

**Village of Glenwood, Illinois
Annual Financial Report
Year Ended April 30, 2010**

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, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of 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 56.0 percent of the assets and 44.4 percent of the total revenues of the aggregate remaining fund information. 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.

In our opinion, based on our audit and the report of other auditors, 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, 2010, 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 53 - 58) and budgetary schedule and related note (pages 59 - 60) 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
December 10, 2010

Required Supplemental Information

Management's Discussion And Analysis (MD&A)

Village of Glenwood, Illinois
Management's Discussion and Analysis

April 30, 2010

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 over 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 as 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 \$41.6 million as of April 30, 2010.

A significant portion of the Village's net assets (80.0%) 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, 2010
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Current Assets	\$ 9.8	\$ 9.3	\$ 2.1	\$ 1.2	\$ 11.9	\$ 10.5
Non Current Assets	0.1	-	0.1	0.1	0.2	0.1
Capital Assets	<u>27.4</u>	<u>26.8</u>	<u>12.9</u>	<u>13.0</u>	<u>40.3</u>	<u>39.8</u>
Total Assets	37.3	36.1	15.1	14.3	52.4	50.4
Current Liabilities	2.9	2.9	0.9	0.9	3.8	3.8
Non Current Liabilities	<u>1.9</u>	<u>2.2</u>	<u>5.1</u>	<u>5.3</u>	<u>7.0</u>	<u>7.5</u>
Total Liabilities	4.8	5.1	6.0	6.2	10.8	11.3
Net Assets						
Invested in Capital Assets,						
Net of Related Debt	25.6	24.8	7.7	7.6	33.3	32.4
Restricted	0.4	0.2	-	-	0.4	0.2
Unrestricted	<u>6.5</u>	<u>6.0</u>	<u>1.4</u>	<u>0.5</u>	<u>7.9</u>	<u>6.5</u>
Total Net Assets	<u>\$ 32.5</u>	<u>\$ 31.0</u>	<u>\$ 9.1</u>	<u>\$ 8.1</u>	<u>\$ 41.6</u>	<u>\$ 39.1</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, increased to \$41.6 million from \$39.1 million as a result of the increase in net assets in the Governmental and Business-Type 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 \$6.5 million. The unrestricted net assets of business-type activities were \$1.4 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 \$1.5 million. Assets increased by \$1.2 million and can be attributed to several factors. Capital assets increased by \$0.6 million attributed to major capital improvements to infrastructure during the year of which a portion was funded by the state. Cash increased by \$0.5 million due to improved financial results of the Village in the current year. Total liabilities decreased by \$0.3 million and can mainly be attributed to the Village paying down \$0.2 million in outstanding long-term obligations in the current year.

The Village's business-type activities net assets increased by \$1.0 million. Assets increased by \$0.8 million and can be mainly attributed to increased cash balances of \$1.0 million due to surplus operations in the current year. Total liabilities decreased by \$0.2 million, and can mainly be attributed to the Village paying down \$0.2 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, 2010
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
REVENUES						
Program Revenues						
Charges for Services	\$1.1	\$1.1	\$3.2	\$3.2	\$ 4.3	\$ 4.3
Grants and Contributions	1.1	0.5	0.2	-	1.3	0.5
General Revenues						
Property Taxes	6.9	5.5	0.5	0.4	7.4	5.9
Other Taxes	2.6	2.9	-	-	2.6	2.9
Other	<u>-</u>	<u>0.1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.1</u>
Total Revenues	<u>11.7</u>	<u>10.2</u>	<u>3.9</u>	<u>3.6</u>	<u>15.6</u>	<u>13.7</u>
EXPENSES						
General Government	5.0	5.0	-	-	5.0	5.0
Public Safety	4.0	4.3	-	-	4.0	4.3
Public Works	0.6	0.7	-	-	0.6	0.7
Highway and Streets	0.5	0.4	-	-	0.5	0.4
Buildings	-	0.1	-	-	-	0.1
Water and Sewer	-	-	1.4	1.9	1.4	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>10.2</u>	<u>10.6</u>	<u>2.9</u>	<u>3.4</u>	<u>13.1</u>	<u>14.0</u>
CHANGE IN NET ASSETS	<u>1.5</u>	<u>(0.5)</u>	<u>1.0</u>	<u>0.2</u>	<u>2.5</u>	<u>(0.3)</u>
ENDING NET ASSETS	<u>\$ 32.5</u>	<u>\$ 31.0</u>	<u>\$ 9.1</u>	<u>\$ 8.1</u>	<u>\$ 41.6</u>	<u>\$ 39.1</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 increased by \$1.5 million over the prior year to \$11.7 million. Property tax revenues increased by \$1.4 million over the prior year, this increase can be attributed to the Village receiving a larger first installment than the prior year due to the County increasing the first installment to 55% of the prior year levy from 45% in the prior year. In additions, TIF District's received approximately \$0.3 million more in revenues, which is mainly due to the creation of a new TIF District. In addition, the Village received a grant for capital projects in the amount of \$0.8 million in the fiscal year. These increases were offset by other taxes decreasing by \$0.3 million and can mainly be attributed to decreased sales, income and utility tax revenues that can be directly linked to the downturn in the economy.

The Village's business-type activities total revenues increased by \$0.3 million over the prior year. This increase can be attributed to the Village receiving capital contributions from the governmental funds in the amount of \$0.2 million and a minor increase in property tax revenue to fund debt service payments.

Expenses:

The Village's total expenses for governmental activities for the year ended April 30, 2010, were \$10.2 million, a decrease of \$0.4 million over the prior year. This decrease can be mainly attributed to cost containment and reduction across all functions due to the downturn in the economy.

The Village's total expenses for business-type activities for the year ended April 30, 2010, were \$2.9 million, a decrease of \$0.5 million over the prior year. This decrease can be attributed to decreased insurance costs and water costs.

Management's Discussion and Analysis (Continued)

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2010, the governmental funds (as presented on the balance sheet on page 14) reported a combined fund balance of \$6.9 million. Revenues and other sources exceeded expenditures and other uses in 2010 by \$0.3 million.

The General Fund experienced a current year operating surplus of \$1.5 million after other financing sources. This surplus resulted in a year-end fund balance of \$1.5 million. In the current year the Village closed several funds and forgave several interfund loans which amounts to a \$1.0 million transfer into the general fund. In addition, the fund operated at a surplus of \$0.5 million in the current year before other sources (uses), which is due to expenditure containment and reductions due to the downturn in the economy.

The TIF Fund's fund balance experienced a current year operating surplus of \$0.1 million increasing fund balance to \$2.8 million. Property tax revenues increased by \$0.3 million in the current year. The funds expenses decreased by \$0.4 million due to less developer incentive payments in the current year. This was offset by a \$0.6 million transfer to the Main Street Tax Increment Financing District Fund.

The Main Street Tax Increment Financing District Fund experienced a current year operating surplus of \$0.5 million increasing fund balance to \$0.9 million. This surplus can be attributed to the TIF fund transferring in \$0.6 million.

The Holbrook Road Tax Increment Financing District Fund balance decreased by \$1.2 million over the prior year to \$0.3 million. The main reason for the operating deficit in the current year can be attributed to decreased property tax receipts by \$0.7 million and the fund remitting \$1.4 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 2010. 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	\$ 2.7	\$ 3.6
Intergovernmental	2.5	2.0
Licenses, permits and fees	0.4	0.3
Fines	0.1	0.1
Charges for services	0.6	0.6
Other financing sources	<u>-</u>	<u>1.0</u>
Total	6.3	7.6
 Expenditures and Other Financing Uses		
Administration	1.5	1.4
Public works	0.7	0.5
Parks	0.4	0.1
Police	2.6	3.0
Fire	1.0	1.0
Capital outlay	0.2	0.1
Other financing uses	<u>0.3</u>	<u>-</u>
Total	<u>6.7</u>	<u>6.1</u>
Change in Fund Balance	<u>(\$ 0.4)</u>	<u>\$1.5</u>

The General Fund anticipated a deficit of \$0.4 million, while actual results were a \$1.5 million surplus. This can be attributed to other financing sources being \$1.0 million above budget and other financing uses being \$0.3 million under budget. The Village didn't budget for the closing of several funds and forgiveness of interfund debt, which caused for the \$1.0 million in other sources. In addition, no transfer out was necessary to fund debt in the current year. Revenues were \$0.3 million in excess of budget mainly due to property taxes being \$0.8 million in excess of budget due to the County remitting a larger portion for the first installment. This surplus was offset by intergovernmental revenue being \$0.5 million less than anticipated due to state shared revenue being well less than anticipated because of the downturn in the economy. Expenditures were \$0.3 million less than budget due to expenditure control and costs reductions throughout the Village.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Capital Assets

At the end of the fiscal year 2010, the Village had a combined total of capital assets of \$40.3 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 increase (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 4/30/09	Net Additions/Deletions	Balance 4/30/10
Land	\$ 24.1	\$ 0.0	\$ 24.1
Improvements	1.0	(0.1)	0.9
Buildings	4.4	(0.1)	4.3
Machinery and Equipment	1.6	(0.2)	1.4
Infrastructure	<u>8.7</u>	<u>0.9</u>	<u>9.6</u>
Total Capital Assets	<u>\$ 39.8</u>	<u>\$ 0.5</u>	<u>\$ 40.3</u>

Long-Term Debt

The Village had \$7.4 million and \$7.0 million in outstanding long-term debt at April 30, 2009 and 2010, respectively.

