

**United City of Yorkville,
Illinois**

Annual Financial Report

**For the Year Ended
April 30, 2010**

Wolf & Company LLP
Certified Public Accountants

UNITED CITY OF YORKVILLE, ILLINIOS

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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
Members of the City Council
United City of Yorkville, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, budgetary comparison information for the General and Library Funds, and the aggregate remaining fund information for United City of Yorkville, Illinois, as of and for the year ended April 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the management of United City of Yorkville, Illinois. Our responsibility is to express opinions on these basic financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of United City of Yorkville, Illinois, as of April 30, 2010, and the results of its operations and cash flows of the proprietary fund, and budgetary comparison of the General and Library Funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

The Management's Discussion and Analysis and the required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The information in the statistical section listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

Wolf & Company LLP

Oakbrook Terrace, Illinois
January 18, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010

As management of the United City of Yorkville ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2010. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the City's financial statements(beginning on page 11).

Financial Highlights

The assets of the United City of Yorkville exceeded its liabilities at the close of the fiscal year by \$96,377,650 (*net assets*). Of this amount, \$3,042,137 is restricted for capital improvements, \$641,013 is restricted for debt service, and \$93,914,469 is invested in capital assets net of related debt, leaving a negative unrestricted net asset balance of \$1,219,969.

- The City's total net assets increased by \$22,067,545 (30.0%) during the fiscal year ended April 30, 2010. Governmental activities net assets increased by \$7,893,133 (15.0%) and the business-type activities net assets increased by \$14,174,412 (65.0%).
- As of the close of the current fiscal year, the United City of Yorkville's governmental funds reported combined ending fund balances of \$2,767,693, a decrease of \$1,767,987 from the previous fiscal year.
- At the end of fiscal year 2010, the City's General Fund reported an ending fund balance of negative \$492,939, a decrease of \$1,711,196 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The governmental-wide statements are divided between governmental activities and business-type activities, with the public library presented as a blended component unit. The perspective of the fund financial statements presents financial information for individual funds established by the City for specific purposes. They are categorized into three distinct groups: governmental, proprietary and fiduciary. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

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

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010

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

The government-wide financial statements may be found on pages 11 through 14 of this report.

Fund Financial Statements

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

Governmental Funds

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

The City maintains sixteen individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and Library Fund, both of which are considered to be major funds. Information from the City's other fourteen governmental funds are combined into a single column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report.

The United City of Yorkville adopts an annual budget for both its General Fund and Library Fund. A budgetary comparison statement has been provided for both funds to demonstrate compliance with this budget. The basic governmental fund financial statements may be found on pages 15 through 18 of this report.

Proprietary Funds

The City maintains one type of proprietary fund (enterprise funds). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer and recreation center operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Operation and Improvement Fund (major fund), the Sewer Operation and Improvement Fund (major fund) and the Recreation Center Fund.

The basic proprietary fund financial statements may be found on pages 23 through 26 of this report.

**UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010**

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's operations. The accounting used for fiduciary funds is similar to that used by proprietary funds.

The basic fiduciary fund financial statements may be found on pages 27 and 28 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements may be found on pages 29 through 66 of this report.

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the City's progress in funding its obligation to provide pension benefits to its employees. Required nonmajor fund information can be found following the required supplementary information. Required supplementary information may be found on pages 67 and 68 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules may be found on pages 69 through 103 of this report.

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets (in millions):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Assets:						
Current Assets	\$ 7.9	\$ 8.0	\$ 3.0	\$ 15.0	\$ 10.9	\$ 23.0
Capital and Other Assets	74.4	65.8	67.2	41.9	141.6	107.7
Total Assets	82.3	73.8	70.2	56.9	152.5	130.7
Liabilities:						
Current Liabilities	4.6	2.8	0.4	0.4	5.0	3.2
Long-term Liabilities	17.4	18.4	33.7	34.6	51.1	53.0
Total Liabilities	22.0	21.2	34.1	35.0	56.1	56.2
Net Assets:						
Invested in Capital Assets, Net	61.0	51.5	32.9	18.7	93.9	70.2
Restricted	3.4	3.1	0.2		3.6	3.1
Unrestricted	(4.1)	(2.0)	2.9	3.2	(1.2)	1.2
Total Net Assets	\$ 60.3	\$ 52.6	\$ 36.0	\$ 21.9	\$ 96.3	\$ 74.5

The largest portion of the United City of Yorkville's net assets, or 97%, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire and construct those assets that are still outstanding. The United City of Yorkville uses its capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the United City of Yorkville'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.

An additional portion of the United City of Yorkville's net assets, or 4%, represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the United City of Yorkville is able to report positive balances in total net assets in both the governmental and business-type activities. The same situation held true for the prior year. Additional information on the Statement of Net Assets may be found on pages 11 and 12 of this report.

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010

Statement of Activities

The following table reflects the condensed Statement of Activities (in millions):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
REVENUES						
Program Revenues:						
Charges for Services	\$ 2.2	\$ 2.2	\$ 4.4	\$ 3.0	\$ 6.6	\$ 5.2
Operating Grants/Contributions	0.6					0.8
Capital Grants/Contributions	10.7	0.9	14.5	0.3	25.2	1.2
General Revenues:						
Property Taxes	4.1	3.7			4.1	3.7
Other Taxes	5.9	6.1			5.9	6.1
Other	0.9	1.9		0.6	0.9	2.5
Transfer In	0.1			2.3	0.1	2.3
Total Revenues	24.5	14.8	18.9	6.2	42.8	21.8
EXPENSES						
General Government	4.4	5.5			4.4	5.5
Public Safety	3.7	3.1			3.7	3.1
Community Development	0.4	0.5			0.4	0.5
Public Works	3.1	3.0			3.1	3.0
Library	1.1	1.1			1.1	1.1
Culture & Recreation	2.2	2.2			2.2	2.2
Interest Long-Term Debt	0.7	0.7			0.7	0.7
Water			2.4	3.3	2.4	3.3
Sewer			1.6	1.3	1.6	1.3
Recreation Center			0.6	0.7	0.6	
Transfer Out		2.3	0.1		0.1	2.3
Special Items	1.0				1.0	
Total Expenses	16.6	18.4	4.7	5.3	21.3	23.0
Change in Net Assets	7.9	(3.6)	14.2	0.9	22.1	(1.2)
Beginning Net Assets, as Restated	52.4	56.2	21.9	21.0	74.3	77.2
Ending Net Assets	\$ 60.3	\$ 52.6	\$ 36.1	\$ 21.9	\$ 96.4	\$ 76.0

**UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds - The focus of the United City of Yorkville's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the United City of Yorkville's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the United City of Yorkville's governmental funds reported combined ending fund balances of \$2,767,693, a decrease of \$1,767,987 in comparison with the prior year. This amount is comprised of reserved fund balances in the amount of \$3,522,438 and unreserved fund balances in the amount of negative \$754,745. Reserved fund balance is not available for new spending because it has already been reserved for insurance, debt service, or capital project commitments.

The General Fund is the chief operating fund of the United City of Yorkville. At the end of the current fiscal year, unreserved fund balance of the General Fund was negative \$532,436, while the total fund balance reported is negative \$492,939. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and the total fund balance to total fund expenditures.

The fund balance of the United City of Yorkville's General Fund decreased by \$1,711,196 during the current fiscal year. A majority of this decrease is a direct result of bad debt write offs totaling \$1,016,132.

The fund balance of the United City of Yorkville's Library Fund decreased by \$228,060 during the current fiscal year to \$571,002.

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010

GENERAL FUND

The following table reflects the condensed General Fund Budgetary Comparison Schedule (in millions):

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 9.2	\$ 9.2	\$ 8.4
Charges for Service	1.1	1.1	1.3
Other Revenues	1.1	1.1	0.9
Total Revenues	11.4	11.4	10.6
Expenditures:			
General Government	4.5	4.5	4.6
Public Safety	3.3	3.3	3.3
Community Development	0.4	0.4	0.4
Public Works	1.8	1.8	1.8
Total Expenditures	10.0	10.0	10.1
Excess of Revenues over Expenditures	1.4	1.4	0.5
Other Financing Sources and Uses	(1.4)	(1.4)	(2.3)
Change in Fund Balance	\$ -	\$ -	\$ (1.8)

The General Fund is the City's primary operating fund and the largest source of funding for day-to-day activities of its various departments. Shown in the General Fund Budgetary Comparison Schedule are the original and final budgets, as well as the actual amounts received for fiscal year 2010. Aggregate General Fund revenues increased by approximately \$400,000 over the previous fiscal year. Expenditures relating to Public Safety, Community Development and Public Works were all under budgeted amounts. General Government expenditures exceeded budgeted amounts by \$114,031, due to higher than expected costs relating to health insurance and tax rebates.

Proprietary Funds - The United City of Yorkville's proprietary funds provide the same type of information found in the government-wide financial statements, including long-term outflows and capital assets.

Net assets of the Water Operation and Improvement Fund at the end of the year amounted to \$19,308,639, and those for the Sewer Operation and Improvement Fund amounted to \$16,883,090. The Sewer Operation and Improvement Fund had an increase in net assets of \$10,947,191 while the Water Operation and Improvement Fund had an increase in net assets of \$3,278,529, due mainly to capital contributions from developers.

**UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010**

CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets
Change in Capital Assets
(in millions)**

<u>Governmental Activities</u>	<u>Balance May 1, 2009</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2010</u>
Non-Depreciable Assets:			
Land/Construction in Progress	\$ 30.2	\$ (0.1)	\$ 30.1
Depreciable Capital Assets:			
Infrastructure	27.3	10.6	37.9
Buildings	14.5		14.5
Equipment	5.5		5.5
Vehicles/Furniture/Fixtures	2.6		2.6
Accumulated Depreciation on Capital Assets	(14.3)	(1.9)	(16.2)
	<u>\$ 65.8</u>	<u>\$ 8.6</u>	<u>\$ 74.4</u>

During the fiscal year, depreciation expense was charged to the following functions: General Government (\$70,577), Public Safety (\$107,951), Public Works (\$1,111,655), Library (\$179,525), and Culture and Recreation (\$430,781).

<u>Business-Type Activities</u>	<u>Balance May 1, 2009</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2010</u>
Non-Depreciable Assets:			
Land/Construction in Progress	\$ 2.0	\$ (0.6)	\$ 1.4
Depreciable Capital Assets:			
Infrastructure	27.2	14.9	42.1
Vehicles/Furniture/Fixtures	18.8	0.1	18.9
Accumulated Depreciation on Capital Assets	(6.0)	(1.1)	(7.1)
	<u>\$ 42.0</u>	<u>\$ 13.3</u>	<u>\$ 55.3</u>

During the fiscal year, depreciation expense of \$734,273 and \$331,673 was charged to the Water and Sewer Fund functional expense categories, respectively.

For more detailed information related to capital assets, see Note 4 to the financial statements, beginning on page 40.

**UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)
April 30, 2010**

Debt Administration

At April 30, 2010, the City had outstanding debt as follows:

	Governmental Activities	Business-Type Activities	Total
General Obligation & Alternative Revenue Source Bonds	\$ 15,365,000	\$ 18,855,000	\$ 34,220,000
Debt Certificates	285,000	9,571,912	9,856,912
Loans and Notes Payable	1,154,513	2,686,846	3,841,359
Other Liabilities	525,563	2,596,039	3,121,602
	<u>\$ 17,330,076</u>	<u>\$ 33,709,797</u>	<u>\$ 51,039,873</u>

For more detailed information related to long-term debt, see Note 5 to the financial statements, beginning on page 42. No new debt was issued during fiscal 2009 – 2010

ECONOMIC FACTORS

The United City of Yorkville was established in 1957, as a result of a merger between the Village of Yorkville and the Village of Bristol. The Village of Yorkville was originally established in 1834 and has been the county seat of Kendall County since 1859. It is located approximately 45 miles southwest of Chicago. According to the 2000 Census, the City had a population of 6,189. A special census was completed in November of 2008, resulting in a population total of 16,838.

