit	175,000	230,101
Alarm Permits	-	2,775
Cable TV Revenue	71,000	75,641
Business Licenses	51,000	52,322
Animal Licenses	800	1,453
Total Licenses and Permits	<u>300,300</u>	<u>452,642</u>
Fines		
Police-DUI Related Revenues	3,200	3,982
Police Fines	90,000	96,336
Building Code Fines	13,000	10,136
Total Fines	<u>106,200</u>	<u>110,454</u>
Interest	<u>2,000</u>	<u>2,315</u>
Charges for Services		
Project Reimburse - Admin.	-	114,649
Project Reimburse-Police	1,500	14,452
Project Reimburse-Fire	2,500	279
Bad Check Charge	100	60
Telecommunications Maint Fee	330,000	400,542
SBA Towers	25,268	30,964
Park Program Fees	24,000	23,040
Fire Protection Fees	13,500	12,000
Refuse Fees	-	306,305
Total Charges for Services	<u>396,868</u>	<u>902,291</u>
Miscellaneous		
IMRF & FICA Reimbursement	305,801	253,790
Grass Cutting Fees	15,000	300
Misc Clerical Fees/Building	1,000	-

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	Final Budget	Actual
Towed Vehicle Admin Fee	\$ 10,500	\$ 7,740
Foreign Fire Insurance	5,000	4,418
Facility Rent	800	175
Police Ins/Misc Reimbursement	20,000	8,723
Newsletter Advertising	1,900	1,300
Cops And Bobbers Program	-	1
Miscellaneous	2,200	4,334
Miscellaneous-Fire	700	50
Total Miscellaneous	<u>362,901</u>	<u>280,831</u>
Total Revenues	<u>4,957,920</u>	<u>5,437,752</u>
<i>306,807</i> <i>4,957,920</i> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <i>4,879,167</i>		
Expenditures		
Current:		
Administration		
Mayor	15,000	13,500
Treasurer	1,500	1,500
Trustees	12,600	11,100
Village Clerk	2,000	2,000
Village Collector	100	100
Village Administrator	106,000	106,000
Department Supervisor	58,572	58,572
Full Time Employees	95,000	87,514
Part Time Employees	25,000	21,994
Contract Services	25,000	18,980
Employer FICA & IMRF	48,000	39,386
Office Supplies	5,700	7,553
Data Processing	16,500	14,784
Copier Supplies And Maint.	3,000	3,573
Postage	4,300	6,227
Employee Appreciation	3,500	3,386
Telephone	12,000	11,796
Hrc Expense & Legal Services	2,000	688
Legal Notices	2,500	461
News Letter	8,000	5,401
Code Of Ordinances Expense	3,000	2,853
Dues Subscript. Memberships	10,000	12,962
Legal Services	100,000	94,102
Auditing	45,000	34,750
Group Insurance And Hospital	41,000	35,274
Insurance	30,000	28,969
Expenses-Christofanelli	1,800	1,067
Board Member Training	1,500	216
Utilities	5,000	2,355
Personnel Training	1,500	430
Travel Lodging Meals - Misc.	4,200	5,391

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	Final <u>Budget</u>	<u>Actual</u>
Awards And Memorials	\$ 1,500	\$ 845
Police And Fire Commission	10,000	9,407
Web Site Expense	2,500	-
Fireworks	9,000	8,850
Economic Incentive Agreemnts	15,000	3,996
Computer-Programs & Equip	45,000	38,429
Railroad Property Rental	1,500	1,591
Engineer Services	50,000	7,466
Homewood Disposal	410,000	309,510
Miscellaneous	2,500	11,915
Total Administration	<u>1,236,272</u>	<u>1,024,893</u>
Building		
Dept Supervisor/Building	65,000	65,000
Full Time Employees	100,204	70,204
Part Time Employees	33,935	27,334
Over-Time Wages	2,000	596
Contract Services	4,500	544
Employer FICA & IMRF	25,000	21,689
Building Code Hearings	2,200	4,744
Planning And Zoning	3,500	2,285
Printing And Advertising	3,000	1,520
Office Supplies	3,000	2,969
Copier Supplies And Maint.	700	-
Postage	1,000	1,224
Telephone	4,000	3,185
Dues Subscript. Memberships	1,000	720
Legal Services	2,000	-
Legal Fees Zoning	1,500	4,902
Group Insurance And Hospital	32,000	44,587
Insurance	12,300	12,300
Personnel Training	2,000	900
Travel, Lodging And Meals	1,500	134
Gas And Oil	3,500	2,658
Repair & Maintenance-Vehicle	2,500	4,265
Computer-Programs & Equip	2,000	-
Purchase of Vehicles	20,000	21,680
Miscellaneous	2,000	820
Total Building	<u>330,339</u>	<u>294,260</u>
Public Works		
Dept Supervisor/Public Works	25,478	25,447
Full Time Employees	128,000	106,573
Part Time Employees	22,000	25,350
Over-Time Wages	24,000	36,224
Holiday Pay	6,000	4,470