The Village paid off approximately \$0.4 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

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Glenwood during 2010 and is expected to continue into 2011. 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, 2010

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 6,546,436	\$ 1,421,608	\$ 7,968,044
Investments	182,545	212,500	395,045
Receivables:			
Property taxes	1,999,670	243,654	2,243,324
Accounts	-	321,812	321,812
Interest	-	4,902	4,902
Other	88,251	3,591	91,842
Inventories	-	41,251	41,251
Prepaid items	93,045	4,673	97,718
Due from other governments	777,140	-	777,140
Due from fiduciary fund	3,349	-	3,349
Internal balances	139,887	(139,887)	-
Total current assets	9,830,323	2,114,104	11,944,427
Noncurrent Assets			
Deferred amount on refunding	-	97,502	97,502
Net pension asset	56,340	-	56,340
Capital assets not being depreciated	19,762,043	4,309,187	24,071,230
Capital assets being depreciated, net	7,673,555	8,529,861	16,203,416
Total noncurrent assets	27,491,938	12,936,550	40,428,488
Total assets	37,322,261	15,050,654	52,372,915

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Net Assets - Continued

April 30, 2010

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable	\$ 267,572	\$ 219,596	\$ 487,168
Accrued payroll	73,678	21,877	95,555
Accrued interest	7,000	112,500	119,500
Deposits	71,484	54,958	126,442
Unearned revenue	2,091,955	243,654	2,335,609
Compensated absences	192,705	68,876	261,581
Capital leases	-	2,430	2,430
Note payable	-	7,539	7,539
General obligation bonds	-	145,000	145,000
Alternate revenue bonds	170,000	-	170,000
Total current liabilities	2,874,394	876,430	3,750,824
Long-Term Liabilities, net of current maturities			
Compensated absences	260,432	89,831	350,263
Capital leases	-	5,725	5,725
General obligation bonds	-	5,015,000	5,015,000
Alternate revenue bonds	1,690,000	-	1,690,000
OPEB obligation	9,868	-	9,868
Total noncurrent liabilities	1,960,300	5,110,556	7,070,856
Total liabilities	4,834,694	5,986,986	10,821,680
Net Assets			
Invested in capital assets, net of related debt	25,575,598	7,663,354	33,238,952
Restricted for MFT Allotments	391,073	-	391,073
Unrestricted	6,520,896	1,400,314	7,921,210
Total net assets	\$ 32,487,567	\$ 9,063,668	\$ 41,551,235

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Activities
Year Ended April 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 5,014,463	\$ 780,766	\$ -	\$ -	\$ (4,233,697)	\$ -	\$ (4,233,697)
Public safety	4,038,147	91,873	98,088	-	(3,848,186)	-	(3,848,186)
Public works	609,807	6,891	790,536	-	187,620	-	187,620
Highway and streets	487,596	116,643	227,133	-	(143,820)	-	(143,820)
Buildings	4,893	116,345	-	-	111,452	-	111,452
Interest and fees	90,490	-	-	-	(90,490)	-	(90,490)
Total governmental activities	10,245,396	1,112,518	1,115,757	-	(8,017,121)	-	(8,017,121)
Business-type activities:							
Water and sewer	1,465,085	1,951,690	-	176,240	-	662,845	662,845
Golf course operations	1,479,750	1,260,242	-	20,180	-	(199,328)	(199,328)
Total business-type activities	2,944,835	3,211,932	-	196,420	-	463,517	463,517
Total	\$ 13,190,231	\$ 4,324,450	\$ 1,115,757	\$ 196,420	(8,017,121)	463,517	(7,553,604)
General revenues							
Taxes:							
Property					6,839,991	464,132	7,304,123
Sales					952,053	-	952,053
Income					694,142	-	694,142
Utility					762,557	-	762,557
Other					202,406	-	202,406
Interest					30,052	2,008	32,060
Miscellaneous					17,356	-	17,356
Total general revenues					9,498,557	466,140	9,964,697
Change in net assets					1,481,436	929,657	2,411,093
Net assets:							
May 1, 2009					31,006,131	8,134,011	39,140,142
April 30, 2010					\$ 32,487,567	\$ 9,063,668	\$ 41,551,235

See Notes to Financial Statements.

Fund Financial Statements

Village of Glenwood, Illinois

Balance Sheet - Governmental Funds
April 30, 2010

	General Fund	TIF Fund	Main Street Tax Increment Financing District Fund	Holbrook Road Tax Increment Financing District Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 1,218,059	\$ 2,729,681	\$ 907,064	\$ 263,963	\$ 1,427,669	\$ 6,546,436
Investments	-	-	-	-	182,545	182,545
Receivables:						
Property taxes	1,575,121	57,672	21,722	-	345,155	1,999,670
Other	82,821	-	-	-	5,430	88,251
Prepaid items	93,045	-	-	-	-	93,045
Due from other governments	757,618	-	-	-	19,522	777,140
Due from other funds	213,742	-	-	130,000	100,671	444,413
Total assets	\$ 3,940,406	\$ 2,787,353	\$ 928,786	\$ 393,963	\$ 2,080,992	\$ 10,131,500
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 179,462	\$ 16,908	\$ 16,194	\$ 44,682	\$ 10,326	\$ 267,572
Accrued payroll	73,678	-	-	-	-	73,678
Deposits	71,484	-	-	-	-	71,484
Deferred revenue	1,986,140	-	-	-	497,127	2,483,267
Due to other funds	149,835	-	-	-	151,342	301,177
Total liabilities	2,460,599	16,908	16,194	44,682	658,795	3,197,178
Fund balances						
Reserved for:						
Debt service	-	-	-	-	201,849	201,849
Prepays	93,045	-	-	-	-	93,045
Unreserved, reported in:						
General fund	1,386,762	-	-	-	-	1,386,762
Special revenue funds	-	2,770,445	912,592	349,281	1,103,808	5,136,126
Capital projects fund	-	-	-	-	116,540	116,540
Total Fund Balances	1,479,807	2,770,445	912,592	349,281	1,422,197	6,934,322
Total liabilities and fund balances	\$ 3,940,406	\$ 2,787,353	\$ 928,786	\$ 393,963	\$ 2,080,992	\$ 10,131,500

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended April 30, 2010

	General Fund	TIF Fund	Main Street Tax Increment Financing District Fund	Holbrook Road Tax Increment Financing District Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 3,185,803	\$ 1,380,394	\$ 401,550	\$ 727,830	\$ 1,144,414	\$ 6,839,991
Other taxes	435,970	-	-	-	-	435,970
Intergovernmental	2,005,130	-	790,536	-	227,133	3,022,799
Licenses, permits and fees	286,760	-	-	-	116,218	402,978
Fines	91,384	-	-	-	-	91,384
Interest	1,047	21,200	112	623	7,070	30,052
Charges for services	590,319	-	-	-	-	590,319
Miscellaneous	43,013	-	-	-	2,180	45,193
Total revenues	6,639,426	1,401,594	1,192,198	728,453	1,497,015	11,458,686
Expenditures:						
Current:						
Administration	1,398,446	665,114	8,393	1,902,489	23,078	3,997,520
Public works	480,274	-	-	-	-	480,274
Parks	140,193	-	-	-	-	140,193
Police	2,954,001	-	-	-	5,507	2,959,508
Fire	988,277	-	-	-	-	988,277
ESDA	4,913	-	-	-	-	4,913
Senior center	24,470	-	-	-	-	24,470
Highway and streets	-	-	-	-	338,024	338,024
Pension contributions	-	-	-	-	375,603	375,603
Debt service:						
Principal	20,861	-	-	-	165,000	185,861
Interest and fees	1,304	-	-	-	89,786	91,090
Capital outlay	132,352	3,588	1,349,734	70,509	43,833	1,600,016
Total expenditures	6,145,091	668,702	1,358,127	1,972,998	1,040,831	11,185,749
Excess (deficiency) of revenues over (under) expenditures	494,335	732,892	(165,929)	(1,244,545)	456,184	272,937
Other financing sources (uses):						
Transfers in	1,017,523	-	625,000	-	218,359	1,860,882
Transfers (out)	-	(625,000)	-	-	(1,235,882)	(1,860,882)
Total other financing sources (uses)	1,017,523	(625,000)	625,000	-	(1,017,523)	-
Change in fund balance	1,511,858	107,892	459,071	(1,244,545)	(561,339)	272,937
Fund balances (deficit):						
May 1, 2009	(32,051)	2,662,553	453,521	1,593,826	1,983,536	6,661,385
April 30, 2010	\$ 1,479,807	\$ 2,770,445	\$ 912,592	\$ 349,281	\$ 1,422,197	\$ 6,934,322

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, 2010

Net change in fund balances-total governmental funds	\$	272,937
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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 capital outlays exceeded depreciation expense and loss on disposal in the current period.