Based on information from the Illinois Department of Employment Security, the 2009 average unemployment for Kendall County was 10.0%, which is in similar to the State of Illinois rate of 10.1%.

The 2000 Census reported a median value of the City's owner-occupied homes was \$157,700, which compares to \$154,900 for the County and \$130,000 for the State.

According to the 2000 Census, the City had a median family income of \$67,521. This compares to \$69,383 for the County and \$55,545 for the State.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to the Director of Finance, Rob Fredrickson, or City Treasurer, William Powell, United City of Yorkville, 800 Game Farm Road, Yorkville, Illinois 60560.

BASIC FINANCIAL STATEMENTS

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Assets

April 30, 2010

(See Following Page)

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Assets

April 30, 2010

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 4,185,507		4,185,507
Receivables			
Property Taxes Receivable	3,276,306		3,276,306
Intergovernmental Receivables	2,054,417		2,054,417
Accounts Receivable	459,445	330,014	789,459
Utility Taxes Receivable	247,659		247,659
Internal Balances	(2,482,580)	2,482,580	
Prepaid Items	54,288	232,500	286,788
Total Current Assets	7,795,042	3,045,094	10,840,136
Capital Assets (Net of Accumulated Depreciation)			
Land, Land Improvements and			
Construction in Progress	30,049,329	1,442,971	31,492,300
Infrastructure	28,050,993	38,849,496	66,900,489
Building and Improvements	12,713,680		12,713,680
Equipment and Vehicles	3,602,054	14,967,641	18,569,695
Total Capital Assets	74,416,056	55,260,108	129,676,164
Other Assets			
Assets Held for Others		11,091,000	11,091,000
Deferred Charges	58,060	817,298	875,358
Total Other Assets	58,060	11,908,298	11,966,358
Total Assets	82,269,158	70,213,500	152,482,658

See accompanying Notes to the Financial Statements.

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current Liabilities			
Accounts Payable	335,840	79,985	415,825
Accrued Payroll	117,174	17,902	135,076
Interest Payable	228,618	342,522	571,140
Unearned Revenue	3,315,611	451	3,316,062
Other	567,031		567,031
Total Current Liabilities	4,564,274	440,860	5,005,134
Noncurrent Liabilities			
Long-term Obligations Due within One Year			
Bonds Payable	650,000	250,000	900,000
Debt Certificates Payable	95,000	535,000	630,000
IEPA Loans Payable		202,965	202,965
Notes Payable	151,544		151,544
Compensated Absences	221,316	42,694	264,010
Accrued Claims	60,000		60,000
Other Liabilities		275,868	275,868
Long-term Obligations Due in more than One Year			
Bonds Payable	14,715,000	18,605,000	33,320,000
Debt Certificates Payable	190,000	9,036,912	9,226,912
IEPA Loans Payable	1,890	2,483,882	2,485,772
Notes Payable	1,001,079		1,001,079
Compensated Absences	165,631	29,923	195,554
Net Pension Obligation	133,940		133,940
Other Post-employment Benefits	4,676		4,676
Other Liabilities		2,247,554	2,247,554
Total Noncurrent Liabilities	17,390,076	33,709,798	51,099,874
Total Liabilities	21,954,350	34,150,658	56,105,008
NET ASSETS			
Invested in Capital Assets, Net of Related Debt			
	60,971,543	32,942,926	93,914,469
Restricted for			
Capital Improvements	3,042,137		3,042,137
Debt Service	426,013	215,000	641,013
Unrestricted	(4,124,885)	2,904,916	(1,219,969)
Total Net Assets	\$ 60,314,808	36,062,842	96,377,650

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Activities

For the Year Ended April 30, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General Government	\$ 4,367,204	1,795,244	8,209	
Public Safety	3,665,295		4,381	
Community Development	447,491			
Public Works	3,082,318		434,263	10,650,597
Library	1,103,649	61,096	19,006	
Culture and Recreation	2,217,232	388,913	163,963	
Unallocated Bad Debt Adjustments	1,016,132			
Interest on Long-Term Debt	757,192			
Total Governmental Activities	16,656,513	2,245,253	629,822	10,650,597
Business-Type Activities				
Sewer	1,569,785	1,991,015		9,698,371
Water	2,416,462	1,875,826		4,775,586
Recreation Center	634,346	582,889		
Total Business-Type Activities	4,620,593	4,449,730	-	14,473,957
Total Primary Government	\$ 21,277,106	6,694,983	629,822	25,124,554

General Revenues

- Property Taxes
- Sales Taxes
- Income Taxes
- Utility Tax
- Other Taxes
- Total Taxes

Investment Earnings

Miscellaneous

Transfers

Total General Revenues
and Transfers

Change in Net Assets

Net Assets - Beginning, as Restated

Net Assets - Ending

See accompanying Notes to the Financial Statements.

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-Type Activities	Total
(2,563,751)		(2,563,751)
(3,660,914)		(3,660,914)
(447,491)		(447,491)
8,002,542		8,002,542
(1,023,547)		(1,023,547)
(1,664,356)		(1,664,356)
(1,016,132)		(1,016,132)
(757,192)		(757,192)
(3,130,841)	-	(3,130,841)
	10,119,601	10,119,601
	4,234,950	4,234,950
	(51,457)	(51,457)
-	14,303,094	14,303,094
(3,130,841)	14,303,094	11,172,253
4,087,698		4,087,698
2,480,213		2,480,213
1,280,519		1,280,519
1,542,649		1,542,649
641,360		641,360
10,032,439	-	10,032,439
73,327	5,527	78,854
783,999		783,999
134,209	(134,209)	
11,023,974	(128,682)	10,895,292
7,893,133	14,174,412	22,067,545
52,421,675	21,888,430	74,310,105
60,314,808	36,062,842	96,377,650

