

**Village of Glenwood, Illinois
Annual Financial Report
Year Ended April 30, 2009**

Village of Glenwood, Illinois

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable President and
Members of the Board of Trustees
Village of Glenwood, Illinois
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, as of and for the year ended April 30, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of Glenwood, Illinois. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund, which represents 70.5 percent of the assets of the Pension Trust Funds and -254.6 percent of the total additions in the Pension Trust Funds. Those statements were audited by other auditors whose report was furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based solely on the report of the other auditors.

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

The Village's pension information is incomplete. The Village did not obtain or perform a complete actuarial valuation of the Firefighters' Pension Fund and the Notes to the Financial Statements do not contain all disclosures required by accounting principles generally accepted in the United States of America. In addition, the Village did not record a net pension liability or asset for this fund. We were not able to satisfy ourselves by other auditing procedures as to the fairness of the net pension liability or asset as of April 30, 2009.

In our opinion, based on our audit and the report of other auditors, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to audit the net pension liability or asset or disclosures for the Firefighters' Pension Fund, as described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Glenwood, Illinois, as of April 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary information which includes management's discussion and analysis (pages 3 - 10), schedules of funding progress and employer contributions (pages 56 - 59) and budgetary schedule and related note (pages 60 - 61) is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We and other auditors have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Glenwood, Illinois. The combining and individual fund financial statements and other schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us and other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

McGladrey & Pullen, LLP

Chicago, Illinois
March 2, 2010

Required Supplemental Information

Management's Discussion And Analysis (MD&A)

Village of Glenwood, Illinois
Management's Discussion and Analysis

April 30, 2009

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 11).

Using the Financial Section of this Comprehensive Annual Report

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

Government-Wide Financial Statements

The government-wide financial statements (see pages 11-13) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (the Unrestricted Net Assets) is designed to be similar to bottom line results for the Village and its governmental and business-type activities. Governmental Accounting Standards Board Statement No. 34 combined and consolidated the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 13) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

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

Fund Financial Statements

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

The Governmental Funds (see pages 14 and 16) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters' Pension Funds, see pages 22-23). While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

Management's Discussion and Analysis (Continued)

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 18-21) is the same as the Business-type column on the Government-Wide Financial Statements, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 15 and 17). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide financial statements).

Infrastructure Assets

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

Government-Wide Financial Statements

Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$39.1 million as of April 30, 2009.

A significant portion of the Village's net assets (82.9%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Management's Discussion and Analysis (Continued)

Table 1
Statement of Net Assets
As of April 30, 2009
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Current Assets	\$ 9.3	\$10.1	\$ 1.2	\$ 0.8	\$ 10.5	\$ 10.9
Non Current Assets	-	-	0.1	0.1	0.1	0.1
Capital Assets	<u>26.8</u>	<u>27.0</u>	<u>13.0</u>	<u>13.3</u>	<u>39.8</u>	<u>40.3</u>
Total Assets	36.1	37.1	14.3	14.2	50.4	51.3
Current Liabilities	2.9	3.3	0.9	0.9	3.8	4.2
Non Current Liabilities	<u>2.2</u>	<u>2.3</u>	<u>5.3</u>	<u>5.4</u>	<u>7.5</u>	<u>7.7</u>
Total Liabilities	5.1	5.6	6.2	6.3	11.3	11.9
Net Assets						
Invested in Capital Assets,						
Net of Related Debt	24.8	24.4	7.6	7.8	32.4	32.2
Restricted	0.2	0.3	-	-	0.2	0.3
Unrestricted	<u>6.0</u>	<u>6.8</u>	<u>0.5</u>	<u>0.1</u>	<u>6.5</u>	<u>6.9</u>
Total Net Assets	<u>\$ 31.0</u>	<u>\$ 31.5</u>	<u>\$ 8.1</u>	<u>\$ 7.9</u>	<u>\$ 39.1</u>	<u>\$ 39.4</u>

For more detailed information see the Statement of Net Assets (pages 11-12).

The Village's combined net assets, which is the Village's equity, decreased to \$39.1 million from \$39.4 million as a result of the decrease in net assets in the Governmental Activities. The Village's unrestricted net assets for governmental activities, the part of net assets that can be used to finance day-to-day operations, were a surplus of \$6.0 million. The net assets of business-type activities were \$8.1 million. The Village can use unrestricted net assets to finance the continuing operation of its waterworks and sewerage system.

Normal Impacts

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

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

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

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

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

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

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

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Current Year Impacts

The Village's governmental activities net assets decreased \$0.5 million. Assets decreased by \$1.0 million and can be attributed to several factors. Internal balances decreased by \$0.4 million and can be attributed to loans between funds being reduced. Cash and investments decreased by \$0.3 million due to spending of available resources in the current year. Receivables decreased by \$0.1 million due to decreased amounts due from other governments. Capital assets decreased by \$0.2 million and can be attributed to depreciation expense and disposal of capital assets exceeding additions. Total liabilities decreased by \$0.5 million and can mainly be attributed to the Village paying down \$0.6 million in outstanding long-term obligations in the current year.

The Village's business-type activities net assets increased by \$0.2 million. Assets increased by \$0.1 million and can be mainly attributed to two factors. Internal balances, which were in a liability state of \$0.5 million in the prior year decreased to \$0.1 million. This was offset by a decrease in capital assets of \$0.3 million, which can be attributed to depreciation expense exceeding capital asset additions in the current year. Total liabilities decreased by \$0.1 million, and can mainly be attributed to the Village paying down \$0.1 million in outstanding long-term obligations in the current year.

Changes in Net Assets

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

Table 2
Changes in Net Assets
For the Fiscal Year Ended April 30, 2009
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
REVENUES						
Program Revenues						
Charges for Services	\$1.1	\$ 0.9	\$3.2	\$ 2.8	\$ 4.3	\$ 3.7
Operating Grants and Contributions	0.5	0.3	-	-	0.5	0.3
General Revenues						
Property Taxes	5.5	5.9	0.4	0.4	5.9	6.3
Other Taxes	2.9	3.3	-	-	2.9	3.2
Other	<u>0.1</u>	<u>0.1</u>	<u>-</u>	<u>-</u>	<u>0.1</u>	<u>0.1</u>
Total Revenues	<u>10.2</u>	<u>10.5</u>	<u>3.6</u>	<u>3.2</u>	<u>13.7</u>	<u>13.6</u>
EXPENSES						
General Government	5.0	3.1	-	-	5.0	3.1
Public Safety	4.3	3.9	-	-	4.3	3.9
Public Works	0.7	0.7	-	-	0.7	0.7
Highway and Streets	0.4	0.2	-	-	0.4	0.2
Buildings	0.1	0.2	-	-	0.1	0.2
Water and Sewer	-	-	1.9	1.9	1.9	1.9
Golf Course	-	-	1.5	1.5	1.5	1.5
Debt Service	<u>0.1</u>	<u>0.1</u>	<u>-</u>	<u>-</u>	<u>0.1</u>	<u>0.1</u>
Total Expenses	<u>10.6</u>	<u>8.2</u>	<u>3.4</u>	<u>3.4</u>	<u>14.0</u>	<u>11.6</u>
CHANGE IN NET ASSETS	<u>(0.5)</u>	<u>2.3</u>	<u>0.2</u>	<u>(0.2)</u>	<u>(0.3)</u>	<u>2.0</u>
ENDING NET ASSETS	<u>\$ 31.0</u>	<u>\$ 31.5</u>	<u>\$ 8.1</u>	<u>\$ 7.9</u>	<u>\$ 39.1</u>	<u>\$ 39.4</u>

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

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

Normal Impacts

Revenues:

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

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

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

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

Expenses:

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

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 80 percent of the Village's operating costs.

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

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

Current Year Impacts

Revenues:

The Village's governmental activities total revenues decreased by \$0.3 million over the prior year to \$10.2 million. Property tax revenues decreased by \$0.4 million over the prior year, this decrease can be attributed to the Village receiving approximately \$0.2 million less in property tax revenues to fund debt service payments. In addition, TIF District's received approximately \$0.2 million less in revenues. Other taxes decreased by \$0.4 million and can mainly be attributed to decreased sales tax revenues that can be directly linked to the downturn in the economy. These decreases were offset by increases in operating grants of \$0.2 million, which can be attributed to the Village receiving grants related to the fire department. Also charges for service revenue increased by \$0.2 million due to increased receipts of several different revenue sources.

The Village's business-type activities total revenues increased by \$0.4 million over the prior year. This increase can be attributed to the Village adding a maintenance cost charge for water and sewer lines on customer bills beginning in fiscal year 2009.

Expenses:

The Village's total expenses for governmental activities for the year ended April 30, 2009, were \$10.6 million, an increase of \$2.4 million over the prior year. General government expenses increased by \$1.9 million over the prior year and can mainly be attributed to the Village's TIF Districts remitting excess funds to the County and additional payments to developers in the current year. Public safety expenses increased by \$0.4 million over the prior year and can mainly be attributed to increased pension contributions and insurance expense. Highway and streets expenses increased by \$0.2 million in the current year and can be attributed to the Village not incurring any expenditures in the prior year in one of the Village's funds.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Expenses:

The Village's total expenses for business-type activities for the year ended April 30, 2009, were \$3.4 million, which is consistent with the prior year.

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2009, the governmental funds (as presented on the balance sheet on page 14) reported a combined fund balance of \$6.6 million. Expenditures and other uses exceeded revenues and other financing sources in 2009 by \$0.8 million.

The General Fund experienced a current year operating deficit of \$0.3 after other financing sources. This deficit resulted in a year-end fund balance deficit of \$0.03 million. In the prior year, the Village's General Fund operated at a deficit of \$0.2 million. The slight increase in deficit spending over the prior year can be attributed to expenses increasing faster than revenue sources. This increase was seen most significantly in insurance expenses.

The TIF Fund's fund balance remained consistent with the prior year at \$2.7 million. In the prior year the fund operated at a surplus of \$0.8 million. The decreases surplus in the current year can be attributed to the District paying out the first installment on an economic incentive agreement that the Village entered into in the prior year.

The Holbrook Road Tax Increment Financing District Fund balance decreased by \$0.2 million over the prior year to \$1.6 million. In the prior year, the fund operated at a surplus of \$1.0 million. The main reason for the operating deficit in the current year can be attributed to decreased property tax receipts by \$0.3 million and the fund remitting \$0.9 million in surplus funds to the County.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

General Fund Budgetary Highlights

At the first Village Council Committee meeting in May, the Mayor submits to the Village Council a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in 2009. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 3
General Fund Budgetary Highlights
(in millions)

General Fund	Original Budget	Actual
Revenues and Other Financing Sources		
Taxes	\$ 3.4	\$ 2.9
Intergovernmental	2.7	2.7
Licenses, permits and fees	0.4	0.3
Fines	0.1	0.1
Charges for services	0.1	0.5
Other	<u>-</u>	<u>0.2</u>
Total	<u>6.7</u>	<u>6.7</u>
Expenditures and Other Financing Uses		
Administration	1.7	1.6
Building	0.2	0.1
Public works	0.8	0.6
Parks	0.4	-
Police	3.1	3.0
Fire	1.2	1.2
Debt service	-	0.2
Capital outlay	0.4	0.1
Other financing uses	<u>0.3</u>	<u>0.2</u>
Total	<u>8.1</u>	<u>7.0</u>
Change in Fund Balance	<u>(\$ 1.4)</u>	<u>(\$0.3)</u>

The General Fund anticipated a deficit of \$1.4 million, while actual results were a \$0.3 million deficit. This can be attributed to expenses across all functions. The main reason for these decreased expenditures when compared to budget can be attributed to several factors. The parks department was expecting to receive a grant in the current year, with the downturn in the economy these funds were never received and therefore no expenditures were incurred. The other main factor is that salary expenditures came in below anticipated as employee levels remained consistent and even lower than in the prior year in some areas and over-time expenses were well under budget.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Capital Assets

At the end of the fiscal year 2009, the Village had a combined total of capital assets of \$39.8 million invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net decrease (including additions and deletions) of just over \$0.5 million.

For more detailed information related to capital assets see Notes 1 and 4 of the Basic Financial Statements.