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	Final <u>Budget</u>	<u>Actual</u>
Lawn Care Services	\$ 15,000	\$ 13,903
Employer FICA & IMRF	35,000	27,791
Office Supplies	3,500	2,853
Postage	500	34
Telephone	6,000	8,387
Legal Services	1,000	-
Group Insurance And Hospital	28,500	44,167
Insurance	54,000	54,000
Personnel Training	500	55
Travel Lodging Meals - Misc.	400	76
Physicals	500	921
Gas And Oil	10,000	11,332
Repair/Maint Communications	500	-
Repair & Maintenance-Vehicle	8,000	8,758
Repair/Maint-Gen Tools/Equip	4,000	3,124
Repair/Maint Municipal Blds.	15,000	26,730
Maint - Municipal Grounds	3,500	5,126
Purchase-General Tools/Equip	2,000	3,470
Purchases-Personnel Equip	4,000	4,745
Flags	800	176
Christmas Decorations	1,000	1,324
July 4th Expenditures	7,500	6,943
Computer-Programs & Equip	4,000	-
Lawn Equipment	2,500	-
Purchase Of Vehicles	25,000	-
Communications Equipment	1,000	-
Miscellaneous	1,000	440
Total Public Works	<u>440,178</u>	<u>422,419</u>
Parks		
Employer FICA & IMRF	3,500	1,200
Telephone	1,000	540
Utilities	5,000	4,481
Park Program Expenses	40,000	44,627
Repair/Maint-Gen Tools/Equip	2,000	-
Repair/Maint Municipal Bldgs.	20,000	3,493
Maint - Municipal Grounds	40,000	45,816
Bleachers	1,000	-
Miscellaneous	50	-
Total Parks	<u>112,550</u>	<u>100,157</u>
Police		
Dept Supervisor/Police	20,678	21,215
Full Time Employees	1,243,585	1,178,894
Part Time Employees	23,296	33,815
Over-Time Wages	80,000	92,933

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	Final <u>Budget</u>	<u>Actual</u>
Holiday Pay	\$ 44,000	\$ 47,667
Contract Services	3,000	-
Employer FICA & IMRF	130,000	120,214
Pension Contributions	200,332	190,169
Unemployment Insurance	3,000	-
Office Supplies	7,500	10,271
Postage	2,500	2,490
Telephone	10,000	10,992
Dues Subscript. Memberships	2,500	1,370
Legal Services	6,000	1,238
Municipal Systems	5,800	8,114
Group Insurance And Hospital Insurance	140,000	207,563
Insurance	135,000	145,053
Utilities	2,500	-
Personnel Training	15,000	20,064
Travel Lodging Meals - Misc.	2,500	2,090
Public Education Programs	2,200	-
Physicals	1,500	514
Uniforms	13,000	13,724
Gas And Oil	23,000	39,046
Food For Prisoners	50	-
Community Partnership Grant	-	33,898
Repair/Maint Communications	22,000	28,690
Repair & Maint. Copy Machine	2,000	1,700
Repair & Maintenance-Vehicle	22,000	40,946
Repair/Maint-Gen Tools/Equip	3,500	8,268
Repair/Maint-Gen Tools/Bldgs.	-	206
Purchase-General Tools/Equip	4,000	5,223
Purchases/Police Bld Equip	3,000	6,528
Purchase of Camera	12,000	-
Purchases-Personnel Equip	2,500	1,714
Police-Alcohol Prevention	-	<u>100</u>
Canine Program	2,500	5,447
Computer-Programs & Equip	13,000	3,129
Purchase Of Vehicles	46,000	46,859
Communications Equipment	4,500	2,308
Miscellaneous	<u>2,000</u>	<u>1,455</u>
Total Police	<u>2,255,941</u>	<u>2,333,909</u>
Fire		
Dept Supervisor/Fire	75,998	75,461
Full Time Employees	197,664	185,767
Part Time Employees	16,614	11,121
Deputy Chief	43,680	37,055
Over-Time Wages	1,500	331
Paid On Call Fire Personnel	69,360	53,632