UNITED CITY OF YORKVILLE, ILLINOIS

Balance Sheet

Governmental Funds

April 30, 2010

	General Fund	Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$	164,201	4,021,306	4,185,507
Receivables				
Property Taxes Receivable	2,626,306	650,000		3,276,306
Intergovernmental Receivables	1,748,223		306,194	2,054,417
Accounts Receivable	459,445			459,445
Utility Taxes Receivable	247,659			247,659
Interfund Receivables		454,264	103,048	557,312
Prepaid Items	39,497		14,791	54,288
Total Assets	\$ 5,121,130	1,268,465	4,445,339	10,834,934
Liabilities				
Accounts Payable	\$ 258,021	36,241	41,578	335,840
Accrued Payroll	87,832	11,222	18,120	117,174
Deferred Revenue	3,048,330	650,000	308,974	4,007,304
Other Liabilities	404,201		162,830	567,031
Interfund Payables	1,815,685		1,224,207	3,039,892
Total Liabilities	5,614,069	697,463	1,755,709	8,067,241
Fund Balances				
Reserved for				
Prepaid Items	39,497		14,791	54,288
Capital Purposes			3,042,137	3,042,137
Debt Service			426,013	426,013
Unreserved, Undesignated Reported In				
General Fund	(532,436)			(532,436)
Special Revenue Funds		571,002	(167,209)	403,793
Capital Project Funds			(626,102)	(626,102)
Total Fund Balances	(492,939)	571,002	2,689,630	2,767,693
Total Liabilities and Fund Balances	\$ 5,121,130	1,268,465	4,445,339	10,834,934

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets

April 30, 2010

Total Fund Balances - Governmental Funds	\$ 2,767,693
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	74,416,056
Costs related to the issuance of long-term debt are recorded as expenditures when incurred in the governmental funds, but are amortized over the life of the debt issue in the Statement of Net Assets.	58,060
Revenues in the Statement of Activities which do not provide current financial resources are deferred in the fund financial statements.	691,693
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(16,804,513)
Interest on long-term liabilities is shown as an expenditure when paid by the funds, but accrued in the Statement of Net Assets.	(228,618)
Compensated absences, net pension obligation, other post-employment benefits, and other obligations that do not consume current financial resources are not reported in the funds, but are accrued in the Statement of Net Assets.	<u>(585,563)</u>
Net Assets of Governmental Activities	<u>\$ 60,314,808</u>

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures,
and Changes in Fund Balances

Governmental Funds

For the Year Ended April 30, 2010

	General Fund	Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ 2,407,483	1,183,774	345,245	3,936,502
Township Road and Bridge Taxes	151,196			151,196
Sales Tax	2,446,099			2,446,099
Income Tax	1,277,889			1,277,889
Motor Fuel Tax			434,263	434,263
Utility Tax	833,669			833,669
Other Taxes	1,322,380	5,139		1,327,519
Charges for Services	1,252,904			1,252,904
Licenses, Permits and Fees	304,415	49,593	540,863	894,871
Fines and Forfeits	154,575	11,503		166,078
Investment Income	62,043	1,952	9,332	73,327
Grants	8,209	14,555	104,815	127,579
Contributions	2,460	4,451	63,529	70,440
Other Revenue	439,448	7,843	229,248	676,539
Total Revenues	10,662,770	1,278,810	1,727,295	13,668,875
Expenditures				
Current				
General Government	4,577,468		12,793	4,590,261
Public Safety	3,260,256			3,260,256
Community Development	419,785		4,050	423,835
Public Works	1,800,389		176,275	1,976,664
Library		915,195		915,195
Culture and Recreation			1,532,422	1,532,422
Total Current Expenditures	10,057,898	915,195	1,725,540	12,698,633
Capital Outlays		27,625	214,380	242,005
Debt Service				
Principal		175,000	674,937	849,937
Interest and Fees		389,050	375,314	764,364
Total Debt Service Expenditures	-	564,050	1,050,251	1,614,301
Total Expenditures	10,057,898	1,506,870	2,990,171	14,554,939
Excess (Deficiency) of Revenues Over Expenditures	604,872	(228,060)	(1,262,876)	(886,064)
Other Financing Sources (Uses)				
Transfers In	344,658		1,701,794	2,046,452
Transfers Out	(1,644,594)		(267,649)	(1,912,243)
Total Other Financing Sources (Uses)	(1,299,936)	-	1,434,145	134,209
Special Item				
Adjustment for Bad Debts	(1,016,132)			(1,016,132)
Net Change in Fund Balances	(1,711,196)	(228,060)	171,269	(1,767,987)
Fund Balances at Beginning of Year, as Restated	1,218,257	799,062	2,518,361	4,535,680
Fund Balances at End of Year	\$ (492,939)	571,002	2,689,630	2,767,693

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities

For the Year Ended April 30, 2010

Net Change in Fund Balances - Total Governmental Funds \$(1,767,987)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$175,874) plus contributions (\$10,581,997) exceeded depreciation (\$1,900,489) and disposals (\$203,534) in the current period.	8,653,848
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.	
This amount represents principal reductions during the year.	849,937
This amount represents the forgiveness of a long term liability.	105,000
Interest on long-term debt is shown as a fund expenditure when paid, but is accrued in the Statement of Activities.	7,172
Costs related to the issuance of debt were reported as changes in current financial resources in the governmental funds; however, these amounts are deferred and amortized in the Statement of Activities. This is the amount of current year amortization expense.	(8,434)
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the fund financial statements. This is the net change of revenues deferred/recognized during the year.	59,565
Change in compensated absences, net pension obligation, other post-employment benefits, and other obligations that do not consume current financial resources are not recorded as an expenditure in the fund statements, but are reported in the Statement of Activities.	<u>(5,968)</u>
Change in Net Assets of Governmental Activities	<u>\$ 7,893,133</u>