Table 4
Total Capital Assets at Year-End
Net of Depreciation
(in millions)

	Balance 4/30/08	Net Additions/Deletions	Balance 4/30/09
Land	\$ 24.1	\$ 0.0	\$ 24.1
Improvements	1.1	(0.1)	1.0
Buildings	4.6	(0.2)	4.4
Machinery and Equipment	1.8	(0.2)	1.6
Infrastructure	<u>8.7</u>	<u>0.0</u>	<u>8.7</u>
Total Capital Assets	<u>\$ 40.3</u>	<u>(\$ 0.5)</u>	<u>\$ 39.8</u>

Long-Term Debt

The Village had \$8.1 million and \$7.4 million in outstanding long-term debt at April 30, 2008 and 2009, respectively.

The Village paid off approximately \$0.7 million in long-term debt in the current year.

For more detailed information related to debt outstanding see Notes 1 and 5 of the Basic Financial Statements.

Economic Factors

During fiscal year 2009 the village experienced an increase in workmen's compensation and liability insurance premiums. The Village elected, in fiscal year 2008, to pay the minimum premium and neglected to budget the projected liability, due in fiscal year 2009. Due to an increase in claim history we were obligated to fund, in fiscal year 2009 a liability from fiscal year 2008, in the amount of \$170,000.

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Glenwood during 2009 and is expected to continue into 2010. Grant assistance is extremely competitive and previously reliable state share revenues (especially the income tax and use tax) have been materially reduced. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

Contacting The Village's Financial Management

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

Basic Financial Statements

Government-Wide Financial Statements

Village of Glenwood, Illinois

Statement of Net Assets
April 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 6,043,183	\$ 418,792	\$ 6,461,975
Investments	189,217	212,500	401,717
Receivables:			
Property taxes	2,026,818	275,501	2,302,319
Accounts	-	313,738	313,738
Interest	-	4,902	4,902
Other	64,278	3,591	67,869
Inventories	-	49,403	49,403
Prepaid items	144,992	71,287	216,279
Due from other governments	687,992	-	687,992
Due from fiduciary fund	3,349	-	3,349
Internal balances	129,391	(129,391)	-
Total current assets	9,289,220	1,220,323	10,509,543
Noncurrent Assets			
Deferred amount on refunding	-	113,753	113,753
Capital assets not being depreciated	19,762,043	4,309,187	24,071,230
Capital assets being depreciated, net	7,067,627	8,699,369	15,766,996
Total noncurrent assets	26,829,670	13,122,309	39,951,979
Total assets	36,118,890	14,342,632	50,461,522

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Net Assets - Continued

April 30, 2009

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable	231,143	249,504	480,647
Accrued payroll	73,471	15,211	88,682
Accrued interest	7,600	115,000	122,600
Deposits	64,409	51,971	116,380
Unearned revenue	2,135,646	275,501	2,411,147
Compensated absences	209,438	68,726	278,164
Capital leases	20,861	2,064	22,925
Note payable	-	28,145	28,145
General obligation bonds	-	140,000	140,000
Alternate revenue bonds	165,000	-	165,000
Total current liabilities	2,907,568	946,122	3,853,690
Long-Term Liabilities, net of current maturities			
Compensated absences	303,650	86,606	390,256
Capital leases	-	8,155	8,155
Note payable	-	7,738	7,738
General obligation bonds	-	5,160,000	5,160,000
Alternate revenue bonds	1,860,000	-	1,860,000
Net pension obligation	36,607	-	36,607
OPEB obligation	4,934	-	4,934
Total noncurrent liabilities	2,205,191	5,262,499	7,467,690
Total liabilities	5,112,759	6,208,621	11,321,380
Net Assets			
Invested in capital assets, net of related debt	24,783,809	7,662,454	32,446,263
Restricted for MFT Allotments	249,766	-	249,766
Unrestricted	5,972,556	471,557	6,444,113
Total net assets	\$ 31,006,131	\$ 8,134,011	\$ 39,140,142

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Activities
Year Ended April 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense), Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 5,047,520	\$ 758,646	\$ -	\$ (4,288,874)	\$ -	\$ (4,288,874)
Public safety	4,312,046	124,327	251,312	(3,936,407)	-	(3,936,407)
Public works	734,165	7,500	-	(726,665)	-	(726,665)
Highway and streets	371,978	120,796	211,421	(39,761)	-	(39,761)
Buildings	111,549	116,571	-	5,022	-	5,022
Interest and fees	105,511	-	-	(105,511)	-	(105,511)
Total governmental activities	<u>10,682,769</u>	<u>1,127,840</u>	<u>462,733</u>	<u>(9,092,196)</u>	<u>-</u>	<u>(9,092,196)</u>
Business-type activities:						
Water and sewer	1,855,358	1,873,025	-	-	17,667	17,667
Golf course operations	1,462,692	1,291,065	-	-	(171,627)	(171,627)
Total business-type activities	<u>3,318,050</u>	<u>3,164,090</u>	<u>-</u>	<u>-</u>	<u>(153,960)</u>	<u>(153,960)</u>
Total	<u>\$ 14,000,819</u>	<u>\$ 4,291,930</u>	<u>\$ 462,733</u>	<u>(9,092,196)</u>	<u>(153,960)</u>	<u>(9,246,156)</u>
General revenues						
Taxes:						
Property				5,493,058	376,073	5,869,131
Sales				1,026,085	-	1,026,085
Income				792,590	-	792,590
Utility				861,943	-	861,943
Other				260,905	-	260,905
Interest				53,755	5,418	59,173
Miscellaneous				110,493	-	110,493
Total general revenues				<u>8,598,829</u>	<u>381,491</u>	<u>8,980,320</u>
Change in net assets				(493,367)	227,531	(265,836)
Net assets:						
May 1, 2008				<u>31,499,498</u>	<u>7,906,480</u>	<u>39,405,978</u>
April 30, 2009				<u>\$ 31,006,131</u>	<u>\$ 8,134,011</u>	<u>\$ 39,140,142</u>

See Notes to Financial Statements

Fund Financial Statements

Village of Glenwood, Illinois

Balance Sheet - Governmental Funds
April 30, 2009

	General Fund	TIF Fund	Holbrook Road Tax Increment Financing District Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 182,211	\$ 2,662,553	\$ 1,597,219	\$ 1,601,200	\$ 6,043,183
Investments	-	-	-	189,217	189,217
Receivables:					
Property taxes	1,588,037	-	-	438,781	2,026,818
Other	58,848	-	-	5,430	64,278
Prepaid items	144,992	-	-	-	144,992
Due from other governments	670,020	-	-	17,972	687,992
Due from other funds	174,579	-	-	829,466	1,004,045
Total assets	\$ 2,818,687	\$ 2,662,553	\$ 1,597,219	\$ 3,082,066	\$ 10,160,525
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 164,769	\$ -	\$ 3,393	\$ 62,981	\$ 231,143
Accrued payroll	73,471	-	-	-	73,471
Deposits	64,409	-	-	-	64,409
Deferred revenue	1,738,998	-	-	519,814	2,258,812
Due to other funds	809,091	-	-	62,214	871,305
Total liabilities	2,850,738	-	3,393	645,009	3,499,140
Fund balances (deficits)					
Reserved for:					
Debt service	-	-	-	1,019,179	1,019,179
Prepays	144,992	-	-	-	144,992
Unreserved, reported in:					
General fund	(177,043)	-	-	-	(177,043)
Special revenue funds	-	2,662,553	1,593,826	1,301,367	5,557,746
Capital projects fund	-	-	-	116,511	116,511
Total Fund Balances	(32,051)	2,662,553	1,593,826	2,437,057	6,661,385
Total liabilities and fund balances	\$ 2,818,687	\$ 2,662,553	\$ 1,597,219	\$ 3,082,066	\$ 10,160,525

See Notes to Financial Statements.

Village of Glenwood, Illinois

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
April 30, 2009

Total fund balances-governmental funds	\$ 6,661,385
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	26,829,670
Revenue that is deferred in the fund financial statements because it is not available but is recognized as revenue in the government-wide financial statements.	123,166
Some liabilities reported in the statement of net assets do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds:	
These liabilities consist of:	
Accrued interest	(7,600)
Alternate revenue bonds	(2,025,000)
Capital leases	(20,861)
Net pension obligation	(36,607)
OPEB obligations	(4,934)
Compensated absences	(513,088)
Net assets of governmental activities	<u>\$ 31,006,131</u>

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended April 30, 2009

	General Fund	TIF Fund	Holbrook Road Tax Increment Financing District Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 2,383,236	\$ 1,033,555	\$ 1,413,353	\$ 662,914	\$ 5,493,058
Other taxes	518,219	-	-	-	518,219
Intergovernmental	2,689,355	-	-	211,421	2,900,776
Licenses, permits and fees	328,527	-	-	115,008	443,535
Fines	87,344	-	-	-	87,344
Interest	2,835	21,018	2,877	27,025	53,755
Charges for services	546,112	-	-	-	546,112
Miscellaneous	153,129	-	-	8,213	161,342
Total revenues	6,708,757	1,054,573	1,416,230	1,024,581	10,204,141
Expenditures:					
Current:					
Administration	1,637,596	1,068,021	1,603,472	53,893	4,362,982
Building	105,865	-	-	-	105,865
Public works	581,039	-	-	-	581,039
Parks	49,410	-	-	-	49,410
Police	2,954,170	-	-	4,236	2,958,406
Fire	1,153,052	-	-	-	1,153,052
ESDA	3,380	-	-	-	3,380
Senior center	15,030	-	-	-	15,030
Highway and streets	-	-	-	220,131	220,131
Pension contributions	-	-	-	371,022	371,022
Debt service:					
Principal	179,391	-	-	391,989	571,380
Interest and fees	7,561	-	-	101,527	109,088
Capital outlay	152,324	5,973	3,392	356,657	518,346
Total expenditures	6,838,818	1,073,994	1,606,864	1,499,455	11,019,131
Excess (deficiency) of revenues over (under) expenditures	(130,061)	(19,421)	(190,634)	(474,874)	(814,990)
Other financing sources (uses):					
Transfers in	-	-	-	695,983	695,983
Transfers (out)	(208,360)	-	-	(487,623)	(695,983)
Total other financing sources (uses)	(208,360)	-	-	208,360	-
Change in fund balance	(338,421)	(19,421)	(190,634)	(266,514)	(814,990)
Fund balances (deficit):					
May 1, 2008	306,370	2,681,974	1,784,460	2,703,571	7,476,375
April 30, 2009	\$ (32,051)	\$ 2,662,553	\$ 1,593,826	\$ 2,437,057	\$ 6,661,385

See Notes to Financial Statements.

Village of Glenwood, Illinois

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Year Ended April 30, 2009

Net change in fund balances-total governmental funds	\$	(814,990)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	\$	360,361	
Loss on disposal		(78,492)	
Depreciation expense		(454,850)	(172,981)

State grant revenues that are deferred in the fund financial statements because they are not available but are recognized as revenue in the government-wide financial statements.

Prior year deferred balance		(137,905)	
Current year deferred balance		123,166	(14,739)

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.