Capital outlays	\$ 1,070,948	
Loss on disposal	(8,785)	
Depreciation expense	<u>(456,235)</u>	605,928

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	(123,166)	
Current year deferred balance	<u>391,312</u>	268,146

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		165,000
Capital leases		20,861

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		600
Decrease in compensated absences		59,951
Increase in net pension asset		92,947
Increase in OPEB obligation		<u>(4,934)</u>

Change in net assets of governmental activities	\$	<u><u>1,481,436</u></u>
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See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Net Assets - Enterprise Funds
April 30, 2010

	Business-Type Activities			Total
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	
Assets				
Current Assets				
Cash and cash equivalents	\$ 785,954	\$ 635,654	\$ -	\$ 1,421,608
Investments	212,500	-	-	212,500
Receivables:				
Property taxes	-	243,654	-	243,654
Accounts	290,646	31,166	-	321,812
Interest	4,902	-	-	4,902
Other	-	3,591	-	3,591
Inventories	-	41,251	-	41,251
Prepaid items	4,424	249	-	4,673
Due from other funds	66,737	-	-	66,737
Total current assets	1,365,163	955,565	-	2,320,728
Noncurrent Assets				
Deferred amount on refunding	-	97,502	-	97,502
Capital assets not being depreciated	-	4,309,187	-	4,309,187
Capital assets being depreciated, net	6,409,355	2,120,506	-	8,529,861
Total noncurrent assets	6,409,355	6,527,195	-	12,936,550
Total assets	7,774,518	7,482,760	-	15,257,278
Liabilities				
Current Liabilities				
Accounts payable	98,624	120,972	-	219,596
Accrued payroll	9,448	12,429	-	21,877
Accrued interest	-	112,500	-	112,500
Deposits	22,007	32,951	-	54,958
Unearned revenue	-	243,654	-	243,654
Due to other funds	-	206,624	-	206,624
Compensated absences	18,259	50,617	-	68,876
Capital leases	-	2,430	-	2,430
Note payable	-	7,539	-	7,539
General obligation bonds	-	145,000	-	145,000
Total current liabilities	148,338	934,716	-	1,083,054
Long-Term Liabilities, net of current maturities				
Compensated absences	28,371	61,460	-	89,831
Capital leases	-	5,725	-	5,725
General obligation bonds	-	5,015,000	-	5,015,000
Total noncurrent liabilities	28,371	5,082,185	-	5,110,556
Total liabilities	176,709	6,016,901	-	6,193,610
Net assets				
Invested in capital assets, net of related debt	6,409,355	1,253,999	-	7,663,354
Unrestricted	1,188,454	211,860	-	1,400,314
Total net assets	\$ 7,597,809	\$ 1,465,859	\$ -	\$ 9,063,668

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Revenues, Expenses, and Changes in Net Assets
Enterprise Funds
Year Ended April 30, 2010

	Business-Type Activities			Total
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	
Operating revenues:				
Charges for service	\$ 1,951,690	\$ 1,260,242	\$ -	\$ 3,211,932
Operating expenses:				
Operations	1,263,871	1,023,331	-	2,287,202
Depreciation	201,214	164,714	-	365,928
Amortization	-	16,251	-	16,251
Total operating expenses	1,465,085	1,204,296	-	2,669,381
Operating income	486,605	55,946	-	542,551
Nonoperating income (expense):				
Property taxes	-	464,132	-	464,132
Interest income	1,471	537	-	2,008
Interest expense	-	(275,454)	-	(275,454)
Total nonoperating income (expense)	1,471	189,215	-	190,686
Income before contributions and transfers	488,076	245,161	-	733,237
Capital contributions	176,240	20,180	-	196,420
Transfers in	-	340,000	239,208	579,208
Transfers out	(340,000)	(239,208)	-	(579,208)
Change in net assets	324,316	366,133	239,208	929,657
Net assets:				
May 1, 2009	7,273,493	1,099,726	(239,208)	8,134,011
April 30, 2010	\$ 7,597,809	\$ 1,465,859	\$ -	\$ 9,063,668

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds
Year Ended April 30, 2010

	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	\$ 1,959,642	\$ 1,247,203	\$ -	\$ 3,206,845
Payments to employees	(305,811)	(426,214)	-	(732,025)
Payments to suppliers	(950,111)	(550,167)	-	(1,500,278)
Net cash provided by operating activities	703,720	270,822	-	974,542
Cash flows from noncapital financing activities				
Property taxes	-	464,132	-	464,132
Decrease in due from other funds	295,194	239,208	-	534,402
Decrease in due to other funds	-	(284,698)	(239,208)	(523,906)
Transfers in	-	340,000	239,208	579,208
Transfers (out)	(340,000)	(239,208)	-	(579,208)
Net cash provided by (used in) noncapital financing activities	(44,806)	519,434	-	474,628
Cash flows from capital and related financing activities				
Principal payments, capital leases	-	(2,064)	-	(2,064)
Principal payments, note payable	-	(28,344)	-	(28,344)
Principal payments, general obligation bonds	-	(140,000)	-	(140,000)
Interest paid	-	(277,954)	-	(277,954)
Net cash used in capital and related financing activities	-	(448,362)	-	(448,362)
Cash flows from investing activities				
Cash receipts from interest income	1,471	537	-	2,008
Net cash flows provided by investing activities	1,471	537	-	2,008
Net increase in cash and cash equivalents	660,385	342,431	-	1,002,816
Cash and cash equivalents:				
May 1, 2009	125,569	293,223	-	418,792
April 30, 2010	\$ 785,954	\$ 635,654	\$ -	\$ 1,421,608

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds - Continued
Year Ended April 30, 2010

	Business-Type Activities			Total
	Water and Sewer Fund	Golf Course Fund	Nonmajor Golf Course Housing Project Fund	
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 486,605	\$ 55,946	\$ -	\$ 542,551
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	201,214	164,714	-	365,928
Amortization	-	16,251	-	16,251
Changes in assets and liabilities				
Accounts receivable	7,485	(15,559)	-	(8,074)
Inventories	-	8,152	-	8,152
Prepaid items	61,671	4,943	-	66,614
Accounts payable	(57,011)	27,103	-	(29,908)
Accrued payroll	710	5,956	-	6,666
Deposits	467	2,520	-	2,987
Compensated absences	2,579	796	-	3,375
Total adjustments	217,115	214,876	-	431,991
Net cash provided by operating activities	\$ 703,720	\$ 270,822	\$ -	\$ 974,542
Supplemental Schedule of Non-Cash Capital and Related Finance Activities				
Capital assets contributed from government	\$ 176,240	\$ 20,180	\$ -	\$ 196,420
Repayment of interfund loan through transfer of capital assets	-	380,022	(380,022)	-

See Notes to Financial Statements.

Village of Glenwood, Illinois

Statement of Fiduciary Net Assets
Pension Trust Funds
April 30, 2010

Assets	
Cash and cash equivalents	\$ 283,792
Investments:	
Certificates of deposit	434,620
U.S. government and agency obligations	2,666,015
Insurance contracts	934,866
Equity mutual funds	2,717,330
Money market mutual funds	325,014
Illinois Funds	127,667
Accrued interest	13,053
Prepaid items	3,007
	<hr/>
Total assets	7,505,364
	<hr/>
Liabilities	
Accounts payable	30,546
Due to other funds	3,349
Total liabilities	33,895
	<hr/>
Net Assets	
Held in trust for pension benefits	\$ 7,471,469
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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, 2010

Additions	
Contributions:	
Employer	\$ 538,950
Employee	168,260
Total contributions	<u>707,210</u>
Investment income:	
Net increase in fair value of investments	900,855
Interest and dividend earnings	159,528
Less: investment expenses	<u>(13,924)</u>
Net investment income	<u>1,046,459</u>
Total additions	<u>1,753,669</u>
Deductions	
Benefits and refunds	695,800
Administrative expenses	47,315
Total deductions	<u>743,115</u>
Net increase	1,010,554
Net assets held in trust for employees' pension benefits:	
May 1, 2009	<u>6,460,915</u>
April 30, 2010	<u>\$ 7,471,469</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.

Village of Glenwood, Illinois

Notes to Financial Statements

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, Main Street Tax Increment Financing District 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 and 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.

Main Street Tax Increment Financing District Fund - A special revenue fund, accounts for the revenue generated from the tax incremental finance district to pay for the re-development of Main Street.

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 funds:

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.

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, 2010, none of the deposits were exposed to custodial credit risk due to being uninsured and uncollateralized.