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Property Taxes	\$ 2,450,000	2,407,483	(42,517)
Township Road and Bridge Taxes	160,000	151,196	(8,804)
Sales Tax	2,600,000	2,446,099	(153,901)
Income Tax	1,595,554	1,277,889	(317,665)
Utility Tax	961,000	833,669	(127,331)
Other Taxes	1,400,334	1,322,380	(77,954)
Charges for Services	1,116,000	1,252,904	136,904
Licenses, Permits and Fees	729,300	304,415	(424,885)
Fines and Forfeits	120,000	154,575	34,575
Investment Income	30,000	62,043	32,043
Grants		8,209	8,209
Contributions		2,460	2,460
Other Revenue	255,657	439,448	183,791
Total Revenues	11,417,845	10,662,770	(755,075)
Expenditures			
Current			
General Government	4,463,437	4,577,468	114,031
Public Safety	3,284,459	3,260,256	(24,203)
Community Development	435,328	419,785	(15,543)
Public Works	1,800,435	1,800,389	(46)
Total Expenditures	9,983,659	10,057,898	74,239
Excess of Revenues over Expenditures	1,434,186	604,872	(829,314)
Other Financing Sources (Uses)			
Transfers In	70,408	344,658	274,250
Transfers Out	(1,504,594)	(1,644,594)	(140,000)
Total Other Financing Sources (Uses)	(1,434,186)	(1,299,936)	134,250
Special Item			
Adjustment for Bad Debts		(1,016,132)	(1,016,132)
Net Change in Fund Balance	-	(1,711,196)	(1,711,196)
Fund Balance at Beginning of Year, as Restated	1,218,257	1,218,257	
Fund Balance at End of Year	\$ 1,218,257	(492,939)	(1,711,196)

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

Library Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Property Taxes	\$ 1,190,252	1,183,774	(6,478)
Other Taxes			
Personal Property Replacement Taxes	3,720	5,139	1,419
Licenses, Permits and Fees			
Development Fees - Building	40,000	15,550	(24,450)
Development Fees - Books	40,000	15,550	(24,450)
Copy Fees	2,500	3,773	1,273
Library Subscription Cards	20,000	14,720	(5,280)
Total Licenses, Permits and Fees	102,500	49,593	(52,907)
Fines	8,000	11,503	3,503
Investment Income	17,400	1,952	(15,448)
Contributions	2,000	4,451	2,451
Grants	17,500	14,555	(2,945)
Other Revenue			
Insurance Reimbursements		6,181	6,181
Rental Income	1,000	1,239	239
Sale of Books	1,000	423	(577)
Total Other Revenue	2,000	7,843	5,843
Total Revenues	1,343,372	1,278,810	(64,562)
Expenditures			
Current			
Library			
Salaries - Employees	800,000	486,675	(313,325)
Group Health Insurance	68,200	70,805	2,605
Group Life Insurance	2,000	1,240	(760)
Dental and Vision Assistance	5,200	5,589	389
Bonding	3,000	3,222	222
Attorney	10,000	2,125	(7,875)
Contract Services	40,000	16,868	(23,132)
Maintenance - Bldg/Janitorial	30,000	20,248	(9,752)
Maintenance - Office Equipment	20,000	2,506	(17,494)
Maintenance - Photocopier	15,000	2,442	(12,558)
Electricity/Gas	47,500	12,009	(35,491)

See accompanying Notes to the Financial Statements.

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Cont.)

Library Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Expenditures (Cont.)			
Current (Cont.)			
Library (Cont.)			
Telephone	7,500	5,198	(2,302)
Database	15,000	13,796	(1,204)
Subscriptions	15,000	4,250	(10,750)
Training and Conferences	4,000	358	(3,642)
Public Relations	2,000	663	(1,337)
Employee Recognition	4,000	1,113	(2,887)
Contingencies	109,677	4,985	(104,692)
Library Supplies	20,000	4,080	(15,920)
Custodial Supplies	20,000	11,104	(8,896)
Office Supplies	15,000	9,809	(5,191)
Postage and Shipping	2,000	1,738	(262)
Publishing and Advertising	2,000	29	(1,971)
Mileage	1,000	566	(434)
Videos	25,000	4,750	(20,250)
Library Programming	20,000	10,137	(9,863)
Library Board Expenses	2,000	33	(1,967)
Books - Adult	50,000	20,213	(29,787)
Books - Juvenile	50,000	40,325	(9,675)
Books - Audio	30,000	8,176	(21,824)
Books - Reference	35,000	24,097	(10,903)
Books - Development Fee	40,000	16,638	(23,362)
Memorials/Gifts	2,000	4,416	2,416
Bldg - Development Fees	40,000	16,171	(23,829)
CD's/Music	15,000	2,963	(12,037)
Meeting Room	1,000	52	(948)
IMRF Participants	22,000	19,866	(2,134)
Social Security/Medicare	55,000	36,691	(18,309)
Computer Equipment & Software	20,000	4,276	(15,724)
Automation	40,000	24,973	(15,027)
Total Current Expenditures	<u>1,705,077</u>	<u>915,195</u>	<u>(789,882)</u>
Capital Outlay			
Building Expansion		27,625	27,625
Debt Service			
Principal	175,000	175,000	
Interest	389,050	389,050	
Total Debt Service	<u>564,050</u>	<u>564,050</u>	-
Total Expenditures	<u>2,269,127</u>	<u>1,506,870</u>	<u>(762,257)</u>

See accompanying Notes to the Financial Statements.

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Cont.)

Library Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Net Change in Fund Balance	(925,755)	(228,060)	697,695
Fund Balance at Beginning of Year	799,062	799,062	
Fund Balance at End of Year	<u>\$ (126,693)</u>	<u>571,002</u>	<u>697,695</u>

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Assets

Proprietary Funds

April 30, 2010

	Sewer Operation and Improvement Fund	Water Operation and Improvement Fund	Recreation Center Fund	Total
Assets				
Current Assets				
Receivables				
Accounts, Net of Allowance	\$ 123,546	206,468		330,014
Interfund Receivables	2,625,522			2,625,522
Prepaid Items		215,000	17,500	232,500
Total Current Assets	<u>2,749,068</u>	<u>421,468</u>	<u>17,500</u>	<u>3,188,036</u>
Noncurrent Assets				
Capital Assets not being Depreciated		1,442,971		1,442,971
Capital Assets being Depreciated, Net	21,863,906	31,953,231		53,817,137
Total Noncurrent Assets	<u>21,863,906</u>	<u>33,396,202</u>	<u>-</u>	<u>55,260,108</u>
Other Assets				
Assets Held for Others	11,091,000			11,091,000
Deferred Charges	112,498	704,800		817,298
Total Other Assets	<u>11,203,498</u>	<u>704,800</u>		<u>11,908,298</u>
Total Assets	<u>35,816,472</u>	<u>34,522,470</u>	<u>17,500</u>	<u>70,356,442</u>

See accompanying Notes to the Financial Statements.