Alternate revenue bonds			365,000
Capital leases			206,380

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

Decrease in accrued interest			3,577
Increase in compensated absences			(87,384)
Decrease in net pension asset			30,079
Decrease in net pension asset			(3,375)
Increase in OPEB obligation			(4,934)

Change in net assets of governmental activities	\$	<u>(493,367)</u>
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See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Net Assets - Enterprise Funds
April 30, 2009

	Business-Type Activities			Total
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	
Assets				
Current Assets				
Cash and cash equivalents	\$ 125,569	\$ 293,223	\$ -	\$ 418,792
Investments	212,500	-	-	212,500
Receivables:				
Property taxes	-	275,501	-	275,501
Accounts	298,131	15,607	-	313,738
Interest	4,902	-	-	4,902
Other	-	3,591	-	3,591
Inventories	-	49,403	-	49,403
Prepaid items	66,095	5,192	-	71,287
Due from other funds	361,931	619,230	-	981,161
Total current assets	1,069,128	1,261,747	-	2,330,875
Noncurrent Assets				
Deferred amount on refunding	-	113,753	-	113,753
Capital assets not being depreciated	-	4,309,187	-	4,309,187
Capital assets being depreciated, net	6,434,329	1,885,018	380,022	8,699,369
Total noncurrent assets	6,434,329	6,307,958	380,022	13,122,309
Total assets	7,503,457	7,569,705	380,022	15,453,184
Liabilities				
Current Liabilities				
Accounts payable	155,635	93,869	-	249,504
Accrued payroll	8,738	6,473	-	15,211
Accrued interest	-	115,000	-	115,000
Deposits	21,540	30,431	-	51,971
Unearned revenue	-	275,501	-	275,501
Due to other funds	-	491,322	619,230	1,110,552
Compensated absences	17,126	51,600	-	68,726
Capital leases	-	2,064	-	2,064
Note payable	-	28,145	-	28,145
General obligation bonds	-	140,000	-	140,000
Total current liabilities	203,039	1,234,405	619,230	2,056,674
Long-Term Liabilities, net of current maturities				
Compensated absences	26,925	59,681	-	86,606
Capital leases	-	8,155	-	8,155
Note payable	-	7,738	-	7,738
General obligation bonds	-	5,160,000	-	5,160,000
Total noncurrent liabilities	26,925	5,235,574	-	5,262,499
Total liabilities	229,964	6,469,979	619,230	7,319,173
Net assets				
Invested in capital assets, net of related debt	6,434,329	848,103	380,022	7,662,454
Unrestricted (deficit)	839,164	251,623	(619,230)	471,557
Total net assets	\$ 7,273,493	\$ 1,099,726	\$ (239,208)	\$ 8,134,011

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Revenues, Expenses, and Changes in Net Assets
Enterprise Funds
Year Ended April 30, 2009

	Business-Type Activities			Total
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	
Operating revenues:				
Charges for service	1,873,025	1,291,065	-	3,164,090
Operating expenses:				
Operations	1,655,584	1,009,246	-	2,664,830
Depreciation	199,774	140,477	13,441	353,692
Amortization	-	16,251	-	16,251
Total operating expenses	1,855,358	1,165,974	13,441	3,034,773
Operating income (loss)	17,667	125,091	(13,441)	129,317
Nonoperating income (expense):				
Property taxes	-	376,073	-	376,073
Interest income	2,661	2,757	-	5,418
Interest expense	-	(283,277)	-	(283,277)
Total nonoperating income (expense)	2,661	95,553	-	98,214
Change in net assets	20,328	220,644	(13,441)	227,531
Net assets:				
May 1, 2008	7,253,165	879,082	(225,767)	7,906,480
April 30, 2009	<u>\$ 7,273,493</u>	<u>\$ 1,099,726</u>	<u>\$ (239,208)</u>	<u>\$ 8,134,011</u>

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds
Year Ended April 30, 2009

	Business-Type Activities			
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	Total
Cash flows from operating activities				
Cash received for services	\$ 1,878,422	\$ 1,273,779	\$ -	\$ 3,152,201
Payments to employees	(346,824)	(422,541)	-	(769,365)
Payments to suppliers	(1,299,038)	(557,615)	-	(1,856,653)
Net cash provided by operating activities	232,560	293,623	-	526,183
Cash flows from noncapital financing activities				
Property taxes	-	376,073	-	376,073
Increase in due from other funds	(41,393)	-	-	(41,393)
Decrease in due to other funds	-	(365,670)	-	(365,670)
Net cash provided by (used in) noncapital financing activities	(41,393)	10,403	-	(30,990)
Cash flows from capital and related financing activities				
Purchase of capital assets	(31,985)	(17,412)	-	(49,397)
Principal payments, capital leases	-	(3,281)	-	(3,281)
Principal payments, note payable	-	(31,676)	-	(31,676)
Principal payments, general obligation bonds	-	(130,000)	-	(130,000)
Interest paid	-	(285,594)	-	(285,594)
Net cash used in capital and related financing activities and	(31,985)	(467,963)	-	(499,948)
Cash flows from investing activities				
Purchase of Investments	(112,500)	-	-	(112,500)
Cash receipts from interest income	2,661	2,757	-	5,418
Net cash flows provided by (used in) investing activities	(109,839)	2,757	-	(107,082)
Net increase (decrease) in cash and cash equivalents	49,343	(161,180)	-	(111,837)
Cash and cash equivalents:				
May 1, 2008	76,226	454,403	-	530,629
April 30, 2009	\$ 125,569	\$ 293,223	\$ -	\$ 418,792

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds - Continued
Year Ended April 30, 2009

	Business-Type Activities			Total
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 17,667	\$ 125,091	\$ (13,441)	\$ 129,317
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	199,774	140,477	13,441	353,692
Amortization	-	16,251	-	16,251
Changes in assets and liabilities				
Accounts receivable	3,197	(15,607)	-	(12,410)
Prepaid items	(28,511)	(4,694)	-	(33,205)
Accounts payable	29,142	3,167	-	32,309
Accrued payroll	(1,959)	(4,369)	-	(6,328)
Deposits	2,200	(1,679)	-	521
Compensated absences	11,050	34,986	-	46,036
Total adjustments	214,893	168,532	13,441	396,866
Net cash provided by operating activities	\$ 232,560	\$ 293,623	\$ -	\$ 526,183
Supplemental Schedule of Non-Cash Capital and Related Finance Activities				
Capital assets acquired through capital lease	\$ -	\$ 13,500	\$ -	\$ 13,500

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Fiduciary Net Assets
Pension Trust Funds
April 30, 2009

Assets	
Cash and cash equivalents	\$ 245,661
Investments:	
Certificates of deposit	586,390
U.S. government and agency obligations	2,406,569
Insurance contracts	897,938
Equity mutual funds	2,189,790
Money market mutual funds	9,296
Illinois Funds	102,007
Accrued interest	25,261
Prepaid items	2,612
	<hr/>
Total assets	6,465,524
	<hr/>
Liabilities	
Accounts payable	1,260
Due to other funds	3,349
Total liabilities	4,609
	<hr/>
Net Assets	
Held in trust for pension benefits	\$ 6,460,915
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See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended April 30, 2009

Additions	
Contributions:	
Employer	\$ 481,515
Employee	172,279
Total contributions	<u>653,794</u>
Investment income (loss):	
Net (decrease) in fair value of investments	(948,063)
Interest and dividend earnings	209,268
Less: investment expenses	<u>(14,372)</u>
Net investment income (loss)	<u>(753,167)</u>
Total additions	<u>(99,373)</u>
Deductions	
Benefits and refunds	661,907
Administrative expenses	<u>45,672</u>
Total deductions	<u>707,579</u>
Net decrease	(806,952)
Net assets held in trust for employees' pension benefits:	
May 1, 2008	<u>7,267,867</u>
April 30, 2009	<u>\$ 6,460,915</u>

See Notes to Financial Statements.

Note 1. Summary of Significant Accounting Policies

Nature of Activities

The Village of Glenwood, Illinois, is located in Cook County, Illinois and was first incorporated in 1871 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board-Manager form of government. The Village Board consists of six elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by its charter: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Glenwood conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

Financial Reporting Entity

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

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

Fiscal dependency on the primary government.

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

Government-Wide and Fund Financial Statements

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

The Statement of Net Assets presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major governmental funds - General Fund, TIF Fund, and Holbrook Road Tax Increment Financing District Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The Village has the following major enterprise funds – Water and Sewer Fund, Golf Course Fund. The remaining enterprise fund is reported as nonmajor enterprise fund.

The Village administers the following major governmental funds:

General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general services, public works and public safety.

TIF Fund – A special revenue fund, accounts for the revenue generated from the tax incremental finance district to pay development costs.

Holbrook Road Tax Increment Financing District Fund – A special revenue fund, accounts for the revenue generated from the tax incremental finance district to pay development costs.

The Village administers the following major proprietary fund:

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

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

Additionally, the Village administers a fiduciary (pension trust) fund for assets held by the Village in a fiduciary capacity on behalf of its police and fire department employees.

Note 1. Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting and Financial Statement Presentation

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

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

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

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

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

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

Assets, Liabilities, and Net Assets or Equity

Cash and Cash Equivalents

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

Investments

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Inventories

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

Interfund Receivables, Payables and Activity

The Village has the following types of transactions between funds:

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

Services provided and used – sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund balance sheets or fund statements of net assets.

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

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

Prepaid items

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

Capital Assets

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

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation.

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Capital Assets (continued)

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

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

<u>Description</u>	<u>Estimated Useful Lives</u>
Improvements	3 – 30 years
Buildings	20 – 75 years
Machinery and equipment	4 – 40 years
Infrastructure	20 – 75 years

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

Unearned Revenue

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

Compensated Absences

Accumulated unpaid compensated absences are accrued as a liability in the 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 in 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. The General Fund is typically used to liquidate the governmental fund liability.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets. Bond premiums and discounts, as well as issuance costs and deferred amount on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond issuance costs during the year the bonds are sold. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Note 1. Summary of Significant Accounting Policies (continued)

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

Long-Term Obligations (continued)

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

Restricted Net Assets

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

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

Imposed by law through constitutional provisions or enabling legislation.

Fund Balance Reserves

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Elimination and Reclassification

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

Use of Estimates

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

New Accounting Pronouncements

Effective May 1, 2008, the Village adopted GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* on a prospective basis.

Effective May 1, 2008, the Village adopted Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

Effective May 1, 2008, the Village adopted GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 2. Property Taxes

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

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

Note 3. Cash and Investments

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. As of April 30, 2009, none of the deposits were exposed to custodial credit risk due to being uninsured and uncollateralized.

Investments

As of April 30, 2009, the Village had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Bonds	\$ 189,217	\$ -	\$ -	\$ 189,217	\$ -
U.S. Treasury Strips	127,324	-	-	23,667	103,657
U.S. agencies - FFEB	104,109	-	-	104,109	-
U.S. agencies - FHLB	384,908	-	-	123,994	260,914
U.S. agencies - GNMA	1,790,228	-	-	1,175	1,789,053
Illinois Funds *	102,007	102,007	-	-	-
Illinois Metropolitan Investment Fund *	316,402	316,402	-	-	-
Money Market Funds *	9,296	9,296	-	-	-
Total	\$ 3,023,491	\$ 427,705	\$ -	\$ 442,162	\$ 2,153,624

* Weighted average maturity is less than one year.

Note 3. Cash and Investments (continued)

Interest Rate Risk – The Village's investment policy states that investment's maturity period shall be matched with anticipated cash flow requirements. Unless matched to specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of the purchase.

The Police Pension Fund's investment policy limits its exposure to interest rate risk by structuring the portfolio to remain sufficiently liquid to enable the pension fund to pay all necessary benefits and meet all operating requirements, which might be reasonably anticipated.

The Firefighters' Pension Fund's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

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

Credit Risk – Is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest investments as allowed by Illinois Compiled Statutes.

The Village's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with the discretion of intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments.

The Police Pension Fund's investment policy is to also apply the prudent person rule, which states investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well of the secondary objective of the attainment of market rate of return.

The Firefighters' Pension Fund's investment policy is to also apply the prudent person rule, which states investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of the capital as well as the probable income to be derived.

As of April 30, 2009, investments in Illinois Funds and Illinois Metropolitan Investment Fund were rated AAA by Standard and Poor's. The FFCB and FHLB were rated Aaa by Moody's Investors Services and AAA by Standard and Poor's. The Money Market Funds are not rated.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (continued)

Concentration of Credit Risk – Is the risk of loss attributed to the magnitude of the investments in a single issuer.

The Village's investment policy states that investments shall be diversified to the best of their ability based on the types of funds invested and cash flow needs of those funds. Diversification can be the type of investment, the number of institutions invested in, and the length of maturity. The policy does not restrict the amount of investments in any one issuer. None of the Village's investments exceed 5% of total investments.

The Police Pension Funds investment policy states that the Board of Trustees has consciously diversified the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. More than 5% of the Fund's investments are in insurance contracts. The investment represents 19.3% of the Fund's total investments.

The Firefighters' Pension Fund policy provides target percentages that have been determined for each asset class. These allocations are to serve as a guideline. Market conditions or investment transitions may require interim investment strategy and therefore temporary imbalance in asset mix. The target percentages by asset class are as follows: fixed income 88%, equities 10%, and cash 2%. More than 5% of the Fund's investments are in FHLB's and insurance contracts. These investments represent 23.1% and 8.2%, respectively, of the Fund's total investments.

Custodial Credit Risk – For an investment, this is the risk that, in the event of failure of the counterparty, the Entity will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Illinois Funds, Illinois Metropolitan Investment Fund, Mutual Funds, and Money Market Funds are not subject to custodial credit risk.

The Village's investment policy states that the only authorized financial institutions are those that are FDIC insured and/or provide sufficient collateralization to cover the balance of the Village's deposits. The U.S. Treasury Bonds are held by the Village's agent in the Village's name.

The Police Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Fund, to act as a custodian for its securities and collateral. The U.S. agency securities and insurance contracts are held by the Fund's agent in the Fund's name.