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	Final <u>Budget</u>	<u>Actual</u>
Sleep-In-Pay	\$ 66,225	\$ 66,674
Duty Shift Assignment	43,680	39,815
Contract Services	37,326	35,550
Employer FICA & IMRF	42,000	34,880
Pension Contributions	71,808	63,733
Office Supplies	3,800	5,113
Postage	500	141
Food Service Inspections	300	125
Telephone	6,000	5,349
Dues Subscript. Memberships	750	485
Legal Services	1,000	495
Group Insurance And Hospital	26,000	59,669
Insurance	41,000	40,500
Utilities	1,500	2,141
Personnel Training	7,000	5,624
Travel Lodging Meals - Misc	1,000	452
Public Education Programs	1,000	2,889
Physicals	2,500	2,743
Uniforms	4,000	7,294
Gas And Oil	7,500	12,656
Station Supplies	3,000	1,070
Fire Dept. Grant Exp.	3,000	2,442
Repair/Maint Communications	2,500	1,952
Repair & Maintenance-Vehicle	15,000	18,498
Maint Hazrd Material Trailer	3,000	3,750
Repair/Maint-Gen Tools/Equip	3,000	4,269
Repair/Maint Medical Equip	1,000	191
Maintenance-Station #1	2,500	3,224
Maintenance-Station #2	2,500	4,847
Purchase-General Tools/Equip	6,000	4,647
Purchase Medical Tools/Equip	2,000	838
Purchases-Personnel Equip	2,500	1,060
Rescue Equipment/Scuba	4,000	1,861
Computer-Programs & Equip	3,000	1,827
Purchase Of Vehicles	195,211	164,711
Communications Equipment	1,500	1,507
Miscellaneous	1,500	1,855
Total Fire	<u>1,020,916</u>	<u>968,244</u>
E.S.D.A.		
Dept Supervisor	1,000	1,000
Part Time Employees	21,000	24,554
Employer FICA & IMRF	2,000	1,888
Insurance	1,000	2,000
Uniforms	2,500	-
Communications	13,500	12,606

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2005

	Final Budget	Actual
Miscellaneous	\$ 1,000	\$ -
Total E.S.D.A.	<u>42,000</u>	<u>42,048</u>
Senior Center		
Part Time Employees	7,000	5,279
Employer FICA & IMRF	1,000	424
Printing And Advertising	250	-
Office Supplies	700	-
Telephone	800	1,005
Dues Subscript. Memberships	500	214
Utilities	2,500	2,660
Special Events	2,500	542
Miscellaneous	1,000	66
Total Senior Center	<u>16,250</u>	<u>10,190</u>
Total Expenditures	<u>\$ 5,454,446</u>	<u>\$ 5,196,120</u>

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VILLAGE OF GLENWOOD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 April 30, 2005

Special Revenue Funds

	<u>Road and Bridge Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Illinois Municipal Retirement Fund</u>	<u>Emergency 911 Fund</u>
ASSETS				
Cash and Cash Equivalents	\$ 71,181	\$ 167,783	\$ 84,535	\$ 104,627
Investments	-	-	-	156,711
Receivables:				
Property Tax Receivable	-	-	145,630	-
Due from Other Governments	-	43,007	-	-
Accounts Receivable	-	-	-	2,702
Due from Other Funds	<u>375,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 446,181</u>	<u>\$ 210,790</u>	<u>\$ 230,165</u>	<u>\$ 264,040</u>
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 4,761	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-
Deferred Revenue	<u>81,943</u>	<u>-</u>	<u>145,630</u>	<u>-</u>
Total Liabilities	<u>86,704</u>	<u>-</u>	<u>145,630</u>	<u>-</u>
 FUND BALANCE				
Reserved for Debt Service	-	-	-	-
Unreserved, reported in:				
Special Revenue Funds	359,477	210,790	84,535	264,040
Capital Projects Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>359,477</u>	<u>210,790</u>	<u>84,535</u>	<u>264,040</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 446,181</u>	<u>\$ 210,790</u>	<u>\$ 230,165</u>	<u>\$ 264,040</u>

<u>Police Department Foreiture Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Main Street Tax Increment Financing District Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 19,456	\$ -	\$ 123,901	\$ 571,483
-	-	-	156,711
-	-	-	145,630
-	-	-	43,007
-	-	-	2,702
-	-	-	375,000
<u>\$ 19,456</u>	<u>\$ -</u>	<u>\$ 123,901</u>	<u>\$ 1,294,533</u>
\$ -	\$ -	\$ 79,719	\$ 84,480
-	3,880	-	3,880
-	3,786	-	231,359
-	7,666	79,719	319,719
-	-	-	-
19,456	(7,666)	44,182	974,814
-	-	-	-
<u>19,456</u>	<u>(7,666)</u>	<u>44,182</u>	<u>974,814</u>
<u>\$ 19,456</u>	<u>\$ -</u>	<u>\$ 123,901</u>	<u>\$ 1,294,533</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

April 30, 2005

	Debt Service Funds			Total Nonmajor Debt Service Funds
	Series 1992 Bond Fund	Series 1998A MFT Bond Fund	Series 1998B Village Hall Construction Bond Fund	
ASSETS				
Cash and Cash Equivalents	\$ 488,697	\$ 38,017	\$ 62,109	\$ 588,823
Investments	-	182,773	266,808	449,581
Receivables:				
Property Tax Receivable	295,366	-	-	295,366
Due from Other Governments	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 784,063</u>	<u>\$ 220,790</u>	<u>\$ 328,917</u>	<u>\$ 1,333,770</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-
Deferred Revenue	295,366	-	-	295,366
Total Liabilities	<u>295,366</u>	<u>-</u>	<u>-</u>	<u>295,366</u>
FUND BALANCE				
Reserved for Debt Service	488,697	220,790	328,917	1,038,404
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total Fund Balance	<u>488,697</u>	<u>220,790</u>	<u>328,917</u>	<u>1,038,404</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 784,063</u>	<u>\$ 220,790</u>	<u>\$ 328,917</u>	<u>\$ 1,333,770</u>