Investments

As of April 30, 2010, 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	\$ 182,545	\$ -	\$ -	\$ 182,545	\$ -
U.S. Treasury Strips	131,443	-	-	24,521	106,922
U.S. agencies - FFCB	394,831	-	-	105,945	288,886
U.S. agencies - FHLB	588,338	-	-	191,670	396,668
U.S. agencies - GNMA	1,551,403	-	-	1,096	1,550,307
Illinois Funds *	880,167	880,167	-	-	-
Illinois Metropolitan Investment Fund *	576,551	576,551	-	-	-
Money Market Funds *	325,014	325,014	-	-	-
Total	\$ 4,630,292	\$ 1,781,732	\$ -	\$ 505,111	\$ 2,342,183

* 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, 2010, investments in Illinois Funds and Illinois Metropolitan Investment Fund were rated AAAM 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 FFCB's and insurance contracts. These investments represent 6.5% and 16.5%, respectively, 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 23.3% and 7.2%, 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, 2010, is as follows:

	Balance May 1, 2009	Additions	Deletions	Balance April 30, 2010
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 19,762,043	\$ -	\$ -	\$ 19,762,043
Capital assets being depreciated:				
Improvements	1,278,525	-	-	1,278,525
Buildings	4,643,712	-	-	4,643,712
Machinery and equipment	3,420,154	70,564	36,603	3,454,115
Infrastructure	5,275,341	1,000,384	-	6,275,725
Total capital assets not being depreciated	<u>14,617,732</u>	<u>1,070,948</u>	<u>36,603</u>	<u>15,652,077</u>
Less accumulated depreciation for:				
Improvements	1,086,465	45,434	-	1,131,899
Buildings	1,459,847	82,827	-	1,542,674
Machinery and equipment	2,096,331	227,323	27,818	2,295,836
Infrastructure	2,907,462	100,651	-	3,008,113
Total accumulated depreciation	<u>7,550,105</u>	<u>456,235</u>	<u>27,818</u>	<u>7,978,522</u>
Total capital assets being depreciated, net	<u>7,067,627</u>	<u>614,713</u>	<u>8,785</u>	<u>7,673,555</u>
Governmental activities capital assets, net	<u>\$ 26,829,670</u>	<u>\$ 614,713</u>	<u>\$ 8,785</u>	<u>\$ 27,435,598</u>

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, 2010, is as follows:

	Balance May 1, 2009	Additions	Deletions	Balance April 30, 2010
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	650,458	20,180	-	670,638
Infrastructure	14,098,597	176,240	-	14,274,837
Total capital assets not being depreciated	18,062,382	196,420	-	18,258,802
Less accumulated depreciation for:				
Improvements	856,181	82,028	-	938,209
Buildings	396,482	33,559	-	430,041
Machinery and equipment	390,955	58,047	-	449,002
Infrastructure	7,719,395	192,294	-	7,911,689
Total accumulated depreciation	9,363,013	365,928	-	9,728,941
Total capital assets being depreciated, net	8,699,369	(169,508)	-	8,529,861
Business-type activities capital assets, net	\$ 13,008,556	\$ (169,508)	\$ -	\$ 12,839,048

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	\$ 59,701
Public safety	188,713
Public works	105,739
Highway and streets	97,189
Buildings	4,893
Total depreciation expense - governmental activities	<u>\$ 456,235</u>

Business-type activities:

Water and sewer	\$ 201,214
Golf course operations	164,714
Total depreciation expense - business-type activities	<u>\$ 365,928</u>

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, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Reductions	Outstanding Debt as of April 30, 2010	Due within one year
Alternate revenue bonds	\$ 2,025,000	\$ -	\$ 165,000	\$ 1,860,000	\$ 170,000
Capital leases	20,861	-	20,861	-	-
Compensated absences	513,088	392,399	452,350	453,137	192,705
Net pension obligation (asset) *	36,607	-	92,947	(56,340)	-
OPEB obligation*	4,934	4,934	-	9,868	-
	<u>\$ 2,600,490</u>	<u>\$ 397,333</u>	<u>\$ 731,158</u>	<u>\$ 2,266,665</u>	<u>\$ 362,705</u>

*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, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Reductions	Outstanding Debt as of April 30, 2010	Due within one year
General obligation bonds	\$ 5,300,000	\$ -	\$ 140,000	\$ 5,160,000	\$ 145,000
Note payable	35,883	-	28,344	7,539	7,539
Capital leases	10,219	-	2,064	8,155	2,430
Compensated absences	155,332	87,760	84,385	158,707	68,876
	<u>\$ 5,501,434</u>	<u>\$ 87,760</u>	<u>\$ 254,793</u>	<u>\$ 5,334,401</u>	<u>\$ 223,845</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (continued)

Outstanding debt as of April 30, 2010, consists of the following:

General obligation bonds:

General obligation bonds dated May 1, 2001 provide for the retirement of principal of \$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 4.4% and 5.5%.

\$ 5,160,000

Alternate revenue bonds:

General Obligation Bonds (Alternate Revenue Bonds), Series 1998B, dated September 23, 1998, provide for the retirement of principal of \$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 4.25% - 4.65%.

1,860,000

Note payable:

Note Payable, dated July 17, 2007, provides for retirement of principal 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 \$7,608.

7,539

Capital leases

8,155

Net pension asset

(56,340)

OPEB obligation

9,868

Compensated absences

611,844

Total long-term debt

\$ 7,601,066

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, 2010 are as follows:

Year Ending April 30,	Governmental		Business-Type	
	Alternate Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
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	205,000	47,569	170,000	242,068
2016-2020	925,000	88,646	1,000,000	1,069,360
2021-2025	-	-	1,305,000	767,914
2026-2030	-	-	1,675,000	385,014
2031	-	-	395,000	21,231
	<u>\$ 1,860,000</u>	<u>\$ 411,431</u>	<u>\$ 5,160,000</u>	<u>\$ 3,526,149</u>

	Business-Type		
	Note Payable		
	Principal	Interest	Total
2011	\$ 7,539	\$ 69	\$ 673,191
2012	-	-	666,721
2013	-	-	662,031
2014	-	-	666,443
2015	-	-	664,637
2016-2020	-	-	3,083,006
2021-2025	-	-	2,072,914
2026-2030	-	-	2,060,014
2031	-	-	416,231
	<u>\$ 7,539</u>	<u>\$ 69</u>	<u>\$ 10,965,188</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 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, 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date	Percentage of Revenue Pledged
1998B	Utility Taxes	\$ 2,271,431	12/1/2018	67.99%

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 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Revenue	Principal and Interest Retired
1998B	Utility Taxes	371,451	252,536

Note 6. Capital Lease Obligations

The Village leases equipment under a capital lease, which expires June 2013. Monthly lease payments, including interest at 7.95%, are \$249. The cost of the capital assets acquired under the capital leases was \$13,500, which is included in business-type activities machinery and equipment.

Minimum future lease payments under the capital leases together with the present value of the net minimum lease payments as of April 30, 2010 are as follows:

Year ending April 30:	
2011	\$ 2,991
2012	2,991
2013	2,991
2014	249
Total minimum lease payments	<u>9,222</u>
Less amount representing interest	<u>1,067</u>
Present value of future minimum lease payments	8,155
Less current portion	<u>2,430</u>
Long-term portion	<u><u>\$ 5,725</u></u>

Village of Glenwood, Illinois

Notes to Financial Statements

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.

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 the years ended December 31, 2010 and 2009 were 9.02 percent and 7.86 percent, respectively, 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 the fiscal year ending April 30, 2010, the Village's annual pension costs of \$89,194 for Regular plan members was equal to the Village's required and actual contributions.

The required contribution for fiscal year 2010 was determined as part of the December 31, 2008 and 2007, actuarial valuations using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008 and 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the Village's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15 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, 2008 and 2007, valuation was 22 years and 23 years, respectively.

Information related to the employer's contributions is on a fiscal year basis. The actuarial and trend information are on a calendar year basis as this is the year used by IMRF.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Three-Year Trend Information

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/09	\$ 89,953	100%	% \$ -
12/31/08	95,175	100%	-
12/31/07	111,690	100%	-

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 98.35 percent funded. The actuarial accrued liability for benefits was \$2,437,665 and the actuarial value of assets was \$2,397,367, resulting in an unfunded actuarial accrued liability (UAAL) of \$40,298. The covered payroll (annual payroll of active employees covered by the plan) was \$1,144,446 and the ratio of the UAAL to the covered payroll was 3.52 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect 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. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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.

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, 2010, 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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

The Village's annual pension cost and net pension asset to the Plan for the year ended April 30, 2010 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>434,872</u>
Decrease in net pension obligation	<u>(74,052)</u>
Net pension obligation, beginning of year	<u>36,607</u>
 Net pension asset, end of year	 <u><u>\$ (37,445)</u></u>

The annual required contribution for the year ended April 30, 2010, was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2010, was 23 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.

Trend Information

Fiscal Year Ending	Annual Pension Costs (APC)	Percentage of APC Contributed	Annual Pension Contributions	Net Pension Obligation (Asset)
4/30/10	\$ 360,820	120.5 %	\$ 434,872	\$ (37,445)
4/30/09	360,820	108.3	390,899	36,607
4/30/08	201,008	152.6	306,728	66,686

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)

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
	<hr/>
Total members	37
	<hr/> <hr/>

Firefighters' Pension Plan

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

Costs of administering the plan are financed through employee and employer contributions. Covered employees are required to contribute 9.46 percent of their base salary to the Fire Pension Plan. The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The Village's most recent actuarial determination was as of April 30, 2009. The employer rate for fiscal year 2010 was 26.67 percent of covered payroll.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2010 were as follows:

Annual required contribution	\$ 89,186
Interest on net pension obligation	(236)
Adjustment to annual requirement contribution	(3,767)
Annual pension cost (expense)	85,183
Contributions made	104,078
Decrease in net pension obligation	(18,895)
Net pension obligation, beginning of year	-
	<hr/>
Net pension asset, end of year	\$ (18,895)
	<hr/> <hr/>

The annual required contribution for the year ended April 30, 2010 was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.00 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 Fire Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Fire Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2010, was 23 years.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

As of April 30, 2009, the plan was 76.39 percent funded. The actuarial accrued liability for benefits was \$2,536,888 and the actuarial value of assets was \$1,937,824, resulting in an unfunded actuarial accrued liability of \$599,064. The covered payroll (annual payroll of active employees covered by the plan) was \$336,392 and the ratio of UAAL to covered pay was 178.09 percent.