The Firefighters' Pension Fund's investment policy requires collateral for funds in excess of FDIC or FSLIC limits. The U.S. Treasury Strips, U.S. agency securities and insurance contracts are held by the Fund's agent in the Fund's name.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 4. Capital Assets

A summary of the changes in capital assets for governmental activities of the Village for the year ended April 30, 2009, is as follows:

	Balance May 1, 2008	Additions	Deletions	Balance April 30, 2009
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 19,762,043	\$ -	\$ -	\$ 19,762,043
Capital assets being depreciated:				
Improvements	1,254,980	23,545	-	1,278,525
Buildings	4,643,712	-	-	4,643,712
Machinery and equipment	3,466,663	67,279	113,788	3,420,154
Infrastructure	5,005,804	269,537	-	5,275,341
Total capital assets not being depreciated	14,371,159	360,361	113,788	14,617,732
Less accumulated depreciation for:				
Improvements	1,022,691	63,774	-	1,086,465
Buildings	1,370,645	89,202	-	1,459,847
Machinery and equipment	1,908,989	222,638	35,296	2,096,331
Infrastructure	2,828,226	79,236	-	2,907,462
Total accumulated depreciation	7,130,551	454,850	35,296	7,550,105
Total capital assets being depreciated, net	7,240,608	(94,489)	78,492	7,067,627
Governmental activities capital assets, net	\$ 27,002,651	\$ (94,489)	\$ 78,492	\$ 26,829,670

Village of Glenwood, Illinois

Notes to Financial Statements

Note 4. Capital Assets (continued)

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2009, is as follows:

	Balance May 1, 2008	Additions	Deletions	Balance April 30, 2009
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 4,309,187	\$ -	\$ -	\$ 4,309,187
Capital assets being depreciated:				
Improvements	1,648,024	-	-	1,648,024
Buildings	1,665,303	-	-	1,665,303
Machinery and equipment	610,796	39,662	-	650,458
Infrastructure	14,075,362	23,235	-	14,098,597
Total capital assets not being depreciated	17,999,485	62,897	-	18,062,382
Less accumulated depreciation for:				
Improvements	776,650	79,531	-	856,181
Parking lot	366,112	30,370	-	396,482
Equipment	337,524	53,431	-	390,955
Pedestrian crossing	7,529,035	190,360	-	7,719,395
Total accumulated depreciation	9,009,321	353,692	-	9,363,013
Total capital assets being depreciated, net	8,990,164	(290,795)	-	8,699,369
Business-type activities capital assets, net	\$ 13,299,351	\$ (290,795)	\$ -	\$ 13,008,556

Village of Glenwood, Illinois

Notes to Financial Statements

Note 4. Capital Assets (continued)

Depreciation was charged to functions/programs as follows:

Governmental activities:			
General government		\$	55,551
Public safety			185,735
Public works			123,558
Highway and streets			84,322
Buildings			5,684
Total depreciation expense - governmental activities		\$	454,850
Business-type activities:			
Water and sewer		\$	199,774
Golf course operations			153,918
Total depreciation expense - business-type activities		\$	353,692

Note 5. Long-Term Obligations

The following is a summary of long-term obligation activity for the Village associated with governmental activity for the year ended April 30, 2009:

	Outstanding Debt as of May 1, 2008	Additions	Reductions	Outstanding Debt as of April 30, 2009	Due within one year
Alternate revenue bonds	\$ 2,390,000	\$ -	\$ 365,000	\$ 2,025,000	\$ 165,000
Capital leases	227,241	-	206,380	20,861	20,861
Compensated absences	425,704	119,974	32,590	513,088	209,438
Net pension obligation *	66,686	-	30,079	36,607	-
OPEB obligation*	-	4,934	-	4,934	-
	\$ 3,109,631	\$ 124,908	\$ 634,049	\$ 2,600,490	\$ 395,299

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

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2009:

	Outstanding Debt as of May 1, 2008	Additions	Reductions	Outstanding Debt as of April 30, 2009	Due within one year
General obligation bonds	\$ 5,430,000	\$ -	\$ 130,000	\$ 5,300,000	\$ 140,000
Note payable	67,559	-	31,676	35,883	28,145
Capital leases	-	13,500	3,281	10,219	2,064
Compensated absences	109,296	90,644	44,608	155,332	68,726
	\$ 5,606,855	\$ 104,144	\$ 209,565	\$ 5,501,434	\$ 238,935

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (continued)

Outstanding debt as of April 30, 2009, consists of the following:

General obligation bonds:

General obligation bonds dated May 1, 2001 provide for the retirement of principal of \$140,000 in 2010, \$145,000 in 2011, \$150,000 in 2012, \$155,000 in 2013, \$165,000 in 2014, \$170,000 in 2015, \$180,000 in 2016, \$190,000 in 2017, \$200,000 in 2018, \$210,000 in 2019, \$220,000 in 2020, \$235,000 in 2021, \$245,000 in 2022, \$260,000 in 2023, \$275,000 in 2024, \$290,000 in 2025, \$300,000 in 2026, \$320,000 in 2027, \$335,000 in 2028, \$350,000 in 2029, \$370,000 in 2030 and \$395,000 in 2031. Interest is payable on December 1 and June 1 of each year at varying rates between 4.3% and 5.5%.

\$ 5,300,000

Alternate revenue bonds:

General Obligation Bonds (Alternate Revenue Bonds), Series 1998B, dated September 23, 1998, provide for the retirement of principal of \$165,000 in 2010, \$170,000 in 2011, \$180,000 in 2012, \$185,000 in 2013, \$195,000 in 2014, \$205,000 in 2015, \$215,000 in 2016, \$225,000 in 2017, \$235,000 in 2018 and \$250,000 in 2019. Interest is payable on April 1 and October 1 of each year at rates varying from 4.15% - 4.65%.

2,025,000

Note payable:

Note Payable, dated July 17, 2007, provides for retirement of principal on monthly in the amount of \$2,683, including interest at 5.62%, through August 1, 2010. Final principal and interest payment is due on August 1, 2010 in the amount of \$7,807.

35,883

Capital leases

31,080

Net pension obligation

36,607

OPEB obligation

4,934

Compensated absences

668,420

Total long-term debt

\$ 8,101,924

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (continued)

The future debt service requirements to amortize the outstanding debt other than compensated absences, net pension obligation and OPEB obligation as of April 30, 2009 are as follows:

Year Ending April 30,	Governmental		Business-Type	
	Alternate Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2010	\$ 165,000	\$ 87,536	\$ 140,000	\$ 276,103
2011	170,000	80,500	145,000	270,083
2012	180,000	73,018	150,000	263,703
2013	185,000	65,078	155,000	256,953
2014	195,000	56,620	165,000	249,823
2015-2019	1,130,000	136,214	950,000	1,119,334
2020-2024	-	-	1,235,000	833,892
2025-2029	-	-	1,595,000	470,006
2030-2031	-	-	765,000	62,350
	<u>\$ 2,025,000</u>	<u>\$ 498,965</u>	<u>\$ 5,300,000</u>	<u>\$ 3,802,244</u>

	Business-Type		
	Note Payable		Total
	Principal	Interest	
2010	\$ 28,145	\$ 1,373	\$ 698,157
2011	7,738	69	673,390
2012	-	-	666,720
2013	-	-	662,030
2014	-	-	666,443
2015-2019	-	-	3,335,547
2020-2024	-	-	2,068,892
2025-2029	-	-	2,065,006
2030-2031	-	-	827,350
	<u>\$ 35,883</u>	<u>\$ 1,442</u>	<u>\$ 11,663,534</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (continued)

The Village has pledged revenues to repay certain bond issues. The 1998A bonds are to be paid for Motor Fuel Tax allotments of the Motor Fuel Tax Fund. The 1998B bonds are to be paid from Utility Tax Revenue of the General Fund. The pledges will remain until all bonds are retired. The amount of pledges remaining as of April 30, 2009 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date	Percentage of Revenue Pledged
1998A	MFT Allotments	\$ -	10/1/2008	98.96%
1998B	Utility Taxes	2,523,965	12/1/2018	59.21%

The secured debt was issued to provide funds for capital expenditures.

A comparison of the pledged revenues collected and the related principal and interest expenditures for the fiscal year 2009 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Revenue	Principal and Interest Retired
1998A	MFT Allotments	\$ 211,402	\$ 209,203
1998B	Utility Taxes	429,399	254,240

The final principal payment was made on the general obligation alternate revenue bonds, series 1998A, during fiscal year 2009.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 6. Capital Lease Obligations

The Village leases vehicles under capital leases, which expire between April 2010 and May 2014. Monthly and annual lease payments, including interest ranging from 6.25% to 7.95%, range from \$249 to \$22,165. The cost of the capital assets acquired under the capital leases was \$41,799 and \$13,500, which is included in governmental activities machinery and equipment and business-type activities machinery and equipment, respectively.

Minimum future lease payments under the capital leases together with the present value of the net minimum lease payments as of April 30, 2009 are as follows:

Year ending April 30:	Governmental	Business-Type	Total
2010	\$ 22,165	\$ 2,741	\$ 24,906
2011	-	2,991	2,991
2012	-	2,991	2,991
2013	-	2,991	2,991
2014	-	249	249
Total minimum lease payments	22,165	11,963	34,128
Less amount representing interest	1,304	1,744	3,048
Present value of future minimum lease payments	20,861	10,219	31,080
Less current portion	20,861	2,064	22,925
Long-term portion	\$ -	\$ 8,155	\$ 8,155

Note 7. Deferred Compensation

The Village offers its employees deferred compensation plans created in accordance with Internal Revenue Code 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. There were no contributions for the current year.

Note 8. Pension and Retirement Plan Commitments

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

Illinois Municipal Retirement Fund

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

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Funding Policy. As set by statute, the Village's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's contribution rate for calendar year 2008 was 8.52 percent of annual covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For 2008, the Village's annual pension costs of \$95,175 for Regular plan members was equal to the Village's required and actual contributions.

Three-Year Trend Information

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	\$ 95,175	100%	% \$ -
12/31/07	111,690	100%	-
12/31/06	116,486	100%	-

The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 11.6 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the Village's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Village's Regular plan 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, 2006, valuation was 24 years.

Funded Status and Funding Progress. As of December 31, 2008, the most recent actuarial valuation date, the Regular plan was 96.71 percent funded. The actuarial accrued liability for benefits was \$2,290,613 and the actuarial value of assets was \$2,215,181, resulting in an unfunded actuarial accrued liability (UAAL) of \$75,432. The covered payroll (annual payroll of active employees covered by the plan) was \$1,117,076 and the ratio of the UAAL to the covered payroll was 6.75%.

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

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois Legislature. The plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan is a fund of the Village and also issues separate financial statements. You can obtain this report by contacting the Village of Glenwood, One Asselborn Way, Glenwood, Illinois 60425.

The Police Pension Plan's most recent actuarial valuation was completed as of the year ended April 30, 2009.

Covered employees are currently required to contribute 9.91 percent of their base salary to the Police Pension Plan. The member rate is determined by State Statute. The Village is required to contribute at an actuarially determined amount. The employer rate for fiscal year ended April 30, 2009, was 30.03 percent of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2009 were as follows:

Annual required contribution	\$ 359,340
Interest on net pension obligation	4,668
Adjustment to annual requirement contribution	<u>(3,188)</u>
Annual pension cost (expense)	360,820
Contributions made	<u>390,899</u>
Decrease in net pension obligation	(30,079)
Net pension obligation, beginning of year	<u>66,686</u>
Net pension obligation, end of year	<u><u>\$ 36,607</u></u>

The annual required contribution for the year ended April 30, 2009, was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2009, was 24 years.

As of April 30, 2009, the most recent actuarial valuation date, the regular plan was 43.94 percent funded. The actuarial accrued liability for benefits was \$10,343,630 and the actuarial value of assets was \$4,544,635, resulting in an underfunded actuarial accrued liability (UAAL) of \$5,798,995. The covered payroll (annual payroll of active employees covered by the plan) was \$1,301,838 and the ratio of the UAAL to the covered payroll was 445.45 percent.

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

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Fiscal Year Ending	Annual Pension Costs (APC)	Percentage of APC Contributed	Annual Pension Contributions	Net Pension Obligation
4/30/09	\$ 360,820	108.3 %	\$ 390,899	\$ 36,607
4/30/08	N/A	N/A	N/A	N/A
4/30/07	N/A	N/A	N/A	N/A

N/A – The Village did not have actuarial valuations performed in these years.