Capital Projects Funds

New Village Hall Fund	Road Improvement Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ 383,058	\$ 383,058	\$ 1,543,364
-	-	-	606,292
-	-	-	440,996
-	-	-	43,007
-	-	-	2,702
-	-	-	375,000
<u>\$ -</u>	<u>\$ 383,058</u>	<u>\$ 383,058</u>	<u>\$ 3,011,361</u>
\$ 83	\$ -	\$ 83	\$ 84,563
-	-	-	3,880
-	-	-	526,725
<u>83</u>	<u>-</u>	<u>83</u>	<u>615,168</u>
-	-	-	1,038,404
-	-	-	974,814
<u>(83)</u>	<u>383,058</u>	<u>382,975</u>	<u>382,975</u>
<u>(83)</u>	<u>383,058</u>	<u>382,975</u>	<u>2,396,193</u>
<u>\$ -</u>	<u>\$ 383,058</u>	<u>\$ 383,058</u>	<u>\$ 3,011,361</u>

VILLAGE OF GLENWOOD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended April 30, 2005

Special Revenue Funds

	Road and <u>Bridge Fund</u>	Motor Fuel <u>Tax Fund</u>	Illinois Municipal Retirement <u>Fund</u>	Emergency <u>911 Fund</u>
Revenues				
Property Taxes	\$ 21,048	\$ -	\$ 345,378	\$ -
Licenses and Permits	117,338	-	-	-
Intergovernmental	12	259,207	-	41,309
Interest	467	407	47	46,661
Miscellaneous	61	-	-	-
Total Revenues	<u>138,926</u>	<u>259,614</u>	<u>345,425</u>	<u>87,970</u>
Expenditures				
Current:				
Administration	-	-	-	67,316
Police	-	-	-	-
Highways and Streets	148,402	44,014	-	-
Pension Contributions	-	-	350,748	-
Debt Service:				
Principal Retired	-	-	-	-
Interest and Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>148,402</u>	<u>44,014</u>	<u>350,748</u>	<u>67,316</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,476)</u>	<u>215,600</u>	<u>(5,323)</u>	<u>20,654</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	(194,294)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(194,294)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(9,476)	21,306	(5,323)	20,654
Fund Balances at Beginning of Year	<u>368,953</u>	<u>189,484</u>	<u>89,858</u>	<u>243,386</u>
Fund Balances at End of Year	<u>\$ 359,477</u>	<u>\$ 210,790</u>	<u>\$ 84,535</u>	<u>\$ 264,040</u>

<u>Police Department Foreiture Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Main Street Tax Increment Financing District Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 62,331	\$ 428,757
-	-	-	117,338
-	34,502	-	335,030
44	-	228	47,854
<u>17,680</u>	<u>-</u>	<u>-</u>	<u>17,741</u>
<u>17,724</u>	<u>34,502</u>	<u>62,559</u>	<u>946,720</u>
-	-	-	67,316
14,212	-	-	14,212
-	-	-	192,416
-	-	-	350,748
-	-	-	-
-	-	-	-
-	34,503	91,874	126,377
<u>14,212</u>	<u>34,503</u>	<u>91,874</u>	<u>751,069</u>
<u>3,512</u>	<u>(1)</u>	<u>(29,315)</u>	<u>195,651</u>
-	-	-	-
-	-	-	(194,294)
-	-	-	(194,294)
3,512	(1)	(29,315)	1,357
<u>15,944</u>	<u>(7,665)</u>	<u>73,497</u>	<u>973,457</u>
<u>\$ 19,456</u>	<u>\$ (7,666)</u>	<u>\$ 44,182</u>	<u>\$ 974,814</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended April 30, 2005

	Debt Service Funds			Total Nonmajor Debt Service Funds
	Series 1992 Bond Fund	Series 1998A MFT Bond Fund	Series 1998B Village Hall Construction Bond Fund	
Revenues				
Property Taxes	\$ 479,222	\$ -	\$ -	\$ 479,222
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Interest	479	1,742	(33)	2,188
Miscellaneous	-	-	-	-
Total Revenues	<u>479,701</u>	<u>1,742</u>	<u>(33)</u>	<u>481,410</u>
Expenditures				
Current:				
Administration	-	-	-	-
Police	-	-	-	-
Highways and Streets	-	-	-	-
Pension Contributions	-	-	-	-
Debt Service:				
Principal Retired	425,000	175,000	135,000	735,000
Interest and Charges	39,563	35,175	118,510	193,248
Capital Outlay	-	-	-	-
Total Expenditures	<u>464,563</u>	<u>210,175</u>	<u>253,510</u>	<u>928,248</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>15,138</u>	<u>(208,433)</u>	<u>(253,543)</u>	<u>(446,838)</u>
Other Financing Sources (Uses)				
Transfers In	-	194,294	214,000	408,294
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>194,294</u>	<u>214,000</u>	<u>408,294</u>
Net Change in Fund Balances	15,138	(14,139)	(39,543)	(38,544)
Fund Balances at Beginning of Year	<u>473,559</u>	<u>234,929</u>	<u>368,460</u>	<u>1,076,948</u>
Fund Balances at End of Year	<u>\$ 488,697</u>	<u>\$ 220,790</u>	<u>\$ 328,917</u>	<u>\$ 1,038,404</u>