	Sewer Operation and Improvement Fund	Water Operation and Improvement Fund	Recreation Center Fund	Total
Liabilities				
Current Liabilities				
Accounts Payable	8,575	62,808	8,602	79,985
Accrued Payroll	5,282	7,847	4,773	17,902
Interest Payable	232,345	110,177		342,522
Interfund Payable		11,453	131,489	142,942
Unearned Revenue			451	451
Current Portion of Long-Term Debt				
Bonds Payable	155,000	95,000		250,000
Debt Certificates Payable	250,000	285,000		535,000
Loans Payable	119,465	83,500		202,965
Compensated Absences	15,622	26,000	1,072	42,694
Other Liabilities		275,868		275,868
Total Current Liabilities	786,289	957,653	146,387	1,890,329
Noncurrent Liabilities				
Bonds Payable	14,000,000	4,605,000		18,605,000
Debt Certificates Payable	2,170,000	6,866,912		9,036,912
Loans Payable	885,417	1,598,465		2,483,882
Compensated Absences	6,358	23,565		29,923
Other Liabilities	1,085,318	1,162,236		2,247,554
Total Noncurrent Liabilities	18,147,093	14,256,178	-	32,403,271
Total Liabilities	18,933,382	15,213,831	146,387	34,293,600
Net Assets				
Invested in Capital Assets - Net of Related Debt	14,518,706	18,424,220		32,942,926
Restricted for Debt Service		215,000		215,000
Unrestricted	2,364,384	669,419	(128,887)	2,904,916
Total Net Assets	\$ 16,883,090	19,308,639	(128,887)	36,062,842

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenses, and
Changes in Fund Net Assets

Proprietary Funds

For the Year Ended April 30, 2010

	Sewer Operation and Improvement Fund	Water Operation and Improvement Fund	Recreation Center Fund	Total
Operating Revenues				
Charges for Services	\$ 715,512	1,664,128	582,889	2,962,529
Other Revenue	5,708	4,161		9,869
Total Operating Revenues	721,220	1,668,289	582,889	2,972,398
Operating Expenses				
Operations	407,558	1,081,618	634,346	2,123,522
Improvements		108,274		108,274
Depreciation	331,673	734,273		1,065,946
Total Operating Expenses	739,231	1,924,165	634,346	3,297,742
Operating Income (Loss)	(18,011)	(255,876)	(51,457)	(325,344)
Nonoperating Revenues (Expenses)				
Connection Fees	1,260,689	201,466		1,462,155
Recapture Fees	9,106	6,071		15,177
Investment Income	2,174	3,204	149	5,527
Amortization Expense	(35,400)	(92,784)		(128,184)
Interest Expense	(795,154)	(399,513)		(1,194,667)
Total Nonoperating Revenues (Expenses)	441,415	(281,556)	149	160,008
Income (Loss) before Transfers and Contributions	423,404	(537,432)	(51,308)	(165,336)
Other Financing Sources (Uses)				
Contributions - Capital Assets	9,698,371	4,775,586		14,473,957
Transfers In	965,806	81,750		1,047,556
Transfers Out	(140,390)	(1,041,375)		(1,181,765)
Total Other Financing Sources (Uses)	10,523,787	3,815,961	-	14,339,748
Change in Net Assets	10,947,191	3,278,529	(51,308)	14,174,412
Net Assets at Beginning of Year	5,935,899	16,030,110	(77,579)	21,888,430
Net Assets at End of Year	\$16,883,090	19,308,639	(128,887)	36,062,842

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Cash Flows

Proprietary Funds

For the Year Ended April 30, 2010

	Sewer Operation and Improvement Fund	Water Operation and Improvement Fund	Recreation Center Fund	Total
Cash Flows from Operating Activities				
Cash Received From Customers	\$ 728,196	1,695,029	582,889	3,006,114
Cash Payments For Goods and Services	(145,479)	(1,005,126)	(430,786)	(1,581,391)
Cash Payments To Employees	(261,709)	(344,000)	(209,735)	(815,444)
Net Cash Provided (Used) by Operating Activities	321,008	345,903	(57,632)	609,279
Cash Flows from Noncapital Financing Activities				
Interfund Borrowing	(454,151)	43,027	57,284	(353,840)
Transfers In		81,750		81,750
Transfers Out	(140,390)	(75,569)		(215,959)
Net Cash Provided (Used) by Noncapital Financing Activities	(594,541)	49,208	57,284	(488,049)
Cash Flows from Capital and Related Financing Activities				
Connection and Recapture Fees	1,269,795	207,537		1,477,332
Principal Paid on Capital Debt	(532,063)	(441,394)		(973,457)
Interest Paid on Capital Debt	(744,667)	(376,602)		(1,121,269)
Net Cash Used by Capital and Related Financing Activities	(6,935)	(610,459)	-	(617,394)
d				
Cash Flows Provided by Investing Activities				
Investment Income	2,174	3,204	149	5,527
Net Decrease in Cash and Cash Equivalents	(278,294)	(212,144)	(199)	(490,637)
Cash and Cash Equivalents at Beginning of Year	278,294	212,144	199	490,637
Cash and Cash Equivalents at End of Year	\$ -	-	-	-
Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities				
Operating Loss	\$ (18,011)	(255,876)	(51,457)	(325,344)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities				
Depreciation	331,673	734,273		1,065,946
Changes in Assets and Liabilities:				
Accounts and Other Receivables	6,976	26,740		33,716
Prepaid Items		(215,000)	(17,500)	(232,500)
Accounts Payable	(11,925)	46,052	9,053	43,180
Accruals and Other Liabilities	12,295	9,714	2,272	24,281
Net Cash Provided (Used) by Operating Activities	\$ 321,008	345,903	(57,632)	609,279
Non-cash Transactions				
Capital Assets Transferred from the Water Fund to the Sewer Fund	\$ 965,806	(965,806)		
Developer Contributions of Systems	\$ 9,698,371	4,775,586		14,473,957