At April 30, 2009, the Police Pension Plan membership consisted of:

Retirees and beneficiaries receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	6
Active nonvested plan members	15
Total members	37

Firefighters' Pension Plan

The information below is provided by the State of Illinois Department of Insurance and does not comply with accounting principles generally accepted in the United States of America.

Fire 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 State Statutes 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 statement. The Village's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2008 was \$309,793 of a total payroll of \$3,630,836. At April 30, 2008 the Firefighters' Pension Plan 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	5
Total	6

Note 8. Pension and Retirement Plan Commitments (continued)

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 ten 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 retires 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.

Covered employees are required to contribute 9.45% 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.

Related Party Transactions

The Firefighters' Pension Plan did not have any investment securities in the form of bonds, notes, loans or any other instrument representing debt of the Village.

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess, on a going-concern basis, the funding status of the system to which contributions are made, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is independent of the funding method used to determine contributions to the systems.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

The pension benefit obligations were computed as part of the actuarial valuations performed as of the following dates, and the significant actuarial assumptions used in those valuations are as follows:

	Fire- fighters' Pension
Actuarial valuation date	<u>April 30, 2008**</u>
Significant actuarial assumptions:	
a) Rate of return on investment of present and future assets	7.00% compounded annually
b) Projected salary increases - attributable to inflation	*
c) Additional projected salary increases - attributable to seniority/merit	*

* Separate information for b. and c. is not available. Combined projected salary increases are 5.50% compounded annually.

** Latest information available.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

The unfunded pension benefit obligation applicable to the Village's employees as of the preceding valuation dates and within the Firefighters' Pension Plan is as follows:

	<u>Fire- fighters' Pension</u>
Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits	\$ 466,960
Terminated employees not yet receiving benefits	-
Current employees:	
Unallocated	-
Accumulated employee contributions including allocated investment earnings	1,887,352
Employer - financed vested	*
Employer - financed nonvested	*
Total pension benefit obligation	<u>2,354,312</u>
Net assets available for benefits, at market**	<u>1,801,716</u>
Unfunded (assets in excess of) pension benefit obligation***	<u>\$ 552,596</u>

* The concept of vesting is not clearly defined in Illinois State Statutes. Benefit accrual rates are delineated, but they do not assist in definitively determining vesting status. As such no detail allocation can be determined for the Firefighters' Pension Fund.

** Net assets available for benefits, at fair value, at April 30, 2008, for the Firefighters' Pension Plan were \$1,807,252.

*** No asset or obligation has been recorded for the Firefighters' Pension Plan.

Actuarially Determined Contribution Requirements and Contributions Made

The funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal costs is determined using the entry age normal actuarial funding method. The firefighters' plan uses the level dollar amount method to amortize the unfunded liability over a forty-year period.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

The following contributions to the Plan for the year ended April 30, 2008, were based on, determined and made in accordance with actuarially determined requirements computed through actuarial valuations as of the actuarial valuation date.

	Firefighters' Pension
	<u>April 30, 2008</u>
Actuarial valuation date	
Contribution requirements:	
As a dollar amount:	
Normal cost	\$ 97,871
Amortization of unfunded actuarial accrued liability (credit for surplus)	26,272
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>\$ 124,143</u>
As a % of covered payroll:	
Normal cost	31.59%
Amortization of unfunded actuarial accrued liability	8.48%
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>40.07%</u>
Contributions made:	
As a dollar amount:	
Employer	\$ 90,876
Employee	29,291
	<u>\$ 120,167</u>
As a % of covered payroll:	
Employer	29.33%
Employee	9.46%
	<u>38.79%</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Within the Village's financial statements, three-year historical trend information for the Plan is as follows:

	Fiscal Year	Fire- fighters' Pension
Net assets available as a percentage of the pension benefit obligation	2006	N/A
	2007	N/A
	2008	76.5%
Unfunded pension benefit obligation as a percentage of annual covered payroll	2006	N/A
	2007	N/A
	2008	178.4%
Total employer contributions as a percentage of annual covered payroll	2006	N/A
	2007	N/A
	2008	30.75%

N/A – Information is not available.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation 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 system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation.

Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay liabilities when due. Generally, the smaller this percentage, the stronger the system.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Combining Statement of Fiduciary Net Assets
 Pension Trust Funds
 April 30, 2009

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 163,322	\$ 82,339	\$ 245,661
Investments:			
Certificates of deposit	433,411	152,979	586,390
U.S. government and agency obligations	1,189,704	1,216,865	2,406,569
Insurance contracts	761,232	136,706	897,938
Equity mutual funds	1,987,027	202,763	2,189,790
Money market mutual funds	2,534	6,762	9,296
Illinois Funds	-	102,007	102,007
Accrued interest	19,753	5,508	25,261
Prepaid items	2,612	-	2,612
Total assets	4,559,595	1,905,929	6,465,524
Liabilities			
Accounts payable	1,260	-	1,260
Due to other funds	-	3,349	3,349
Total liabilities	1,260	3,349	4,609
Net Assets			
Held in trust for pension benefits	\$ 4,558,335	\$ 1,902,580	\$ 6,460,915

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended April 30, 2009

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 390,899	\$ 90,616	\$ 481,515
Employee	136,412	35,867	172,279
Total contributions	527,311	126,483	653,794
Investment income (loss):			
Net (decrease) in fair value of investments	(907,429)	(40,634)	(948,063)
Interest and dividend earnings	141,479	67,789	209,268
Less: investment expenses	(14,372)	-	(14,372)
Net investment income (loss)	(780,322)	27,155	(753,167)
Total additions	(253,011)	153,638	(99,373)
Deductions			
Benefits and refunds	624,311	37,596	661,907
Administrative expenses	24,958	20,714	45,672
Total deductions	649,269	58,310	707,579
Net increase (decrease)	(902,280)	95,328	(806,952)
Net assets held in trust for employees' pension benefits:			
May 1, 2008	5,460,615	1,807,252	7,267,867
April 30, 2009	\$ 4,558,335	\$ 1,902,580	\$ 6,460,915

Note 9. 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; and natural disasters. The Village pays annual premiums to the Illinois Public Risk Fund (IPRF) which is an organization of public entities, which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their 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 provide coverage of \$2,500,000 with an additional \$9,000,000 of insurance provided by an umbrella policy. The Village along with IPRF's 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.

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

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

Village of Glenwood, Illinois

Notes to Financial Statements

Note 10. Other Fund Disclosures (FFS Level Only)

Individual fund interfund receivable and payable balances as of April 30, 2009, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Major Governmental Funds:		
General Fund:		
Water and Sewer Fund	\$ -	\$ 21,931
Golf Course Fund	151,322	-
Non-Major Governmental Fund	19,908	787,160
Fiduciary Fund	3,349	-
	<u>174,579</u>	<u>809,091</u>
Major Enterprise Fund:		
Water and Sewer Fund:		
General Fund	21,931	-
Golf Course Fund	340,000	-
	<u>361,931</u>	<u>-</u>
Golf Course Fund:		
General Fund	-	151,322
Water and Sewer Fund	-	340,000
Non-Major Enterprise Fund	619,230	-
	<u>619,230</u>	<u>491,322</u>
Non-Major Governmental Funds:		
General Fund	787,160	19,908
Non-Major Governmental Fund	42,306	42,306
	<u>829,466</u>	<u>62,214</u>
Non-Major Enterprise Fund:		
Golf Course Fund	-	619,230
	<u>-</u>	<u>619,230</u>
Fiduciary Fund:		
General Fund	-	3,349
	<u>-</u>	<u>3,349</u>
Total	<u>\$ 1,985,206</u>	<u>\$ 1,985,206</u>

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

Village of Glenwood, Illinois

Notes to Financial Statements

Note 10. Other Fund Disclosures (FFS Level Only) (continued)

Interfund transfers for the year ended April 30, 2009, are as follows:

<u>Fund</u>	<u>Transfer From</u>	<u>Transfer To</u>
Major Governmental Funds:		
General Fund:		
Non-Major Governmental Fund	\$ -	\$ 208,360
Non-Major Governmental Funds:		
General Fund	208,360	-
Non-Major Governmental Fund	487,623	487,623
	<u>695,983</u>	<u>487,623</u>
 Total	 <u>\$ 695,983</u>	 <u>\$ 695,983</u>

Interfund transfers are to assist with payment of debt and to close out the Community Development Block Grant Fund.

Deficit Fund Balance

As of April 30, 2009, the Village's General Fund had a deficit fund balance of \$32,051. This Village intends to fund this deficit through future operating revenues and expenditure controls.

As of April 30, 2009, the Village's Golf Course Housing Project Fund has a deficit fund balance of \$239,208. The Village plans on funding this deficit through further development of the project.

Budget Over Expenditures

As of April 30, 2009, the following funds over expended their budget:

<u>Fund</u>	<u>Amount</u>
Road and Bridge Fund	\$ 18,508
Series 1998A - MFT Bond Fund	1,849

Note 11. Post Employment Healthcare Plan

The Village adopted GASB Statement No. 45 – *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions*, as of June 30, 2009 on a prospective basis. The Village recorded a \$4,934 liability due to the adoption of this Standard.

Plan Description

The Village provides post-employment health care benefits (OPEB) for retired employees. The Village Group Health Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Village. The Plan provides medical insurance benefits to eligible retirees. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Village Board and can only be amended by the Village Board. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established. The Village does not issue a Plan financial report.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 11. Post Employment Healthcare Plan (continued)

Funding Policy

The contribution requirements of plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document." The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2009, the Village was not required to make any explicit contributions to the plan. Members receiving benefits contributed \$5,427, or 100 percent of the total premiums, through their required contribution.

Annual OPEB Cost and Net OPEB Obligation

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

Annual required contribution	\$ 10,361
Interest on net OPEB obligation	-
Adjustment to annual requirement contribution	-
Annual OPEB cost (expense)	<u>10,361</u>
Contributions made	<u>(5,427)</u>
Increase in net OPEB obligation	4,934
Net OPEB obligation, beginning of year	<u>-</u>
Net OPEB obligation, end of year	<u><u>\$ 4,934</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and the two preceding years were as follows:

Year Ending	Annual OPEB Costs	Percentage Annual OPEB Costs Contributed	Annual Pension Contributions	Net OPEB Obligation
04/30/09	\$ 10,361	52.4 %	\$ 5,427	\$ 4,934
04/30/08	N/A	N/A	N/A	N/A
04/30/07	N/A	N/A	N/A	N/A

Funded Status and Funding Progress

As of April 30, 2009, the most recent actuarial valuation date, the plan was 100 percent unfunded. The actuarial accrued liability for benefits was \$96,044, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$96,044. The covered payroll (annual payroll of active employees covered by the plan) was \$2,475,522 and the ratio of UAAL to the covered payroll was 3.9 percent.

Note 11. Post Employment Healthcare Plan (continued)

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

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined reporting the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

In the April 30, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent discount rate (includes inflation at 3.0 percent), annual healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 6.0 percent, and anticipated participation of 20.0 percent, and 30.0 percent of active employees assumed to elect the benefit. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2009 was 30 years.

Note 12. Commitments

As of April 30, 2009, the Village had construction commitments totaling approximately \$750,000.

The Village entered into an agreement with a developer to incur the Redevelopment Project Costs. The Redevelopment Project Costs have been initially deemed to qualify under the Act for Village payment through tax increment allocation financing. The Village agreed to pay to Wal-Mart or its designee 50% of the increment generated by the Project each year up to a total principal amount of \$2,012,500 plus interest at 4% per annum assuming certain agreements were met. Payments are due on the 15th of January following the calendar year in which the Wal-Mart store opens for business and on each January 15th thereafter. As of April 30, 2009, the Village has remitted \$1,774,906 related to this agreement.

The Village entered into an agreement with H.N. Properties LLC to purchase and renovate a 5,000 square foot building at 113 East Main Street. The Village agreed to pay to H.N. Properties a pro rata rate not to exceed 25% of project costs up to a maximum of \$75,000. As of April 30, 2009, the Village has remitted \$54,596 related to this agreement.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 12. Commitments (continued)

The Village entered into a redevelopment agreement with a developer to purchase and renovate the property at 394 W. 195th St. The maximum reimbursement of the developers certified eligible redevelopment project costs shall not exceed a total of \$701,977 or 40% of the Developer's certified eligible redevelopment project costs, whichever is less. The maximum of the front 5,700 square foot building located on the subject property in an amount that shall not exceed \$328,000 or 40% of the Developer's certified eligible redevelopment project costs for the rehabilitation, whichever is less. The maximum of the rear 7,200 square foot building located on the subject property shall not exceed \$164,000 or 40% of the Developer's certified eligible redevelopment project costs, whichever is less. The Developer shall receive the balance of any amounts owed under agreement by the later of either 1) one year after the completion of the Developer's redevelopment project or 2) December 31, 2009. As of April 30, 2009, the Village has remitted \$149,400 related to this agreement.