Capital Projects Funds

<u>New Village Hall Fund</u>	<u>Road Improvement Project Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 907,979
-	-	-	117,338
-	-	-	335,030
5	875	880	50,922
-	-	-	17,741
<u>5</u>	<u>875</u>	<u>880</u>	<u>1,429,010</u>
-	-	-	67,316
-	-	-	14,212
-	-	-	192,416
-	-	-	350,748
-	-	-	735,000
-	-	-	193,248
-	-	-	126,377
-	-	-	1,679,317
<u>5</u>	<u>875</u>	<u>880</u>	<u>(250,307)</u>
-	-	-	408,294
-	-	-	(194,294)
-	-	-	214,000
5	875	880	(36,307)
<u>(88)</u>	<u>382,183</u>	<u>382,095</u>	<u>2,432,500</u>
<u>\$ (83)</u>	<u>\$ 383,058</u>	<u>\$ 382,975</u>	<u>\$ 2,396,193</u>

VILLAGE OF GLENWOOD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2005

Special Revenue Funds

	Road and Bridge Fund		Motor Fuel Tax Fund		Illinois Municipal Retirement Fund		Emergency 911 Fund	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues								
Property Taxes	\$ 16,000	\$ 21,048	\$ -	\$ -	\$ 405,000	\$ 345,378	\$ -	\$ -
Licenses and Permits	105,000	117,338	-	-	-	-	-	-
Intergovernmental	-	12	260,500	259,207	-	-	25,500	41,309
Interest	1,200	467	500	407	350	47	50,000	46,661
Miscellaneous	260	61	-	-	-	-	-	-
Total Revenues	<u>122,400</u>	<u>138,926</u>	<u>261,000</u>	<u>259,614</u>	<u>405,350</u>	<u>345,425</u>	<u>75,500</u>	<u>87,970</u>
Expenditures								
Current:								
Administration	-	-	-	-	-	-	-	67,316
Highways and Streets	132,500	148,402	126,000	44,014	-	-	-	-
Pension Contributions	-	-	-	-	405,000	350,748	-	-
Debt Service:								
Principal Retired	-	-	-	-	-	-	-	-
Interest and Charges	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>132,500</u>	<u>148,402</u>	<u>126,000</u>	<u>44,014</u>	<u>405,000</u>	<u>350,748</u>	<u>-</u>	<u>67,316</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(10,100)</u>	<u>(9,476)</u>	<u>135,000</u>	<u>215,600</u>	<u>350</u>	<u>(5,323)</u>	<u>75,500</u>	<u>20,654</u>
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	(209,425)	(194,294)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(209,425)</u>	<u>(194,294)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (10,100)</u>	<u>(9,476)</u>	<u>\$ (74,425)</u>	<u>21,306</u>	<u>\$ 350</u>	<u>(5,323)</u>	<u>\$ 75,500</u>	<u>20,654</u>
Fund Balances at Beginning of Year		<u>368,953</u>		<u>189,484</u>		<u>89,858</u>		<u>243,386</u>
Fund Balances at End of Year		<u>\$ 359,477</u>		<u>\$ 210,790</u>		<u>\$ 84,535</u>		<u>\$ 264,040</u>

Debt Service Funds

Community Development Block Grant Fund		Tax Increment Financing District Fund		Series 1992 Bond Fund		Series 1998A MFT Bond Fund		Series 1998B Village Hall Construction Bond Fund	
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ -	\$ 500,000	\$ 733,166	\$ 461,705	\$ 479,222	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-
44,000	34,502	-	-	-	-	-	-	-	-
-	-	10,000	15,332	2,000	479	-	1,742	-	(33)
-	-	-	-	-	-	-	-	-	-
44,000	34,502	510,000	748,498	463,705	479,701	-	1,742	-	(33)
-	-	5,700	124	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	425,000	425,000	180,000	175,000	135,000	135,000
-	-	-	-	36,905	39,563	29,425	35,175	121,593	118,510
44,000	34,503	800,000	610,156	-	-	-	-	-	-
44,000	34,503	805,700	610,280	461,905	464,563	209,425	210,175	256,593	253,510
-	(1)	(295,700)	138,218	1,800	15,138	(209,425)	(208,433)	(256,593)	(253,543)
-	-	-	-	-	-	-	194,294	-	214,000
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	194,294	-	214,000
\$ -	(1)	\$ (295,700)	138,218	\$ 1,800	15,138	\$ (209,425)	(14,139)	\$ (256,593)	(39,543)
	(7,665)		1,729,444		473,559		234,929		368,460
\$	(7,666)	\$	1,867,662	\$	488,697	\$	220,790	\$	328,917