Trend Information

Fiscal Year Ending	Annual Pension Costs (APC)	Percentage of APC Contributed	Annual Pension Contributions	Net Pension Obligation (Asset)
4/30/10	\$ 85,183	122.2 %	\$ 104,078	\$ (18,895)
4/30/09	89,111	100.6	89,664	(3,928)
4/30/08	71,701	126.7	90,876	(3,375)

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.

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

Retirees and beneficiaries receiving benefits	1
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	4
Active nonvested plan members	1
	1
Total members	6

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, 2010

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 238,203	\$ 45,589	\$ 283,792
Investments:			
Certificates of deposit	329,497	105,123	434,620
U.S. government and agency obligations	1,382,530	1,283,485	2,666,015
Insurance contracts	792,477	142,389	934,866
Equity mutual funds	2,494,272	223,058	2,717,330
Money market mutual funds	121,120	203,894	325,014
Illinois Funds	-	127,667	127,667
Accrued interest	5,493	7,560	13,053
Prepaid items	3,007	-	3,007
Total assets	5,366,599	2,138,765	7,505,364
Liabilities			
Accounts payable	30,546	-	30,546
Due to other funds	-	3,349	3,349
Total liabilities	30,546	3,349	33,895
Net Assets			
Held in trust for pension benefits	\$ 5,336,053	\$ 2,135,416	\$ 7,471,469

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, 2010

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 434,872	\$ 104,078	\$ 538,950
Employee	138,451	29,809	168,260
Total contributions	573,323	133,887	707,210
Investment income:			
Net increase in fair value of investments	799,617	101,238	900,855
Interest and dividend earnings	83,268	76,260	159,528
Less: investment expenses	(13,924)	-	(13,924)
Net investment income	868,961	177,498	1,046,459
Total additions	1,442,284	311,385	1,753,669
Deductions			
Benefits and refunds	637,080	58,720	695,800
Administrative expenses	27,486	19,829	47,315
Total deductions	664,566	78,549	743,115
Net increase	777,718	232,836	1,010,554
Net assets held in trust for employees' pension benefits:			
May 1, 2009	4,558,335	1,902,580	6,460,915
April 30, 2010	\$ 5,336,053	\$ 2,135,416	\$ 7,471,469

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, 2010, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Major Governmental Funds:		
General Fund:		
Water and Sewer Fund	\$ -	\$ 66,737
Golf Course Fund	206,624	-
Non-Major Governmental Fund	3,769	83,098
Fiduciary Fund	3,349	-
	<u>213,742</u>	<u>149,835</u>
Holbrook Road Tax Increment Financing District Fund:		
Non-Major Governmental Fund	<u>130,000</u>	-
Major Enterprise Fund:		
Water and Sewer Fund:		
General Fund	<u>66,737</u>	-
Golf Course Fund:		
General Fund	<u>-</u>	<u>206,624</u>
Non-Major Governmental Funds:		
General Fund	83,098	3,769
Holbrook Road Tax Increment Financing District Fund	-	130,000
Non-Major Governmental Fund	<u>17,573</u>	<u>17,573</u>
	<u>100,671</u>	<u>151,342</u>
Fiduciary Fund:		
General Fund	<u>-</u>	<u>3,349</u>
Total	<u>\$ 511,150</u>	<u>\$ 511,150</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, 2010, are as follows:

<u>Fund</u>	<u>Transfer From</u>	<u>Transfer To</u>
Major Governmental Funds:		
General Fund:		
Non-Major Governmental Fund	\$ 1,017,523	\$ -
TIF Fund:		
Main Street Tax Increment Financing District	625,000	-
Main Street Tax Increment Financing District:		
TIF Fund	-	625,000
Major Enterprise Fund:		
Water and Sewer Fund		
Golf Course Fund	-	340,000
Golf Course Fund:		
Water and Sewer Fund	340,000	-
Non-Major Enterprise Funds	-	239,208
	<u>340,000</u>	<u>239,208</u>
Non-Major Governmental Funds:		
General Fund	-	1,017,523
Non-Major Governmental Fund	218,359	218,359
	<u>218,359</u>	<u>1,235,882</u>
Non-Major Enterprise Funds:		
Golf Course Fund	239,208	-
	<u>239,208</u>	<u>-</u>
Total	<u>\$ 2,440,090</u>	<u>\$ 2,440,090</u>

Interfund transfers relate to the following items:

- Closing of the 1992 Sewer Bond Fund.
- Closing of the Series 1998A MFT Bond Fund
- Closing of the Golf Course Housing Project Fund
- Forgiveness of interfund loans between the following funds:
 - General Fund and Road and Bridge Fund
 - Golf Course Fund and Water and Sewer Fund
 - Golf Course Housing Project Fund and Golf Course Fund
- Transfer between conjoining TIF's to cover related expenditures.

Village of Glenwood, Illinois

Notes to Financial Statements

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

Deficit Fund Balance

As of April 30, 2010, the Village's Road and Bridge Fund had a deficit fund balance of \$7,332. The Village intends to fund this deficit through future operating revenues and expenditure controls.

Budget Over Expenditures

As of April 30, 2010, the following fund over expended its budget:

<u>Fund</u>	<u>Amount</u>
Motor Fuel Tax Fund	\$ 144,580

Note 11. Contingencies

The Village is a defendant in various lawsuits. Although the outcome of these proceedings is not presently determinable, in the opinion of the Village's management through consultation with legal counsel, the resolution of these matters does not impose a material commitment of the Village's net assets at April 30, 2010.

Note 12. Post Employment Healthcare Plan

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.

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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 12. Post Employment Healthcare Plan (continued)

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>4,934</u>
Net OPEB obligation, end of year	<u><u>\$ 9,868</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and the two preceding years were as follows:

Year Ending	Annual OPEB Costs	Percentage		Annual Pension Contributions	Net OPEB Obligation
		Annual OPEB Costs Contributed			
04/30/10	\$ 10,361	52.4	%	\$ 5,427	\$ 9,868
04/30/09	10,361	52.4		5,427	4,934
04/30/08	N/A	N/A		N/A	N/A

N/A – The Village was not required to implement Governmental Accounting Standards Board Statement No. 45 until the fiscal year ending April 30, 2009

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 12. 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 13. Commitments

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, 2010, the Village has remitted \$2,012,500 plus interest of \$234,730 related to this agreement. The Village has fulfilled their obligation under 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, 2010, the Village has remitted \$62,990 related to this agreement.

Note 13. 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, 2010, the Village has remitted \$477,400 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, which is the fiscal year ending April 30, 2012. Payments are due on or before the 15th of December of every year. As of April 30, 2010, the Village has remitted \$1,287,014 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, 2010, the Village has remitted \$885,893 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, 2010, the Village has remitted \$60,000 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. The agreement expires on December 31, 2016 with final payment due on June 30, 2017. As of April 30, 2010, the Village has remitted \$7,905 related to this agreement.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 14. Subsequent Event

In July 2010, the Village issued \$9,230,000 in General Obligation Bonds, Series 2010A. The proceeds of \$9,000,000 (after payment of issuance costs of \$230,000) will be used to finance several capital projects of the Village.

In July 2010, the Village issued \$1,735,000 in General Obligation Refunding Bonds, Series 2010B. The proceeds of \$1,727,906 (including premium of \$33,843 and payment of issuance costs of \$40,937) were used to advance refund \$1,690,000 of General Obligation (Alternative Revenue) Bonds, Series 1998B.

In September 2010, the Village issued \$5,115,000 in General Obligation Refunding Bonds, Series 2010C. The proceeds of \$5,145,785 (including premium of \$139,885 and payment of issuance costs of \$109,100) were used to advance refund \$5,015,000 of General Obligation Bonds, Series 2001.

Note 15. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the Village, beginning with its year ending 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.

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.

GASB Statement No. 59, *Financial Instrument Omnibus*, will be effective for the Village with its year ended April 30, 2012. This statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

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

Schedule of Funding Progress
 Illinois Municipal Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/09	\$ 2,397,367	\$ 2,437,665	\$ 40,298	98.35 %	\$ 1,144,446	3.52 %
12/31/08	2,215,181	2,290,613	75,432	96.71	1,117,076	6.75
12/31/07	2,649,317	2,088,406	(560,911)	126.86	1,181,908	N/A

On the market value basis, the actuarial value of assets as of December 31, 2009 is \$2,325,502. On a market value basis the funded ratio would be 95.40%,

Village of Glenwood, Illinois

Schedule of Funding Progress
Police Pension Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (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 %
4/30/06	5,133,758	9,279,320	4,145,562	55.32	873,228	474.74
4/30/03	4,471,682	6,105,292	1,633,610	73.24	734,137	222.52

Village of Glenwood, Illinois

Schedule of Funding Progress
Firefighters' Pension Fund

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)
4/30/09	\$ 1,937,824	\$ 2,536,888	\$ 599,064	76.39 %	\$ 336,392	178.09 %
4/30/06	1,465,330	2,009,186	543,856	72.93	294,931	184.40
4/30/03	1,163,341	1,512,169	348,828	76.93	230,186	151.54

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]
4/30/10	N/A	N/A	N/A	N/A	N/A	N/A
4/30/09	\$ -	\$ 96,044	\$ 96,044	0.00 %	\$ 2,475,522	3.88 %
4/30/08	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 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 Employer Contributions
Firefighters' Pension Fund