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Fiduciary Net Assets

Trust and Agency Funds

April 30, 2010

	Pension Trust Fund	YBSD - Agency Fund	Escrow Deposit - Agency Fund
Assets			
Cash and Cash Equivalents	\$ 57,664	457,142	120,216
Investments			
U.S. Treasury Securities	961,133		
U.S. Agency Securities	964,480		
Mutual Funds	1,642,908		
Receivables			
Interest Receivable	19,501		
Accounts Receivable		530,993	
Total Assets	3,645,686	988,135	120,216
Liabilities			
Accounts Payable		20,531	9,124
Due to Other Governments		967,604	
Other Liabilities	2,332		111,092
Total Liabilities	2,332	988,135	120,216
Net Assets			
Held for Employees' Pension Benefits	\$ 3,643,354	-	-

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Changes in Fiduciary Net Assets

Pension Trust - Police Pension Trust Fund

For the Year Ended April 30, 2010

Additions	
Contributions	
Employer	\$ 323,291
Plan Members	201,924
Total Contributions	<u>525,215</u>
Investment Income	
Net Increase in Fair Value of Investments	442,602
Dividend Income	18,444
Interest Income	62,814
Less Investment Expense	(15,008)
Net Investment Income	<u>508,852</u>
Total Additions	<u>1,034,067</u>
Deductions	
Benefit Payments	134,654
Legal Expenses	1,950
Administrative Expenses	<u>9,520</u>
Total Deductions	<u>146,124</u>
Change in Net Assets	887,943
Net Assets - Beginning of Year	<u>2,755,411</u>
Net Assets - End of Year	<u>\$ 3,643,354</u>

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

1. Summary of Significant Accounting Policies

The United City of Yorkville (City) is an Illinois unit of local government. The financial statements include all functions, programs and activities under control of the City Council. The City's major operations include public safety, public works, library, culture and recreation, community development, water and sewer services, and general administration. The City Council has oversight responsibility for the City, the Public Library and the Park and Recreation Board. Oversight responsibility includes designation of management and all other control over operations of these entities. The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governments, as promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies:

A. Reporting Entity

The City of Yorkville has adopted the provision of Government Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations are Component Units*, under which the financial statements include all the organizations, activities, functions and component units for which the City is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Included within the reporting entity as part of the primary government:

City of Yorkville Public Library

The Board of the City of Yorkville Public Library is appointed by the City's Mayor and approved by the City Council. Although the Library Board has taxing authority, its levy request must be included with the City's overall tax levy and is not considered legally separate from the City.

City of Yorkville Park and Recreation Board

The City of Yorkville Park and Recreation Board is appointed by the City's Mayor and approved by the City Council and is not considered legally separate from the City.

Police Pension Fund

The City established a Police Pension Fund during fiscal year 2002, in accordance with State Statutes which require such a fund for municipalities with populations in excess of 5,000. Credits which were previously earned by police employees in the IMRF plan were transferred to the fund. The Police Pension Employees Retirement System (PPERS) functions for the benefit of these employees and is governed by a five member pension board. Two members are appointed by the Mayor, one is elected from pension beneficiaries and two are elected from active police employees. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The City's contribution will be funded through an annual property tax levy. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the City because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

I. Summary of Significant Accounting Policies (Cont.)

B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information. Fund accounting segregates funds according to their intended purpose, and is used to aid Management in demonstrating compliance with finance-related legal and contractual provisions. The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. In the government-wide statement of net assets, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The government-wide statement of activities reflects both the direct expenses and net cost of each function of the City's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. For identifying the function to which program revenue pertains, the determining factor for charges for service is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted. Revenues, which are not classified as program revenues, are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the City.

Fund Financial Statements

The financial transactions of the City are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds.

The City reports the following major governmental funds:

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

The **Library Fund** is used to record activity relating to the Yorkville Public Library.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

1. Summary of Significant Accounting Policies (Cont.)

B. Basis of Presentation (Cont.)

Fund Financial Statements (Cont.)

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The City reports the following major enterprise funds:

Sewer Operation and Improvement Fund – This fund accounts for the operation and sewer infrastructure maintenance of the City-owned sewer system, as well as the construction of new sewer systems within the City limits. Revenues are generated through charges to users based on sewer consumption.

Water Operation and Improvement Fund – This fund accounts for the operation and maintenance of the City-owned water distribution system and construction of new water systems. Revenues are generated through charges to users based on water consumption.

Additionally, the City also reports a pension trust fund and two agency funds. Pension trust funds account for the activities of the City's public safety employees' (police) retirement system, which accumulates resources for pension benefit payments to qualified public safety employees. The agency funds reported by the City represent funds that are custodial in nature and do not involve measurement of results of operations. Neither of these fund types is included in the government-wide statement of net assets or statement of activities.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the City considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Due to the State of Illinois' fiscal difficulties and the resulting delay in distributing receipts to local municipalities, the 60 day availability period for state income taxes was extended in the accompanying financial statements in order to record 12 months worth of tax collections. Revenues accrued at the end of the year include charges for services,

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

1. Summary of Significant Accounting Policies (Cont.)

C. Measurement Focus and Basis of Accounting (Cont.)

licenses and permits, intergovernmental revenues, investment earnings, property taxes, sales taxes, income taxes, and other State-shared taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Nonexchange transactions, in which the City receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses include capital and non-capital financing activities and investing activities.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

D. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for capital acquisitions and depreciation expense in proprietary funds. Annual budgets are adopted for all funds. All annual appropriations lapse at fiscal year end.