SCHEDULE OF OPERATING EXPENSES
BUDGET AND ACTUAL
WATER AND SEWER FUND
For the Year Ended April 30, 2005

	<u>Budget</u>	<u>Actual</u>
Operating Expenses		
Dept Supervisor	\$ 47,317	\$ 50,686
Full Time Employees	300,000	244,245
Part Time Employees	25,000	19,017
Over-Time Wages	30,000	25,488
Holiday Pay	10,000	2,016
Contract Services	-	4,895
Lawn Care Services	16,000	11,913
Employers FICA & IMRF	60,000	51,146
Unemployment Insurance	3,000	2,527
Printing And Advertising	2,000	898
Office Supplies	3,500	2,711
Data Processing	20,000	608
Postage	5,500	5,366
Telephone	8,000	11,814
Water/Sewer System Alarms	5,000	-
Dues, Subscriptions, Memberships	1,000	389
Legal Services	7,000	-
Group Insurance And Hospital Insurance	50,000	42,242
Insurance	176,000	116,756
Utilities	8,000	4,403
Personnel Training	1,000	100
Travel Lodging Meals - Misc	1,000	15
Public Education Programs	2,000	2,729
Physicals	1,500	415
Gas And Oil	15,000	12,340
Energy For Pumping	50,000	41,749
Chemicals	2,000	2,451
Trash Disposal	1,000	-
Repair/Maint Communications	1,000	-
Repair/Maint - Water System	75,000	69,471
Repair & Maintenance-Vehicle	15,000	9,891
Repair/Maint-Gen Tools/Equip	6,000	6,365
Repair/Maint Municipal Blds.	15,000	11,243
Maint - Municipal Grounds	10,000	525
Repair/Maint - Sewer System	50,000	103,805
Purchase-General Tools/Equip	8,000	2,539
Purchase-Personnel Equip	5,000	5,635
Water Purchases/Chicago Heights	250,000	248,680
Water System Improvement	400,000	-
Computer-Programs & Equip	20,000	12,441
New Mains/Living Springs	120,000	21,389
Water Vulnerability Assessment	10,000	10,000
O & M - Chicago Heights	35,000	31,339
Purchase Of Vehicles	50,000	23,805
Engineering Services	3,000	408
Communications Equipment	1,600	-
Debt Service/Chicago Heights	150,000	160,467
Miscellaneous	1,000	357
Glenwoodie Project	1,050,000	636,229
Total	<u>3,126,417</u>	<u>2,011,508</u>
Depreciation Expense	-	200,587
Total Operating Expenses	<u>\$ 3,126,417</u>	<u>\$ 2,212,095</u>

VILLAGE OF GLENWOOD, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 April 30, 2005

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 224,604	\$ 688,589	\$ 913,193
Investments	<u>4,531,429</u>	<u>657,251</u>	<u>5,188,680</u>
TOTAL ASSETS	<u>\$ 4,756,033</u>	<u>\$ 1,345,840</u>	<u>\$ 6,101,873</u>
NET ASSETS			
Plan Net Assets Held in Trust for Pension Benefits	<u>\$ 4,756,033</u>	<u>\$ 1,345,840</u>	<u>\$ 6,101,873</u>

VILLAGE OF GLENWOOD, ILLINOIS
 COMBINING STATEMENT OF CHANGES
 IN FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 Year ended April 30, 2005

	<u>Police Pension Trust Fund</u>	<u>Firefighters' Pension Trust Fund</u>	<u>Total</u>
ADDITIONS			
Contributions			
Employer	\$ 190,169	\$ 63,733	\$ 253,902
Plan Members	<u>243,309</u>	<u>26,634</u>	<u>269,943</u>
Total Contributions	<u>433,478</u>	<u>90,367</u>	<u>523,845</u>
Net Investment Income	<u>(37,814)</u>	<u>46,464</u>	<u>8,650</u>
Total Additions	<u>395,664</u>	<u>136,831</u>	<u>532,495</u>
DEDUCTIONS			
Benefits & Refunds	295,149	30,252	325,401
Administrative Expenses	<u>78,689</u>	<u>3,781</u>	<u>82,470</u>
Total Deductions	<u>373,838</u>	<u>34,033</u>	<u>407,871</u>
Increase (Decrease) in plan net assets	21,826	102,798	124,624
Plan Net assets at Beginning of Year	<u>4,734,207</u>	<u>1,243,042</u>	<u>5,977,249</u>
Plan Net assets at End of Year	<u>\$ 4,756,033</u>	<u>\$ 1,345,840</u>	<u>\$ 6,101,873</u>

VILLAGE OF GLENWOOD, ILLINOIS
SCHEDULE OF EXPENDITURES FOR TORT IMMUNITY PURPOSES
YEAR ENDED APRIL 30, 2005

Workers' Compensation	\$ 129,853
Auto/General Liability	235,313
Unemployment	<u>19,747</u>
Total Tort Immunity Purposes Expenditures	<u>\$ 384,913</u>

Since the Village levies the property taxes for tort immunity/liability purposes, as required by Public Act 91-068 passed by the Illinois General Assembly, the City is including the above list of tort immunity purposes expenditures in its annual financial report.