The Village entered into an agreement with a business as an inducement to remain in Glenwood and modernize, improve, and/or expand their facilities. The business would receive the right to 60% of the incremental property taxes generated by their property each year on an annual basis for a period of 20 years from the date of the agreement. Payments are due on or before the 15th of December of every year. As of April 30, 2009, the Village has remitted \$1,104,587 related to this agreement.

The Village entered into an agreement with Sherwood Forest LLC to renovate various properties held by the developer. The Village agreed to reimburse Sherwood Forest a maximum of \$2,000,000 or 50% of the Developer's total project costs, whichever is less. As of April 30, 2009, the Village has remitted \$770,460 related to this agreement.

The Village entered into an agreement with S.E.T. Environmental to purchase building and land at 420 W. 194th St. to be utilized as the company's administrative and dispatch offices. The maximum reimbursement for eligible redevelopment project costs under this agreement shall be \$120,000. This amount shall be payable in annual installments of \$15,000 as long as the Developer maintains at least 20 Employee's during the calendar year. The payment is approved each year at the January Village Board Meeting. As of April 30, 2009, the Village has remitted \$45,000 related to this agreement.

The Village entered into an agreement with a developer for economic assistance from the Village. If for not the economic assistance to be given by the Village, the Project would not be economically viable to the Developer. The Redevelopment Project Costs have been initially deemed to qualify under the Act for Village payment through tax increment allocation financing. The Village agreed to pay to the Developer an amount equal to fifty percent (50%) of the municipal sales tax revenues received by the Village as a result of the operations of such retail store at the Subject Property. The municipal sales tax revenue sharing shall continue for a term of 10 years from the date the Village's obligation to share municipal sales tax revenue arises for each retail store located within the project. Payments are due on or before the 30th of June following the date of the Village's obligation to share municipal sales tax revenue and on each June 30th thereafter. As of April 30, 2009, the Village has remitted \$5,359 related to this agreement.

Note 13. Pronouncements Issued But Not Yet Adopted

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

Note 13. Pronouncements Issued But Not Yet Adopted (continued)

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, will be effective for the Village beginning with its year ending April 30, 2010. This statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, will be effective for the Village beginning with its year ending April 30, 2011. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, will be effective for the Village beginning with its year ending April 30, 2011. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported on governmental funds.

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

Required Supplementary Information

Village of Glenwood, Illinois

Illinois Municipal Retirement Fund
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/08	\$ 2,215,181	\$ 2,290,613	\$ 75,432	96.71 %	\$ 1,117,076	6.75 %
12/31/07	2,589,764	2,028,853	(560,911)	127.65	1,181,908	N/A
12/31/06	2,333,898	1,940,899	(392,999)	120.25	1,125,466	N/A

Village of Glenwood, Illinois

Police Pension Fund
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/09	\$ 4,544,635	\$ 10,343,630	\$ 5,798,995	43.94 %	\$ 1,301,838	445.45 %
4/30/08	N/A	N/A	N/A	N/A	N/A	N/A
4/30/07	N/A	N/A	N/A	N/A	N/A	N/A
4/30/06	5,133,758	9,279,320	4,145,562	55.32	873,228	474.74
4/30/05	N/A	N/A	N/A	N/A	N/A	N/A
4/30/04	N/A	N/A	N/A	N/A	N/A	N/A

N/A – The Village did not have actuarial valuations performed in these years.

Village of Glenwood, Illinois

Schedule of Funding Progress
Post Employment Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
4/30/09	\$ -	\$ 96,044	\$ 96,044	0.0 %	\$ 2,475,522	3.88 %
4/30/08	N/A	N/A	N/A	N/A	N/A	N/A
4/30/07	N/A	N/A	N/A	N/A	N/A	N/A

Village of Glenwood, Illinois

Schedule of Employer Contributions
Police Pension Fund

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
Fiscal Year		
2009	\$ 359,340	108.78 %
2008	N/A	N/A
2007	N/A	N/A
2006	203,332	78.61
2005	N/A	N/A
2004	N/A	N/A

N/A – The Village did not have actuarial valuations performed in these years.

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 General Fund
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 2,755,598	\$ 2,383,236	\$ (372,362)
Other taxes	625,000	518,219	(106,781)
Intergovernmental	2,690,000	2,689,355	(645)
Licenses, permits and fees	371,450	328,527	(42,923)
Fines	127,500	87,344	(40,156)
Interest	3,000	2,835	(165)
Charges for services	80,800	546,112	465,312
Miscellaneous	18,500	153,129	134,629
Total revenues	6,671,848	6,708,757	36,909
Expenditures:			
Current:			
Administration	1,733,249	1,637,596	95,653
Building	153,400	105,865	47,535
Public works	763,000	581,039	181,961
Parks	405,475	49,410	356,065
Police	3,136,500	2,954,170	182,330
Fire	1,179,680	1,153,052	26,628
ESDA	31,200	3,380	27,820
Senior center	13,025	15,030	(2,005)
Debt service:			
Principal	-	179,391	(179,391)
Interest and fees	-	7,561	(7,561)
Capital outlay	358,911	152,324	206,587
Total expenditures	7,774,440	6,838,818	935,622
Excess (deficiency) of revenues over (under) expenditures	(1,102,592)	(130,061)	972,531
Other financing uses:			
Transfers out	(255,960)	(208,360)	47,600
Change in fund balance	\$ (1,358,552)	(338,421)	\$ 1,020,131
Fund balance (deficit):			
May 1, 2008		306,370	
April 30, 2009		\$ (32,051)	

See Note to Required Supplementary Information.

Note to Required Supplementary Information

Note 1. Budgetary Basis of Accounting

Budgets are adopted on a basis consistent with GAAP. The original budget was not amended during the current fiscal year. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- i) The Village Manager submits to the Village Board of Trustees a proposed operating budget, which serves as a budget, for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- ii) Public hearings are conducted by the Village to obtain taxpayer comments.
- iii) Subsequently, the budget is adopted by the Village Board. This budget is the Village's legal budgetary document. The budget ordinance is enacted through passage of a Village ordinance.
- iv) Formal budgetary integration is employed as a management control device during the year for all governmental funds.
- v) Appropriations lapse at year-end.
- vi) Transfers between line items and departments may be made by administrative actions; however, amounts to be transferred between funds would require Village board approval. The level of legal control is the individual fund budget in total.
- vii) Budgeted amounts are as originally adopted.
- viii) The Village adopts budgets for the General Fund, Road and Bridge Fund, Motor Fuel Tax Fund, Illinois Municipal Retirement Fund, Series 1998A – MFT Bond Fund, Series 1998B – Village Hall Construction Bond Fund, and Water and Sewer Fund.

Supplemental Data

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual
Year Ended April 30, 2009

	Budget	Actual
Property taxes	\$ 2,755,598	\$ 2,383,236
Other taxes:		
Utility taxes	455,000	429,399
Auto rental tax	10,000	8,981
Real estate transfer tax	160,000	79,839
Total other taxes	625,000	518,219
Intergovernmental:		
Sales tax	1,125,000	1,047,257
Income tax	835,000	792,590
Local use tax	130,000	127,746
Personal property replacement tax	45,000	37,163
Telecommunication maintenance fee	440,000	433,287
Grants	115,000	251,312
Total intergovernmental	2,690,000	2,689,355
Licenses, permits and fees:		
Zoning board/hearing application fee	1,500	1,220
Building and electrical permit	125,000	102,376
Alarm permits	5,000	565
Cable TV revenue	115,000	95,286
Business licenses	50,000	51,907
Animal licenses	950	1,093
Grass cutting fees	5,000	7,500
Health inspection fees	-	6,840
Towed vehicle administration fee	60,000	51,440
Fire protection fees	9,000	10,300
Total licenses, permits and fees	371,450	328,527
Fines:		
Police-DUI related revenues	2,500	170
Police fines	85,000	69,169
Building code fines	20,000	12,975
Vehicle sticker penalty	20,000	5,030
Total fines	127,500	87,344
Interest	3,000	2,835

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual (continued)
 Year Ended April 30, 2009

	Budget	Actual
Charges for services		
Project reimbursement - administration	\$ 5,000	\$ 428
Project Reimbursement - police	3,500	1,027
Project Reimbursement - fire	500	355
Bad check charge	300	100
SBA towers	70,000	77,265
Park program fees	1,500	3,861
Refuse fees	-	463,076
Total charges for services	80,800	546,112
Miscellaneous		
Proceeds from sales of surplus property	-	4,800
Foreign fire insurance	5,000	4,932
Newsletter advertising	-	3,000
Facility rent	2,800	5,450
Police insurance/miscellaneous reimbursement	4,200	34,702
Cops and bobbers program	-	2
Employee benefit revenue	4,000	7,148
Miscellaneous	2,000	92,473
Miscellaneous fire	500	622
Total miscellaneous	18,500	153,129
Total revenues	\$ 6,671,848	\$ 6,708,757

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2009

	Budget	Actual
Current:		
Administration:		
Mayor	\$ 13,500	\$ 13,500
Treasurer	1,500	1,500
Trustees	26,500	24,750
Village clerk	2,000	2,000
Village collector	100	100
Village administrator	85,000	46,292
Assistant village administrator	50,000	9,692
Department supervisor	68,349	69,370
Full time employees	119,000	99,720
Part time employees	21,000	10,715
Contract services	50,000	18,061
Consulting services	70,000	37,007
Salary - liquor commissioner	1,500	1,500
Employer FICA and IMRF	47,700	674
Office supplies	11,000	11,114
Data processing	25,000	21,294
Postage	9,000	3,169
Employee appreciation	4,000	3,919
Telephone	22,000	1,409
HRC expense and legal services	2,000	600
Legal notices	3,000	472
News letter	10,000	9,795
Code of ordinances expense	4,000	7,761
Dues, subscription, and memberships	20,000	10,408
Legal services	100,000	99,536
Auditing	51,000	51,000
E-Comm annual expense	155,000	169,452
Legal services - board of trustees	50,000	52,724
Group insurance and hospital	40,000	28,242
Workmen's compensation insurance	7,000	30,031
Liability insurance	5,100	11,949
Expenses - village administration	1,000	-
Board member training	2,000	-
Utilities	10,000	3,360
Personnel training	1,500	595
Travel, lodging, and meals	4,000	3,892
Donations/memorials	15,000	5,051
Police and fire commission	25,000	6,943
Grant expense	-	222,608
Web site expense	1,000	300
Fireworks	15,000	11,750
Economic incentive agreements	20,000	10,605
Railroad property rental	2,500	-
Engineer services	100,000	59,822
Homewood disposal	460,000	463,155
Miscellaneous	2,000	1,759
Total administration	1,733,249	1,637,596

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2009

	Budget	Actual
Current:		
Building:		
Department supervisor	\$ -	\$ 4,460
Full time employees	55,000	52,393
Part time employees	10,000	5,036
Contract services	6,000	1,224
Employer FICA and IMRF	8,400	171
Building code hearing	2,000	200
Planning and zoning	3,500	1,222
Printing and advertising	3,000	1,259
Office supplies	5,000	1,096
Copier supplies and maintenance	2,000	924
Postage	1,000	833
Telephone	5,000	3,930
Dues, subscription, and membership	2,000	1,710
Legal services	5,000	5,088
Legal fees zoning	3,000	4,166
Group insurance and hospital	10,000	4,571
Workmen's compensation insurance	5,000	10,003
Liability insurance	7,000	6,815
Personnel training	2,500	303
Travel, lodging, and meals	1,000	-
Gas and oil	5,000	81
Repair and maintenance - vehicle	7,000	-
Computer - programs and equipment	3,000	-
Miscellaneous	2,000	380
Total building	153,400	105,865
Public works:		
Department supervisor	23,000	16,961
Full time employees	150,000	118,653
Part time employees	35,000	44,649
Over-time wages	60,000	33,044
Holiday pay	10,000	3,087
Lawn care services	34,000	23,879
Employer FICA and IMRF	40,000	571
Unemployment insurance	5,000	5,052
Printing and advertising	-	1,246
Office supplies	4,000	2,749
Postage	1,000	288
Telephone	15,000	9,121
Legal services	1,500	2,216
Group insurance and hospital	103,000	26,013
Workmen's compensation insurance	95,100	127,639
Liability insurance	41,900	39,345