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
Fiscal Year		
2009	\$ 89,186	100.54 %
2008	N/A	N/A
2007	N/A	N/A
2006	71,808	98.89
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, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 2,353,230	\$ 3,185,803	\$ 832,573
Other taxes	363,900	435,970	72,070
Intergovernmental	2,467,300	2,005,130	(462,170)
Licenses, permits and fees	357,450	286,760	(70,690)
Fines	112,500	91,384	(21,116)
Interest	500	1,047	547
Charges for services	581,200	590,319	9,119
Miscellaneous	39,000	43,013	4,013
Total revenues	6,275,080	6,639,426	364,346
Expenditures:			
Current:			
Administration	1,519,799	1,398,446	121,353
Public works	643,394	480,274	163,120
Parks	390,025	140,193	249,832
Police	2,633,100	2,954,001	(320,901)
Fire	1,014,296	988,277	26,019
ESDA	30,530	4,913	25,617
Senior center	24,575	24,470	105
Debt service:			
Principal	-	20,861	(20,861)
Interest and fees	-	1,304	(1,304)
Capital outlay	184,500	132,352	52,148
Total expenditures	6,440,219	6,145,091	295,128
Excess (deficiency) of revenues over (under) expenditures	(165,139)	494,335	659,474
Other financing sources (uses):			
Transfers in	-	1,017,523	1,017,523
Transfers (out)	(253,000)	-	253,000
Total other financing sources (uses):	(253,000)	1,017,523	1,270,523
Change in fund balance	\$ (418,139)	1,511,858	\$ 1,929,997
Fund balance (deficit):			
May 1, 2009		(32,051)	
April 30, 2010		\$ 1,479,807	

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, and Water and Sewer Fund.

Supplemental Data

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual
Year Ended April 30, 2010

	Budget	Actual
Property taxes	\$ 2,353,230	\$ 3,185,803
Other taxes:		
Utility taxes	306,400	371,451
Auto rental tax	9,500	8,538
Real estate transfer tax	48,000	55,981
Total other taxes	363,900	435,970
Intergovernmental:		
Sales tax	1,045,000	945,981
Income tax	693,000	423,219
Local use tax	114,300	107,800
Personal property replacement tax	40,000	30,857
Telecommunication maintenance fee	440,000	399,185
Grants	135,000	98,088
Total intergovernmental	2,467,300	2,005,130
Licenses, permits and fees:		
Zoning board/hearing application fee	1,500	2,300
Building and electrical permit	120,000	91,413
Alarm permits	4,500	315
Cable TV revenue	98,000	90,446
Business licenses	50,000	39,142
Animal licenses	950	1,168
Grass cutting fees	5,000	6,891
Health inspection fees	7,000	1,530
Towed vehicle administration fee	60,000	45,000
Fire protection fees	10,500	8,555
Total licenses, permits and fees	357,450	286,760
Fines:		
Police-DUI related revenues	2,500	200
Police fines	85,000	68,127
Building code fines	20,000	22,632
Vehicle sticker penalty	5,000	425
Total fines	112,500	91,384
Interest	500	1,047

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual (continued)
 Year Ended April 30, 2010

	Budget	Actual
Charges for services:		
Project reimbursement - administration	\$ 1,000	\$ 1,371
Project Reimbursement - police	1,000	1,354
Project Reimbursement - fire	500	-
Bad check charge	200	80
SBA towers	105,000	114,728
Park program fees	3,500	6,709
Refuse fees	470,000	466,077
Total charges for services	581,200	590,319
Miscellaneous:		
Foreign fire insurance	5,000	6,934
Newsletter advertising	3,000	3,375
Facility rent	5,000	3,670
Police insurance/miscellaneous reimbursement	6,500	4,523
Yard waste stickers	7,000	7,020
Miscellaneous	12,000	16,291
Miscellaneous fire	500	1,200
Total miscellaneous	39,000	43,013
Total revenues	\$ 6,275,080	\$ 6,639,426

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2010

	Budget	Actual
Current:		
Administration:		
Mayor	\$ 13,500	\$ 12,404
Treasurer	1,500	1,500
Trustees	36,000	34,625
Village clerk	2,000	2,000
Village collector	100	100
Village administrator	100,000	137,077
Assistant village administrator	6,000	6,000
Department supervisor	68,349	66,174
Full time employees	78,000	74,256
Part time employees	21,500	20,072
Contract services	18,000	19,675
Consulting services	25,000	-
Salary - liquor commissioner	1,500	1,500
Employer FICA and IMRF	38,000	788
Unemployment insurance	-	385
Office supplies	11,000	10,184
Data processing	25,000	22,416
Copier supplies and maintenance	4,000	2,103
Postage	5,000	4,178
Telephone	4,000	1,335
HRC expense and legal services	1,000	600
Legal notices	1,500	2,558
News letter	12,000	6,683
Code of ordinances expense	5,000	1,494
Dues, subscription, and memberships	15,000	7,270
Legal services	95,000	87,925
Auditing	40,000	64,655
E-Comm annual expense	170,000	169,206
Legal services - board of trustees	10,000	13,454
Group insurance and hospital	45,000	31,295
Workmen's compensation insurance	10,000	(18,603)
Liability insurance	10,000	68,722
Expenses - village administration	5,000	6,040
Board member training	2,000	-
Utilities	7,500	3,122
Personnel training	600	6,986
Travel, lodging, and meals	5,000	2,206
Donations/memorials	2,000	3,225
Police and fire commission	25,000	13,848
Grant expense	20,000	-
Web site expense	1,000	300
Fireworks	11,750	11,750
Economic incentive agreements	15,000	3,408
Railroad property rental	-	9,182
Engineer services	80,000	2,006
Homewood disposal	470,000	484,020
Miscellaneous	2,000	322
Total administration	1,519,799	1,398,446

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2010

	Budget	Actual
Current:		
Public works:		
Department supervisor	\$ 21,000	\$ 21,891
Full time employees	115,000	112,385
Part time employees	21,594	28,464
Over-time wages	60,000	22,641
Holiday pay	10,000	-
Lawn care services	26,000	25,474
Employer FICA and IMRF	28,100	415
Unemployment insurance	3,000	8,129
Printing and advertising	1,500	1,984
Office supplies	3,500	1,639
Postage	700	575
Telephone	10,000	4,567
Legal services	1,500	1,206
Group insurance and hospital	35,000	59,514
Workmen's compensation insurance	130,000	65,426
Liability insurance	50,000	2,555
Personnel training	1,500	-
Travel, lodging, and meals	500	377
Physicals	2,000	2,230
Gas and oil	30,000	13,963
Repair and maintenance - communications	1,000	-
Repair and maintenance - vehicle	35,000	18,587
Repair and maintenance - general tools/equipment	7,000	9,237
Repair and maintenance - municipal buildings	35,000	56,424
Maintenance - municipal grounds	10,000	19,633
Flags	500	-
Christmas decorations	2,500	1,157
Computer - programs and equipment	-	882
Lawn equipment	500	214
Miscellaneous	1,000	705
Total public works	643,394	480,274
Parks:		
Department supervisor	12,500	7,947
Employers FICA & IMRF	975	9
Utilities	9,000	3,858
Park program expenses	1,900	4,252
Easter Program	1,300	765
July 4th expenses	5,350	8,044
Kids day out/summer bash	1,300	2,525
Halloween/hayride expenses	900	441
Christmas in the park expenses	800	363
Repair and maintenance - general tools/equipment	2,500	586
Repair and maintenance - municipal buildings	2,000	3,850
Maintenance - municipal grounds	8,500	10,308
Hickory Glen park grant expenditure	343,000	97,245
Total parks	390,025	140,193

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2010

	Budget	Actual
Current:		
Police:		
Police department compensation time payout	\$ 10,000	\$ -
Department supervisor	90,000	90,347
Full time employees	1,336,500	1,343,813
Part time employees	60,000	100,253
Crossing guards	25,000	24,843
Over-time wages	100,000	128,788
Holiday pay	73,000	75,814
Employer FICA and IMRF	132,700	2,367
Pension contributions	-	434,872
Unemployment insurance	-	1,062
Office supplies	10,000	7,191
Postage	3,000	3,248
Telephone	11,000	9,600
Dues, subscription, and membership	3,500	8,276
Legal services	25,000	35,585
Municipal systems	5,000	8,718
Group insurance and hospital	227,400	206,451
Workmen's compensation insurance	210,000	194,349
Liability insurance	114,000	118,306
Utilities	8,000	2,222
Personnel training	6,000	12,591
Travel, lodging, and meals	2,500	2,251
Physicals	1,000	295
Uniforms	25,000	18,171
Gas and oil	65,000	51,690
Grant expense	5,000	-
Repair and maintenance - communications	15,000	23,174
Repair and maintenance - copy machine	2,500	2,567
Repair and maintenance - vehicle	30,000	24,698
Repair and maintenance - general tools/equipment	2,000	470
Repair and maintenance - municipal buildings	1,500	4,514
Computer - programs and equipment	10,000	8,956
Communications equipment	23,000	7,203
Miscellaneous	500	1,316
Total police	2,633,100	2,954,001
Fire:		
Department supervisor	94,000	87,165
Full time employees	217,300	239,467
Part time employees	4,500	6,438
Secretarial services	51,580	38,899
Over-time wages	1,000	93
Paid on call fire personnel	70,000	75,388
Sleep-in-pay	87,600	92,374
Duty shift assignment	48,000	47,934
Contract services	49,400	53,392
Employer FICA and IMRF	13,316	741
Pension contributions	-	104,078
Unemployment insurance	-	1,585