The Village's tax extension for liability insurance purposes for tax year 2004 as levied by Cook County was \$306,832. Any shortfall to cover expenditures in excess of taxes collected is derived from other general fund revenues of the Village. Any excess of revenues over expenditures is carried forward to subsequent fiscal years subject to a statutory formula.

VILLAGE OF GLENWOOD, ILLINOIS

Schedule of Assessed Valuations, Tax Rates and Extensions
Last Five Tax Years

	2004	2003	2002	2001	2000
Tax Rates (per \$100 of assessed valuation):					
Corporate	0.1368	0.2459	0.2201	0.3770	0.2030
Playgrounds and recreation	0.0000	0.0000	0.0000	0.0233	0.0456
Auditing	0.0416	0.0341	0.0354	0.0375	0.0389
Liability Insurance	0.2883	0.2755	0.2850	0.1699	0.1460
Workers' compensation	0.1552	0.1484	0.1535	0.0728	0.0656
Unemployment compensation	0.0139	0.0224	0.0110	0.0057	0.0059
Police Protection	0.5746	0.5664	0.4992	0.5980	0.3975
Crossing Guards	0.0216	0.0218	0.0214	0.0316	0.0313
Fire Protection	0.2353	0.2065	0.1904	0.2285	0.2011
Civil Defense	0.0167	0.0175	0.0175	0.0208	0.0194
Police Pension	0.1854	0.1805	0.1353	0.1547	0.1602
Fire Pension	0.0665	0.0561	0.0552	0.0631	0.0654
I.M.R.F.	0.3748	0.2953	0.2689	0.2595	0.3170
Debt Service	0.4459	0.4650	0.5126	0.5807	0.6052
Totals	<u>2.5566</u>	<u>2.5354</u>	<u>2.4055</u>	<u>2.6231</u>	<u>2.3021</u>
Tax extensions:					
Corporate	\$ 152,287	\$ 260,992	\$ 236,998	\$ 341,443	\$ 177,469
Playgrounds and recreation			-	21,115	39,861
Auditing	46,350	36,050	38,110	33,990	33,990
Liability Insurance	320,891	291,226	306,832	153,861	127,642
Workers' compensation	172,788	156,814	165,220	65,941	57,346
Unemployment compensation	15,450	23,690	11,845	5,150	5,150
Police Protection	639,587	598,718	537,518	541,638	347,547
Crossing Guards	23,995	23,072	23,072	28,603	27,372
Fire Protection	261,908	218,239	204,988	206,999	175,861
Civil Defense	18,540	18,540	18,849	18,849	16,995
Police Pension	206,342	190,780	145,719	140,115	140,115
Fire Pension	73,962	59,296	59,445	57,159	57,159
I.M.R.F.	417,150	312,090	289,521	235,087	277,173
Debt Service	496,322	491,466	551,883	525,961	529,229
Totals	<u>\$ 2,845,572</u>	<u>\$ 2,680,973</u>	<u>\$ 2,590,000</u>	<u>\$ 2,375,911</u>	<u>\$ 2,012,909</u>
Collections	<u>\$ 1,133,525</u>	<u>\$ 2,464,338</u>	<u>\$ 2,655,108</u>	<u>\$ 2,502,872</u>	<u>\$ 2,012,909</u>
Percent Collected	<u>39.83%</u>	<u>91.92%</u>	<u>102.51%</u>	<u>105.34%</u>	<u>100.00%</u>