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2009

	Budget	Actual
Current:		
Public works: (continued)		
Personnel training	\$ 1,500	\$ 806
Travel, lodging, and meals	500	365
Physicals	2,000	1,233
Gas and oil	30,000	24,015
Repair and maintenance - communications	1,000	-
Repair and maintenance - vehicle	35,000	33,260
Repair and maintenance - general tools/equipment	8,500	7,242
Repair and maintenance - municipal buildings	35,000	37,479
Maintenance - municipal grounds	10,000	12,200
Flags	2,000	-
Christmas decorations	5,000	2,301
Festival expenses	5,000	6,066
Computer - programs and equipment	3,000	53
Lawn equipment	3,000	526
Miscellaneous	3,000	980
Total public works	763,000	581,039
Parks:		
Department supervisor	15,000	12,139
Employers FICA & IMRF	975	18
Utilities	12,000	7,131
Park program expenses	12,000	12,838
Repair and maintenance - general tools/equipment	2,500	2,785
Repair and maintenance - municipal buildings	10,000	4,406
Maintenance - municipal grounds	10,000	10,093
Hickory Glen park grant expenditure	343,000	-
Total parks	405,475	49,410
Police:		
Police department compensation time payout	19,000	18,973
Department supervisor	75,000	75,462
Full time employees	1,400,000	1,293,820
Part time employees	120,000	77,673
Crossing guards	25,000	26,547
Over-time wages	90,000	173,603
Holiday pay	60,000	69,115
Employer FICA and IMRF	130,000	2,865
Employee benefits	-	18,658
Pension contributions	360,000	390,899
Unemployment insurance	5,000	-
Office supplies	12,000	8,789
Postage	3,000	2,950
Telephone	16,000	10,363
Dues, subscription, and membership	4,000	4,995

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2009

	Budget	Actual
Current:		
Police: (continued)		
Legal services	\$ 75,000	\$ 34,844
Municipal systems	5,000	3,921
Group insurance and hospital	220,000	177,153
Workmen's compensation insurance	198,500	274,742
Liability insurance	93,500	89,194
Utilities	10,000	2,994
Personnel training	20,000	16,949
Travel, lodging, and meals	2,500	3,683
Physicals	2,000	20
Uniforms	18,000	20,773
Gas and oil	70,000	57,684
Grant expense	2,500	19,310
Repair and maintenance - communications	35,000	22,941
Repair and maintenance - copy machine	3,000	3,004
Repair and maintenance - vehicle	40,000	37,401
Repair and maintenance - general tools/equipment	2,000	1,691
Canine program	-	758
Computer - programs and equipment	15,000	5,950
Communications equipment	3,000	3,310
Miscellaneous	2,500	3,136
Total police	3,136,500	2,954,170
Fire:		
Department supervisor	83,200	77,252
Full time employees	285,000	266,752
Part time employees	15,080	2,267
Over-time wages	1,000	47
Paid on call fire personnel	75,000	67,859
Sleep-in-pay	87,600	89,842
Duty shift assignment	48,000	46,748
Contract services	45,400	52,065
Employer FICA and IMRF	56,000	837
Pension contributions	86,500	84,887
Office supplies	5,000	3,293
Postage	500	233
Food service inspections	1,500	-
Telephone	6,000	6,630
Dues, subscription, and membership	2,500	1,594
Legal services	1,000	93
Group insurance and hospital	65,000	55,093
Workmen's compensation insurance	127,000	170,025
Liability insurance	44,500	42,975
Utilities	3,500	2,342
Personnel training	9,000	11,905

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2009

	Budget	Actual
Current:		
Fire: (continued)		
Travel, lodging, and meals	\$ 3,000	\$ 611
Public education programs	2,000	1,369
Physicals	2,000	3,543
Uniforms	9,000	4,654
Gas and oil	25,000	33,971
Station supplies	3,000	2,764
Grant expense	8,000	66,119
Repair and maintenance - vehicle	25,000	21,678
MABAS expense	3,500	4,108
Repair and maintenance - general tools/equipment	12,000	13,451
Maintenance - station #1	10,000	4,283
Maintenance - station #2	10,000	3,875
Copy machine	2,400	564
Computer - programs and equipment	9,000	8,093
Communications equipment	5,500	124
Miscellaneous	2,000	1,106
Total fire	1,179,680	1,153,052
ESDA		
Department supervisor	1,000	1,000
Part time employees	20,000	-
Employer FICA and IMRF	2,200	-
Uniforms	3,500	717
Communications	4,500	1,663
Total ESDA	31,200	3,380
Senior center:		
Part time employees	\$ 9,300	\$ 9,554
Employer FICA and IMRF	725	15
Utilities	1,500	2,646
Special events	1,000	1,910
Miscellaneous	500	905
Total senior center	13,025	15,030
Debt service:		
Principal	-	179,391
Interest and fees	-	7,561
Total debt service	-	186,952
Capital outlay	358,911	152,324
Total expenditures	\$ 7,774,440	\$ 6,838,818

Nonmajor Governmental Funds – Combining Statements

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2009

	Special Revenue	Debt Service	Capital Projects Road Improvement Projects Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,066,624	\$ 418,065	\$ 116,511	\$ 1,601,200
Investments	-	189,217	-	189,217
Receivables:				
Property taxes	267,425	171,356	-	438,781
Other	-	5,430	-	5,430
Due from other governments	17,972	-	-	17,972
Due from other funds	371,947	457,519	-	829,466
Total assets	\$ 1,723,968	\$ 1,241,587	\$ 116,511	\$ 3,082,066
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 62,981	\$ -	\$ -	\$ 62,981
Deferred revenue	348,458	171,356	-	519,814
Due to other funds	11,162	51,052	-	62,214
Total liabilities	422,601	222,408	-	645,009
Fund balances				
Reserved for debt service	-	1,019,179	-	1,019,179
Unreserved	1,301,367	-	116,511	1,417,878
Total fund balances	1,301,367	1,019,179	116,511	2,437,057
Total liabilities and fund balances	\$ 1,723,968	\$ 1,241,587	\$ 116,511	\$ 3,082,066

Village of Glenwood, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended April 30, 2009

	Special Revenue	Debt Service	Capital Projects Road Improvement Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 563,684	\$ 99,230	\$ -	\$ 662,914
Intergovernmental	211,421	-	-	211,421
Licenses, permits and fees	115,008	-	-	115,008
Interest	1,777	24,829	419	27,025
Miscellaneous	8,213	-	-	8,213
Total revenues	900,103	124,059	419	1,024,581
Expenditures:				
Current:				
Administration	53,893	-	-	53,893
Police	4,236	-	-	4,236
Highway and streets	220,131	-	-	220,131
Pension contributions	371,022	-	-	371,022
Debt service:				
Principal	26,989	365,000	-	391,989
Interest and fees	1,409	100,118	-	101,527
Capital outlay	87,121	-	269,536	356,657
Total expenditures	764,801	465,118	269,536	1,499,455
Excess (deficiency) of revenues over (under) expenditures	135,302	(341,059)	(269,117)	(474,874)
Other financing sources (uses):				
Transfers in	3,880	692,103	-	695,983
Transfers (out)	(210,000)	(277,623)	-	(487,623)
Total other financing sources (uses)	(206,120)	414,480	-	208,360
Change in fund balance	(70,818)	73,421	(269,117)	(266,514)
Fund balances:				
May 1, 2008	1,372,185	945,758	385,628	2,703,571
April 30, 2009	\$ 1,301,367	\$ 1,019,179	\$ 116,511	\$ 2,437,057

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2009

	Road and Bridge Fund	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Emergency 911 Fund	Police Department Forfeiture Fund	Community Development Block Grant Fund	Main Street Tax Increment Financing District Fund	Glenwood-Dyer Road Tax Increment Financing District Fund	Total
Assets									
Cash and cash equivalents	\$ 83,739	\$ 231,794	\$ 263,380	\$ 13,951	\$ 16,154	\$ -	\$ 457,606	\$ -	\$ 1,066,624
Receivables:									
Property taxes	-	-	267,425	-	-	-	-	-	267,425
Due from other governments	-	17,972	-	-	-	-	-	-	17,972
Due from other funds	355,000	-	16,947	-	-	-	-	-	371,947
Total assets	\$ 438,739	\$ 249,766	\$ 547,752	\$ 13,951	\$ 16,154	\$ -	\$ 457,606	\$ -	\$ 1,723,968
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 49,205	\$ 9,691	\$ -	\$ -	\$ -	\$ -	\$ 4,085	\$ -	\$ 62,981
Deferred revenues	81,033	-	267,425	-	-	-	-	-	348,458
Due to other funds	-	-	11,162	-	-	-	-	-	11,162
Total liabilities	130,238	9,691	278,587	-	-	-	4,085	-	422,601
Fund balances									
Unreserved	308,501	240,075	269,165	13,951	16,154	-	453,521	-	1,301,367
Total liabilities and fund balances	\$ 438,739	\$ 249,766	\$ 547,752	\$ 13,951	\$ 16,154	\$ -	\$ 457,606	\$ -	\$ 1,723,968

Village of Glenwood, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year Ended April 30, 2009

	Road and Bridge Fund	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Emergency 911 Fund	Police Department Forfeiture Fund	Community Development Block Grant Fund	Main Street Tax Increment Financing District Fund	Glenwood-Dyer Road Tax Increment Financing District Fund	Total
Revenues:									
Property taxes	\$ 27,580	\$ -	\$ 384,241	\$ -	\$ -	\$ -	\$ 149,587	\$ 2,276	563,684
Intergovernmental	19	211,402	-	-	-	-	-	-	211,421
Licenses, permits and fees	115,008	-	-	-	-	-	-	-	115,008
Interest	191	454	236	39	33	-	810	14	1,777
Miscellaneous	758	-	-	-	3,670	3,785	-	-	8,213
Total revenues	143,556	211,856	384,477	39	3,703	3,785	150,397	2,290	900,103
Expenditures:									
Current:									
Administration	-	-	-	-	-	-	43,893	10,000	53,893
Police	-	-	-	-	4,236	-	-	-	4,236
Highways and streets	162,320	57,811	-	-	-	-	-	-	220,131
Pension contributions	-	-	371,022	-	-	-	-	-	371,022
Debt service:									
Principal	26,989	-	-	-	-	-	-	-	26,989
Interest and fees	1,409	-	-	-	-	-	-	-	1,409
Capital outlay	28,290	-	-	-	-	-	58,831	-	87,121
Total expenditures	219,008	57,811	371,022	-	4,236	-	102,724	10,000	764,801
Excess (deficiency) of revenues over (under) expenditures	(75,452)	154,045	13,455	39	(533)	3,785	47,673	(7,710)	135,302
Other financing sources (uses):									
Transfers in	-	-	-	-	-	3,880	-	-	3,880
Transfers (out)	-	(210,000)	-	-	-	-	-	-	(210,000)
Total other financing sources (uses)	-	(210,000)	-	-	-	3,880	-	-	(206,120)
Change in fund balance	(75,452)	(55,955)	13,455	39	(533)	7,665	47,673	(7,710)	(70,818)
Fund balances (deficits):									
May 1, 2008	383,953	296,030	255,710	13,912	16,687	(7,665)	405,848	7,710	1,372,185
April 30, 2009	\$ 308,501	\$ 240,075	\$ 269,165	\$ 13,951	\$ 16,154	\$ -	\$ 453,521	\$ -	\$ 1,301,367

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Road and Bridge Fund
 Year Ended April 30, 2009

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 25,000	\$ 27,580	\$ 2,580
Intergovernmental	-	19	19
Licenses, permits and fees	130,000	115,008	(14,992)
Interest	200	191	(9)
Miscellaneous	-	758	758
Total revenues	<u>155,200</u>	<u>143,556</u>	<u>(11,644)</u>
Expenditures:			
Current			
Highway and streets	105,500	162,320	(56,820)
Debt Service:			
Principal	-	26,989	(26,989)
Interest and fees	-	1,409	(1,409)
Capital outlay	95,000	28,290	66,710
Total expenditures	<u>200,500</u>	<u>219,008</u>	<u>(18,508)</u>
Change in fund balance	<u>\$ (45,300)</u>	<u>(75,452)</u>	<u>\$ (30,152)</u>
Fund balance:			
May 1, 2008		<u>383,953</u>	
April 30, 2009		<u>\$ 308,501</u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Motor Fuel Tax Fund
 Year Ended April 30, 2009

	Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 256,000	\$ 211,402	\$ (44,598)
Interest	500	454	(46)
Total revenues	<u>256,500</u>	<u>211,856</u>	<u>(44,644)</u>
Expenditures:			
Current:			
Highways and streets	<u>97,000</u>	<u>57,811</u>	<u>39,189</u>
Excess (deficiency) of revenues over (under) expenditures	159,500	154,045	(5,455)
Other financing uses:			
Transfers out	<u>(206,000)</u>	<u>(210,000)</u>	<u>(4,000)</u>
Change in fund balance	<u><u>\$ (46,500)</u></u>	<u>(55,955)</u>	<u><u>\$ (9,455)</u></u>
Fund balance:			
May 1, 2008		<u>296,030</u>	
April 30, 2009		<u><u>\$ 240,075</u></u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Illinois Municipal Retirement Fund
 Year Ended April 30, 2009

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 408,000	\$ 384,241	\$ (23,759)
Interest	300	236	(64)
Total revenues	<u>408,300</u>	<u>384,477</u>	<u>(23,823)</u>
Expenditures:			
Current:			
Pension contributions	<u>410,000</u>	<u>371,022</u>	<u>38,978</u>
Change in fund balance	<u>\$ (1,700)</u>	<u>13,455</u>	<u>\$ 15,155</u>
Fund balance:			
May 1, 2008		<u>255,710</u>	
April 30, 2009		<u>\$ 269,165</u>	

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Debt Service Funds
 April 30, 2009

	Series 1992 Sewer Bond Fund	Series 1998A MFT Bond Fund	Series 1998B Village Hall Construction Bond Fund	Total
Assets				
Cash and cash equivalents	\$ 28,407	\$ 305,032	\$ 84,626	\$ 418,065
Investments	-	189,217	-	189,217
Receivables:				
Property taxes	-	-	171,356	171,356
Other	-	5,430	-	5,430
Due from other funds	403,769	-	53,750	457,519
Total assets	\$ 432,176	\$ 499,679	\$ 309,732	\$ 1,241,587
Liabilities and Fund Balances				
Liabilities				
Deferred revenue	\$ -	\$ -	\$ 171,356	\$ 171,356
Due to other funds	47,283	3,769	-	51,052
Total liabilities	47,283	3,769	171,356	222,408
Fund balances				
Reserved for debt service	384,893	495,910	138,376	1,019,179
Total liabilities and fund balances	\$ 432,176	\$ 499,679	\$ 309,732	\$ 1,241,587

Village of Glenwood, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Debt Service Funds
 Year Ended April 30, 2009

	Series 1992 Sewer Bond Fund	Series 1998A MFT Bond Fund	Series 1998B Village Hall Construction Bond Fund	Total
Revenues:				
Property taxes	\$ -	\$ -	\$ 99,230	\$ 99,230
Interest	78	21,852	2,899	24,829
Total revenues	78	21,852	102,129	124,059
Expenditures:				
Debt service:				
Principal	-	205,000	160,000	365,000
Interest and fees	-	4,203	95,915	100,118
Total expenditures	-	209,203	255,915	465,118
Excess (deficiency) of revenues over (under) expenditures	78	(187,351)	(153,786)	(341,059)
Other financing sources (uses):				
Transfers in	-	487,623	204,480	692,103
Transfers (out)	-	-	(277,623)	(277,623)
Total other financing sources (uses)	-	487,623	(73,143)	414,480
Change in fund balance	78	300,272	(226,929)	73,421
Fund balances:				
May 1, 2008	384,815	195,638	365,305	945,758
April 30, 2009	\$ 384,893	\$ 495,910	\$ 138,376	\$ 1,019,179

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Series 1998A - MFT Bond Fund
 Year Ended April 30, 2009

	Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 21,852	\$ 21,852
Expenditures:			
Debt service:			
Principal	205,000	205,000	-
Interest and fees	2,354	4,203	(1,849)
Total expenditures	<u>207,354</u>	<u>209,203</u>	<u>(1,849)</u>
Excess (deficiency) of revenues over (under) expenditures	(207,354)	(187,351)	20,003
Other financing sources:			
Transfers in	-	487,623	487,623
Change in fund balance	<u>\$ (207,354)</u>	300,272	<u>\$ 507,626</u>
Fund balance:			
May 1, 2008		<u>195,638</u>	
April 30, 2009		<u>\$ 495,910</u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Series 1998B - Village Hall Construction Bond Fund
 Year Ended April 30, 2009

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ -	\$ 99,230	\$ 99,230
Interest	-	2,899	2,899
Total revenues	-	102,129	102,129
Expenditures:			
Debt service:			
Principal	160,000	160,000	-
Interest and fees	95,960	95,915	45
Total expenditures	255,960	255,915	45
Excess (deficiency) of revenues over (under) expenditures	(255,960)	(153,786)	102,174
Other financing sources (uses):			
Transfers in	-	204,480	204,480
Transfers (out)	-	(277,623)	(277,623)
Total other financing sources (uses)	-	(73,143)	(73,143)
Change in fund balance	\$ (255,960)	(226,929)	\$ 29,031
Fund balance:			
May 1, 2008		<u>365,305</u>	
April 30, 2009		<u>\$ 138,376</u>	

Enterprise Fund

Village of Glenwood, Illinois

Schedule of Operating Expenses - Budget and Actual
 Water and Sewer Fund
 Year Ended April 30, 2009

	Budget	Actual
Department supervisor	\$ 40,000	\$ 34,031
Full time employees	240,000	275,170
Part time employees	-	192
Over-time wages	55,000	46,522
Holiday pay	5,000	-
Contract services	4,000	1,681
Lawn care services	9,000	7,725
Employer's FICA and IMRF	72,000	(818)
Printing and advertising	5,000	2,865
Office supplies	4,500	1,085
Copier supplies and maintenance	-	173
Postage	7,500	4,643
Telephone	15,000	20,513
Water/sewer system alarms	-	1,497
Dues, subscription, and membership	1,200	914
Legal services	5,000	4,341
Group insurance and hospital	80,000	56,538
Workmen's compensation insurance	77,400	224,461
Liability insurance	42,000	127,288
Utilities	15,000	17,379
Personnel training	5,000	138
Travel, lodging, and meals	1,000	-
Public education programs	1,500	-
Physicals	2,500	75
Gas and oil	35,000	23,546
Energy for pumping	70,000	72,650
Chemicals	9,000	10,468
Repair and maintenance - communications	2,500	1,548
Repair and maintenance - water system	150,000	162,998
Repair and maintenance - vehicle	25,000	25,882
Repair and maintenance - general tools/equipment	10,000	5,807
Repair and maintenance - municipal buildings	30,000	17,199
Maintenance - municipal grounds	12,000	2,009
Repair and maintenance - sewer system	150,000	93,878
Purchase - general tools and equipment	6,000	9,988
Purchase - personnel equipment	12,000	5,649
Water purchase - Chicago Heights	250,000	222,804
Water system improvement	475,000	33,843
Computer - programs and equipment	15,000	26,399
Operations and maintenance - Chicago Heights	35,000	23,942
Purchase of vehicles	41,000	-
Engineering services	30,000	112,987
Communications equipment	3,000	-
Debt service - Chicago Heights	150,000	-
Homewood disposal	5,000	9,462
Miscellaneous	1,500	97
Less: capitalized items	-	(31,985)
Total operating expenses	\$ 2,204,600	\$ 1,655,584

Other Schedules

Village of Glenwood, Illinois

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

	2008	2007	2006	2005	2004
Tax Rates (per \$100 of assessed valuation):					
Corporate	0.080	0.094	0.078	0.157	0.137
Audit	0.036	0.041	0.040	0.043	0.042
Liability Insurance	0.180	0.170	0.257	0.260	0.288
Workmen's Compensation	0.356	0.281	0.144	0.141	0.155
Unemployment Insurance	0.010	0.012	0.020	0.021	0.014
Police Protection	0.504	0.539	0.564	0.583	0.575
Crossing Guards	0.017	0.020	0.021	0.021	0.022
Fire Protection	0.230	0.235	0.246	0.261	0.235
Civil Defense	-	0.012	0.012	0.015	0.017
Police Pension	0.252	0.267	0.228	0.180	0.185
Fire Pension	0.060	0.064	0.069	0.065	0.067
Bond and Interest	0.479	0.347	0.346	0.303	0.375
IMRF	0.286	0.328	0.721	0.768	0.446
Totals	2.491	2.410	2.745	2.817	2.557
Tax extensions:					
Corporate	\$ 118,553	\$ 123,703	\$ 99,086	\$ 188,767	\$ 152,287
Audit	52,530	53,766	51,500	51,500	46,350
Liability Insurance	264,710	223,510	328,570	312,090	320,891
Workmen's Compensation	525,300	370,800	184,370	168,920	172,788
Unemployment Insurance	15,450	15,450	25,750	25,750	15,450
Police Protection	743,040	710,385	720,989	700,400	639,587
Crossing Guards	25,750	26,780	26,780	24,715	23,995
Fire Protection	339,591	309,690	314,150	314,150	261,908
Civil Defense	-	15,450	15,450	18,540	18,540
Police Pension	370,800	351,239	291,840	216,813	206,342
Fire Pension	89,095	84,507	87,951	77,660	73,962
Bond and Interest	705,666	457,835	442,900	364,620	417,150
IMRF	422,300	432,272	922,155	922,583	496,322
Totals	\$ 3,672,785	\$ 3,175,387	\$ 3,511,491	\$ 3,386,508	\$ 2,845,572
Collections	\$ 1,370,466	\$ 3,017,440	\$ 3,422,524	\$ 3,396,307	\$ 2,854,703
Percent Collected	37.31%	95.03%	97.47%	100.29%	100.32%

Village of Glenwood, Illinois

Schedule of Debt Service Requirements
April 30, 2009

	Year Ending April 30,	Principal	Interest	Total
Alternate Revenue Bonds				
Series 1998B				
Dated September 23, 1998	2010	\$ 165,000	\$ 87,536	252,536
Interest due on April 1	2011	170,000	80,500	250,500
and October 1 at rates	2012	180,000	73,018	253,018
ranging from 4.15% to 4.65%	2013	185,000	65,078	250,078
	2014	195,000	56,620	251,620
	2015	205,000	47,569	252,569
	2016	215,000	37,960	252,960
	2017	225,000	27,784	252,784
	2018	235,000	17,089	252,089
	2019	250,000	5,813	255,813
		<u>\$ 2,025,000</u>	<u>\$ 498,965</u>	<u>\$ 2,523,965</u>
General Obligation Bonds:				
Series 2001	2010	\$ 140,000	\$ 276,103	\$ 416,103
Dated May 1, 2001	2011	145,000	270,083	415,083
Interest due on April 1	2012	150,000	263,703	413,703
and October 1 at rates	2013	155,000	256,953	411,953
ranging from 4.30% to 5.50%	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	214,634	414,634
	2019	210,000	203,638	413,638
	2020	220,000	192,092	412,092
	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>\$ 5,300,000</u>	<u>\$ 3,802,244</u>	<u>\$ 9,102,244</u>

(continued)

Village of Glenwood, Illinois

Schedule of Debt Service Requirements (continued)
 April 30, 2009

	Year Ending April 30,	Principal	Interest	Total
Note Payable:				
Date July 17, 2007	2010	\$ 28,145	\$ 1,373	\$ 29,518
Principal and Interest due monthly at a rate of 5.62%	2011	7,738	69	7,807
		<u>\$ 35,883</u>	<u>\$ 1,442</u>	<u>\$ 37,325</u>
Capital Lease				
Date April 17, 2008				
Principal and Interest due on April 17 at a rate of 6.25%	2010	\$ 20,861	\$ 1,304	\$ 22,165
Capital Lease:				
Date June 1, 2008	2010	\$ 2,064	\$ 677	\$ 2,741
Principal and Interest due monthly	2011	2,430	561	2,991
a rate of 7.95%	2012	2,630	361	2,991
	2013	2,847	144	2,991
	2014	248	1	249
		<u>\$ 10,219</u>	<u>\$ 1,744</u>	<u>\$ 11,963</u>