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2010

	Budget	Actual
Current:		
Fire: (continued)		
Building code hearings	\$ -	\$ 2,323
Planning and zoning	-	1,162
Printing and advertising	2,000	2,017
Office supplies	4,000	1,593
Postage	1,400	1,493
Food service inspections	200	300
Telephone	6,000	8,658
Dues, subscription, and membership	4,500	3,807
Legal services	2,500	13,202
Group insurance and hospital	64,600	56,406
Workmen's compensation insurance	140,000	29,076
Liability insurance	58,000	18,969
Utilities	3,200	1,256
Personnel training	10,500	15,411
Travel, lodging, and meals	500	77
Public education programs	2,000	618
Physicals	1,500	1,365
Uniforms	5,000	1,851
Gas and oil	18,000	19,697
Station supplies	800	774
Grant expense	4,000	8,088
Repair and maintenance - vehicle	14,000	19,597
MABAS expense	4,400	5,755
Repair and maintenance - general tools/equipment	9,000	8,596
Maintenance - station #1	6,000	3,899
Maintenance - station #2	3,000	2,778
Copy machine	2,000	1,137
Grass cutting vacant homes	4,000	4,900
Computer - programs and equipment	3,700	3,188
Communications equipment	1,500	750
Miscellaneous	1,300	1,980
Total fire	1,014,296	988,277
ESDA:		
Department supervisor	1,000	1,000
Part time employees	20,000	-
Employer FICA and IMRF	1,530	1
Uniforms	3,500	-
Communications	4,500	3,912
Total ESDA	30,530	4,913

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2010

	Budget	Actual
Current:		
Senior center:		
Part time employees	\$ 9,000	\$ 12,526
Employer FICA and IMRF	725	15
Office supplies	250	220
Utilities	2,000	2,658
Special events	5,800	1,970
Senior center design	6,500	6,246
Miscellaneous	300	835
Total senior center	<u>24,575</u>	<u>24,470</u>
Debt service:		
Principal	-	20,861
Interest and fees	-	1,304
Total debt service	<u>-</u>	<u>22,165</u>
Capital outlay	<u>184,500</u>	<u>132,352</u>
Total expenditures	<u>\$ 6,440,219</u>	<u>\$ 6,145,091</u>

Nonmajor Governmental Funds – Combining Statements

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2010

	Special Revenue	Debt Service	Capital Projects Road Improvement Projects Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,079,201	\$ 231,928	\$ 116,540	\$ 1,427,669
Investments	182,545	-	-	182,545
Receivables:				
Property taxes	195,297	149,858	-	345,155
Other	5,430	-	-	5,430
Due from other governments	19,522	-	-	19,522
Due from other funds	-	100,671	-	100,671
Total assets	\$ 1,481,995	\$ 482,457	\$ 116,540	\$ 2,080,992
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 9,576	\$ 750	\$ -	\$ 10,326
Deferred revenue	347,269	149,858	-	497,127
Due to other funds	21,342	130,000	-	151,342
Total liabilities	378,187	280,608	-	658,795
Fund balances				
Reserved for debt service	-	201,849	-	201,849
Unreserved	1,103,808	-	116,540	1,220,348
Total fund balances	1,103,808	201,849	116,540	1,422,197
Total liabilities and fund balances	\$ 1,481,995	\$ 482,457	\$ 116,540	\$ 2,080,992

Village of Glenwood, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended April 30, 2010

	Special Revenue	Debt Service	Capital Projects Road Improvement Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 857,049	\$ 287,365	\$ -	\$ 1,144,414
Intergovernmental	227,133	-	-	227,133
Licenses, permits and fees	116,218	-	-	116,218
Interest	6,941	100	29	7,070
Miscellaneous	2,180	-	-	2,180
Total revenues	1,209,521	287,465	29	1,497,015
Expenditures:				
Current:				
Administration	23,078	-	-	23,078
Police	5,507	-	-	5,507
Highway and streets	338,024	-	-	338,024
Pension contributions	375,603	-	-	375,603
Debt service:				
Principal	-	165,000	-	165,000
Interest and fees	-	89,786	-	89,786
Capital outlay	43,833	-	-	43,833
Total expenditures	786,045	254,786	-	1,040,831
Excess of revenues over expenditures	423,476	32,679	29	456,184
Other financing sources (uses):				
Transfers in	187,486	30,873	-	218,359
Transfers (out)	(355,000)	(880,882)	-	(1,235,882)
Total other financing sources (uses)	(167,514)	(850,009)	-	(1,017,523)
Change in fund balance	255,962	(817,330)	29	(561,339)
Fund balances:				
May 1, 2009	847,846	1,019,179	116,511	1,983,536
April 30, 2010	\$ 1,103,808	\$ 201,849	\$ 116,540	\$ 1,422,197

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2010

	Road and Bridge Fund	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Emergency 911 Fund	Police Department Forfeiture Fund	TIF Glenwoodie Golf Course Fund	Total
Assets							
Cash and cash equivalents	\$ 147,332	\$ 183,576	\$ 328,986	\$ -	\$ 14,250	\$ 405,057	\$ 1,079,201
Investments	-	182,545	-	-	-	-	182,545
Receivables:							
Property taxes	-	-	195,297	-	-	-	195,297
Other	-	5,430	-	-	-	-	5,430
Due from other governments	-	19,522	-	-	-	-	19,522
Total assets	\$ 147,332	\$ 391,073	\$ 524,283	\$ -	\$ 14,250	\$ 405,057	\$ 1,481,995
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 2,692	\$ -	\$ -	\$ -	\$ -	\$ 6,884	\$ 9,576
Deferred revenues	151,972	-	195,297	-	-	-	347,269
Due to other funds	-	3,769	17,573	-	-	-	21,342
Total liabilities	154,664	3,769	212,870	-	-	6,884	378,187
Fund balances (deficits)							
Unreserved	(7,332)	387,304	311,413	-	14,250	398,173	1,103,808
Total liabilities and fund balances	\$ 147,332	\$ 391,073	\$ 524,283	\$ -	\$ 14,250	\$ 405,057	\$ 1,481,995

Village of Glenwood, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year Ended April 30, 2010

	Road and Bridge Fund	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Emergency 911 Fund	Police Department Forfeiture Fund	TIF Glenwoodie Golf Course Fund	Total
Revenues:							
Property taxes	\$ 32,205	\$ -	\$ 417,825	\$ -	\$ -	\$ 407,019	\$ 857,049
Intergovernmental	-	227,133	-	-	-	-	227,133
Licenses, permits and fees	116,218	-	-	-	-	-	116,218
Interest	21	5,190	26	16	1,423	265	6,941
Miscellaneous	-	-	-	-	2,180	-	2,180
Total revenues	148,444	232,323	417,851	16	3,603	407,284	1,209,521
Expenditures:							
Current:							
Administration	-	-	-	13,967	-	9,111	23,078
Police	-	-	-	-	5,507	-	5,507
Highways and streets	65,444	272,580	-	-	-	-	338,024
Pension contributions	-	-	375,603	-	-	-	375,603
Capital outlay	43,833	-	-	-	-	-	43,833
Total expenditures	109,277	272,580	375,603	13,967	5,507	9,111	786,045
Excess (deficiency) of revenues over (under) expenditures	39,167	(40,257)	42,248	(13,951)	(1,904)	398,173	423,476
Other financing sources (uses):							
Transfers in	-	187,486	-	-	-	-	187,486
Transfers (out)	(355,000)	-	-	-	-	-	(355,000)
Total other financing sources (uses)	(355,000)	187,486	-	-	-	-	(167,514)
Change in fund balance	(315,833)	147,229	42,248	(13,951)	(1,904)	398,173	255,962
Fund balances (deficits):							
May 1, 2009	308,501	240,075	269,165	13,951	16,154	-	847,846
April 30, 2010	\$ (7,332)	\$ 387,304	\$ 311,413	\$ -	\$ 14,250	\$ 398,173	\$ 1,103,808

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Road and Bridge Fund
 Year Ended April 30, 2010

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 28,000	\$ 32,205	\$ 4,205
Licenses, permits and fees	125,000	116,218	(8,782)
Interest	200	21	(179)
Total revenues	<u>153,200</u>	<u>148,444</u>	<u>(4,756)</u>
Expenditures:			
Current:			
Highway and streets	105,000	65,444	39,556
Capital outlay	50,000	43,833	6,167
Total expenditures	<u>155,000</u>	<u>109,277</u>	<u>45,723</u>
Excess (deficiency) of revenues over (under) expenditures	(1,800)	39,167	40,967
Other financing uses:			
Transfers out	-	(355,000)	(355,000)
Change in fund balance	<u>\$ (1,800)</u>	<u>(315,833)</u>	<u>\$ (314,033)</u>
Fund balance (deficit):			
May 1, 2009		<u>308,501</u>	
April 30, 2010		<u>\$ (7,332)</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, 2010

	Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 240,000	\$ 227,133	\$ (12,867)
Interest	500	5,190	4,690
Total revenues	<u>240,500</u>	<u>232,323</u>	<u>(8,177)</u>
Expenditures:			
Current:			
Highways and streets	<u>128,000</u>	<u>272,580</u>	<u>(144,580)</u>
Excess (deficiency) of revenues over (under) expenditures	112,500	(40,257)	(152,757)
Other financing sources:			
Transfers in	<u>-</u>	<u>187,486</u>	<u>187,486</u>
Change in fund balance	<u><u>\$ 112,500</u></u>	<u>147,229</u>	<u><u>\$ 34,729</u></u>
Fund balance:			
May 1, 2009		<u>240,075</u>	
April 30, 2010		<u><u>\$ 387,304</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, 2010

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 390,000	\$ 417,825	\$ 27,825
Interest	300	26	(274)
Total revenues	<u>390,300</u>	<u>417,851</u>	<u>27,551</u>
Expenditures:			
Current:			
Pension contributions	<u>390,000</u>	<u>375,603</u>	<u>14,397</u>
Change in fund balance	<u>\$ 300</u>	<u>42,248</u>	<u>\$ 41,948</u>
Fund balance:			
May 1, 2009		<u>269,165</u>	
April 30, 2010		<u>\$ 311,413</u>	

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Debt Service Funds
 April 30, 2010

	Series 1992 Sewer Bond Fund	Series 1998A MFT Bond Fund	Series 1998B Village Hall Construction Bond Fund	Total
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ 231,928	\$ 231,928
Receivables:				
Property taxes	-	-	149,858	149,858
Due from other funds	-	-	100,671	100,671
Total assets	\$ -	\$ -	\$ 482,457	\$ 482,457
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ -	\$ -	\$ 750	\$ 750
Deferred revenue	-	-	149,858	149,858
Due to other funds	-	-	130,000	130,000
Total liabilities	-	-	280,608	280,608
Fund balances				
Reserved for debt service	-	-	201,849	201,849
Total liabilities and fund balances	\$ -	\$ -	\$ 482,457	\$ 482,457

Village of Glenwood, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Debt Service Funds
 Year Ended April 30, 2010

	Series 1992 Sewer Bond Fund	Series 1998A MFT Bond Fund	Series 1998B Village Hall Construction Bond Fund	Total
Revenues:				
Property taxes	\$ -	\$ -	\$ 287,365	\$ 287,365
Interest	7	72	21	100
Total revenues	7	72	287,386	287,465
Expenditures:				
Debt service:				
Principal	-	-	165,000	165,000
Interest and fees	-	-	89,786	89,786
Total expenditures	-	-	254,786	254,786
Excess (deficiency) of revenues over (under) expenditures	7	72	32,600	32,679
Other financing sources (uses):				
Transfers in	-	-	30,873	30,873
Transfers (out)	(384,900)	(495,982)	-	(880,882)
Total other financing sources (uses)	(384,900)	(495,982)	30,873	(850,009)
Change in fund balance	(384,893)	(495,910)	63,473	(817,330)
Fund balances:				
May 1, 2009	384,893	495,910	138,376	1,019,179
April 30, 2010	\$ -	\$ -	\$ 201,849	\$ 201,849

Enterprise Fund

Village of Glenwood, Illinois

Schedule of Operations Expenses - Budget and Actual
 Water and Sewer Fund
 Year Ended April 30, 2010

	Budget	Actual
Department supervisor	\$ 40,000	\$ 40,655
Full time employees	240,000	243,916
Part time employees	-	432
Over-time wages	50,000	24,097
Holiday pay	1,000	-
Contract services	3,000	1,449
Lawn care services	8,400	8,747
Employer's FICA and IMRF	53,770	1,057
Printing and advertising	3,500	7,287
Office supplies	2,500	1,707
Copier supplies and maintenance	500	-
Postage	6,000	10,126
Telephone	25,000	25,884
Dues, subscription, and membership	1,200	1,222
Legal services	2,000	2,249
Group insurance and hospital	80,000	43,830
Workmen's compensation insurance	85,000	71,042
Liability insurance	50,000	66,355
Utilities	20,000	10,378
Personnel training	2,500	1,180
Travel, lodging, and meals	500	112
Public education programs	1,500	-
Physicals	1,000	385
Gas and oil	30,000	13,629
Energy for pumping	75,000	46,218
Chemicals	10,000	3,791
Repair and maintenance - communications	2,500	258
Repair and maintenance - water system	100,000	115,736
Repair and maintenance - vehicle	20,000	9,058
Repair and maintenance - general tools/equipment	10,000	7,892
Repair and maintenance - municipal buildings	30,000	4,062
Maintenance - municipal grounds	11,000	5,762
Repair and maintenance - sewer system	150,000	112,337
Purchase - general tools and equipment	6,000	4,132
Purchase - personnel equipment	10,000	3,920
SCADA system upgrade	42,000	-
Water purchase - Chicago Heights	250,000	187,489
Water system improvement	75,000	1,200
Computer - programs and equipment	35,000	20,989
Water Meter Program	50,000	43,677
New roof WP2	8,000	-
Operations and maintenance - Chicago Heights	35,000	19,321
Purchase of vehicles	30,000	20,500
Engineering services	25,000	79,505
Communications equipment	3,000	-
Homewood disposal	6,000	2,084
Miscellaneous	1,500	201
Total operations expenses	\$ 1,692,370	\$ 1,263,871

Other Schedules

Village of Glenwood, Illinois

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

	2009	2008	2007	2006	2005
Tax Rates (per \$100 of assessed valuation):					
Corporate	0.108	0.080	0.094	0.078	0.157
Audit	0.028	0.036	0.041	0.040	0.043
Liability Insurance	0.217	0.180	0.170	0.257	0.260
Workmen's Compensation	0.402	0.356	0.281	0.144	0.141
Unemployment Insurance	0.004	0.010	0.012	0.020	0.021
Police Protection	0.629	0.504	0.539	0.564	0.583
Crossing Guards	0.018	0.017	0.020	0.021	0.021
Fire Protection	0.223	0.230	0.235	0.246	0.261
Civil Defense	-	-	0.012	0.012	0.015
Police Pension	0.252	0.252	0.267	0.228	0.180
Fire Pension	0.060	0.060	0.064	0.069	0.065
Bond and Interest	0.479	0.479	0.347	0.346	0.303
IMRF	0.238	0.286	0.328	0.721	0.768
Totals	2.655	2.491	2.410	2.745	2.817
Tax extensions:					
Corporate	\$ 159,238	\$ 118,553	\$ 123,703	\$ 99,086	\$ 188,767
Audit	41,200	52,530	53,766	51,500	51,500
Liability Insurance	319,300	264,710	223,510	328,570	312,090
Workmen's Compensation	592,250	525,300	370,800	184,370	168,920
Unemployment Insurance	5,150	15,450	15,450	25,750	25,750
Police Protection	927,000	743,040	710,385	720,989	700,400
Crossing Guards	25,750	25,750	26,780	26,780	24,715
Fire Protection	328,649	339,591	309,690	314,150	314,150
Civil Defense	-	-	15,450	15,450	18,540
Police Pension	370,800	370,800	351,239	291,840	216,813
Fire Pension	89,095	89,095	84,507	87,951	77,660
Bond and Interest	705,666	705,666	457,835	442,900	364,620
IMRF	350,200	422,300	432,272	922,155	922,583
Totals	\$ 3,914,298	\$ 3,672,785	\$ 3,175,387	\$ 3,511,491	\$ 3,386,508
Collections	\$ 1,750,368	\$ 3,643,065	\$ 3,017,440	\$ 3,422,524	\$ 3,396,307
Percent Collected	44.72%	99.19%	95.03%	97.47%	100.29%

Village of Glenwood, Illinois

Schedule of Debt Service Requirements
April 30, 2010

	Year Ending April 30,	Principal	Interest	Total
Alternate Revenue Bonds				
Series 1998B				
Dated September 23, 1998	2011	\$ 170,000	\$ 80,500	\$ 250,500
Interest due on April 1	2012	180,000	73,018	253,018
and October 1 at rates	2013	185,000	65,078	250,078
ranging from 4.25% to 4.65%	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>\$ 1,860,000</u>	<u>\$ 411,431</u>	<u>\$ 2,271,431</u>
General Obligation Bonds:				
Series 2001	2011	\$ 145,000	\$ 270,083	\$ 415,083
Dated May 1, 2001	2012	150,000	263,703	413,703
Interest due on June 1	2013	155,000	256,953	411,953
and December 1 at rates	2014	165,000	249,823	414,823
ranging from 4.40% to 5.50%	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>\$ 5,160,000</u>	<u>\$ 3,526,149</u>	<u>\$ 8,686,149</u>

(continued)

Village of Glenwood, Illinois

Schedule of Debt Service Requirements (continued)
 April 30, 2010

	Year Ending April 30,	Principal	Interest	Total
Note Payable:				
Dated July 17, 2007				
Principal and Interest due monthly at a rate of 5.62%				
	2011	\$ 7,539	\$ 69	\$ 7,608
Capital Lease:				
Dated June 1, 2008				
Principal and Interest due monthly at a rate of 7.95%				
	2011	\$ 2,430	\$ 561	\$ 2,991
	2012	2,630	361	2,991
	2013	2,847	144	2,991
	2014	248	1	249
		\$ 8,155	\$ 1,067	\$ 9,222