N/A - Not available at time of printing

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS

APRIL 30, 2005

	Year Ending April 30,	Principal	Interest	Total
General Obligation	2006	\$ 435,000	\$ 30,330	\$ 465,330
Refunding Bonds Series 2002	2007	445,000	22,065	467,065
Dated: October 1, 2002	2008	455,000	11,830	466,830
Interest payable: June 1 and December 1 of each year		<u>\$ 1,335,000</u>	<u>\$ 64,225</u>	<u>\$ 1,399,225</u>
Interest rates: 1.50% to 2.25%				
Alternative Revenue Bonds	2006	\$ 180,000	\$ 31,013	\$ 211,013
Series 1998A	2007	190,000	23,903	213,903
Dated: September 15, 1998	2008	195,000	16,303	211,303
Interest payable: April 1 and October 1 of each year	2009	205,000	8,405	213,405
Interest rates: 3.75% to 4.65%		<u>\$ 770,000</u>	<u>\$ 79,624</u>	<u>\$ 849,624</u>
Alternative Revenue Bonds	2006	\$ 140,000	\$ 115,128	\$ 255,128
Series 1998B	2007	145,000	109,598	254,598
Dated: September 15, 1998	2008	155,000	103,798	258,798
Interest payable: April 1 and October 1 of each year	2009	160,000	97,520	257,520
Interest rates: 3.75% to 4.65%	2010	165,000	90,960	255,960
	2011	170,000	84,113	254,113
	2012	180,000	76,888	256,888
	2013	185,000	69,148	254,148
	2014	195,000	61,008	256,008
	2015	205,000	52,233	257,233
	2016	215,000	42,905	257,905
	2017	225,000	33,015	258,015
	2018	235,000	22,553	257,553
	2019	250,000	11,625	261,625
		<u>\$ 2,625,000</u>	<u>\$ 970,492</u>	<u>\$ 3,595,492</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS
APRIL 30, 2005

	Year Ending April 30,	Principal	Interest	Total
2003 Capital Lease		\$ 1,265	\$ 433	\$ 1,698
Dated: March 1, 2003		1,265	433	1,698
Principal and Interest payable		1,054	361	1,415
monthly at an interest rate of 5.00%		<u>\$ 3,584</u>	<u>\$ 1,227</u>	<u>\$ 4,811</u>
2004 Capital Lease	2006	\$ 145,494	\$ 19,217	\$ 164,711
Dated: August 1, 2003	2007	150,077	14,634	164,711
Principal and Interest payable	2008	154,805	9,906	164,711
annually March 1	2009	159,681	5,030	164,711
Interest rate:		<u>\$ 610,057</u>	<u>\$ 48,787</u>	<u>\$ 658,844</u>
General Obligation	2006	\$ 120,000	\$ 296,048	\$ 416,048
Bonds Series 2001	2007	120,000	291,488	411,488
Dated: May 1, 2001	2008	125,000	286,688	411,688
Interest payable:	2009	130,000	281,563	411,563
June 1 and December 1	2010	140,000	276,103	416,103
Interest rates: 3.0% to 5.38%	2011	145,000	270,083	415,083
	2012	150,000	263,703	413,703
	2013	155,000	256,953	411,953
	2014	165,000	249,823	414,823
	2015	170,000	242,068	412,068
	2016	180,000	233,908	413,908
	2017	190,000	225,088	415,088
	2018	200,000	214,638	414,638
	2019	210,000	203,638	413,638
	2020	220,000	192,088	412,088
	2021	235,000	179,988	414,988
	2022	245,000	167,063	412,063
	2023	260,000	154,200	414,200
	2024	275,000	140,550	415,550
	2025	290,000	126,113	416,113
	2026	300,000	110,888	410,888
	2027	320,000	95,138	415,138
	2028	335,000	77,938	412,938
	2029	350,000	59,931	409,931
	2030	370,000	41,119	411,119
	2031	395,000	21,231	416,231
		<u>\$ 5,795,000</u>	<u>\$ 4,958,039</u>	<u>\$ 10,753,039</u>

(Continued)

VILLAGE OF GLENWOOD, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS
APRIL 30, 2005

	Year Ending April 30,	Principal	Interest	Total
<hr/>				
Installment Contract				
Lawn Mowers	2006	\$ 15,460	\$ 1,526	\$ 16,986
Dated: June 1, 2001	2007	12,885	437	13,322
Principal and Interest payable monthly at an interest rate of 5.90%		<u>\$ 28,345</u>	<u>\$ 1,963</u>	<u>\$ 30,308</u>
Installment Contract				
Golf Course Carts	2006	\$ 54,001	\$ 5,554	\$ 59,555
Dated: February 3, 2003	2007	55,165	3,201	58,366
Principal and Interest payable monthly at an interest rate of 5.00%	2008	56,381	739	57,120
		<u>\$ 165,547</u>	<u>\$ 9,494</u>	<u>\$ 175,041</u>
Installment Contract				
Golf Course Loan	2006	\$ 27,506	\$ 2,520	\$ 30,026
Dated: April 7, 2003	2007	28,474	1,551	30,025
Principal and Interest payable monthly at an interest rate of 3.47%	2008	29,244	549	29,793
		<u>\$ 85,224</u>	<u>\$ 4,620</u>	<u>\$ 89,844</u>



Crowe Chizek and Company LLC
Member Horwath International

COMPLIANCE REPORT BASED ON AN AUDIT
OF FINANCIAL STATEMENTS

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

We have examined the Village of Glenwood, Illinois', (Village's) compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2005. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the Village's compliance with specified requirements.

In our opinion, the Village complied in all material respects, with the aforementioned requirements for the year ended April 30, 2005.

Crowe Chizek and Company LLC
Crowe Chizek and Company LLC

Oak Brook, Illinois
January 16, 2006