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

- 1) Prior to May 1, the Mayor submits to the City Council the proposed budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted at the City Offices to obtain taxpayer comments.
- 3) Prior to May 1, the budget is legally adopted by a vote of the City Council through passage of an ordinance.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

1. Summary of Significant Accounting Policies (Cont.)

D. Budgets and Budgetary Accounting (Cont.)

- 4) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The budget officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost above a set dollar threshold based on the asset type (see chart below). All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. All reported capital assets except land and construction in progress are depreciated. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

	Capitalization Threshold	Estimated Useful Lives
Land	\$ 25,000	N/A
Land Improvements	20,000	N/A
Site Improvements	20,000	3 - 50 years
Buildings	50,000	10 - 50 years
Building Improvements	25,000	10 - 20 years
Vehicles, Machinery and Equipment	5,000	3 - 10 years
Software	25,000	2 - 7 years
Infrastructure - Street Network	50,000	30 - 40 years
Infrastructure - Water Network	75,000	20 - 75 years
Infrastructure - Sanitary Network	75,000	25 - 60 years
Infrastructure - Storm Sewer	50,000	20 - 60 years

F. Investments

Investments are recorded at fair value. Fair value for the investment in the Illinois Funds Money Market is the same as the value of the pool shares. State statute requires the State Treasurer's Illinois Funds Money Market to comply with the Illinois Public Funds Investment Act.

G. Allowance for Uncollectible Taxes

No provision for uncollectible taxes on the current year's levy has been provided, based on the City's collection experience. The City's policy is to write off uncollected taxes receivable of prior years.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

1. Summary of Significant Accounting Policies (Cont.)

H. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could differ from those estimates.

I. Property Tax Revenue Recognition

Property taxes (2009 levy) were levied in September of 2009 by passage of a Tax Levy Ordinance. 2009 taxes attach as an enforceable lien on January 1, 2009. Tax bills are prepared by Kendall County and issued on or about February 1, 2010. They are payable in two installments on or about July 1, 2010 and on or about September 1, 2010. The County collects and distributes such taxes to the taxing authorities within the County. Property tax revenues are recognized when they become both measurable and available. Property tax revenue recorded during the current fiscal year primarily represents receipts of the 2008 tax levy. Substantially all property taxes recorded as receivable by the City as April 30, 2010 are anticipated to be received by November 1, 2010. As these taxes are levied to fund operations for the 2010-2011 fiscal year, the revenue has been deferred at April 30, 2010 for both fund and government-wide reporting.

J. Deferred Revenue

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

K. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "Interfund Payables/Receivables" for the current portion of interfund loans or "Advances to/from Other Funds" for the noncurrent portion of interfund loans. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal Balances." Noncurrent advances between funds, if any, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

L. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and fund liability of the governmental fund that will pay it. The government-wide financial statements record unused vacation leave as expenses and liabilities when earned by employees. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

In addition, an accrual for sick time has been made in long-term liabilities for eligible employees. The City's policy allows employees who have been employed by the City for ten years or more to receive payment for 50% of their unused accumulated sick time at retirement.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

I. Summary of Significant Accounting Policies (Cont.)

M. Long-Term Debt

In the government-wide financial statements and in the proprietary funds financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities and proprietary fund type financial statements. Bonds payable are reported at face value. Net bond premiums, discounts, and/or issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

N. Fund Equity/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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

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

O. Assets Held for Others

In June of 2004, the City entered into an intergovernmental agreement with Yorkville-Bristol Sanitary District for design and construction of the Rob Roy Creek Interceptor. At the date of completion, the Yorkville-Bristol Sanitary District owns and maintains the Interceptor. All costs associated with the construction of the infrastructure asset are recorded as Assets Held for Others in the City's financial statements. As of April 30, 2010, the balance of this project was \$11,091,000 reported in the Sewer Operation and Improvement Fund. In connection with this project, the City issued a General Obligation Bonds, Series 2005D in fiscal year 2006 for \$11,300,000. At April 30, 2010, the outstanding balance is \$11,370,000, including \$2,020,000 in Series 2008 refunding bonds. See Note 5 for more information on this long-term debt issue.

P. Statement of Cash Flows

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

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

1. Summary of Significant Accounting Policies (Cont.)

Q. Bad Debt Policy

The City has adopted a bad debt policy in which an outstanding debt is to be written off when it has fulfilled one of the following criteria: 1) the debtor has been turned over to the collection agency to attempt to collect on the debt owed; 2) the debt is overdue greater than one year; 3) efforts made to collect the outstanding debt have been exhausted. As a result of this policy, the City has evaluated all receivables at April 30, 2010, and recognized a write-down of \$1,016,132 for those accounts not considered to be collectible. This has been reported as a Special Item in both the Government Activities and General Fund.

2. Legal Compliance and Accountability

The following funds report deficit fund equity:

	<u>Deficit</u>
General Fund	\$ (492,939)
Nonmajor Special Revenue Fund	
Land Cash	(603,425)
Nonmajor Capital Projects Funds	
Municipal Building	(607,724)
Citywide Capital	(18,378)
Nonmajor Proprietary Fund	
Recreation Center Fund	(128,887)

The following funds report an excess of actual expenditures over budget:

	<u>Excess</u>
General Fund	\$ 74,239
Nonmajor Special Revenue Funds	
Land Cash	157,034
Fox Industrial TIF	470
Downtown TIF	831

The General Fund also reported an unbudgeted adjustment for bad debts in the amount of \$1,016,132. See Note 1.Q. Transfers Out from the General Fund exceeded budget by \$140,000, while Transfers In to the General Fund exceeded budget by \$274,250.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

3. Deposits and Investments

A. Cash

The carrying amount of cash, excluding the Pension Trust Fund, was \$4,711,170 at April 30, 2010, while the bank balances were \$5,126,031. Cash on hand of \$784 has been excluded from these amounts. All deposits, per the City's policy below, are required to be either insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000, or collateralized with securities of the U.S. Government, or with letters of credit issued by the Federal Home Loan Bank held in the City's name by financial institutions acting as the City's agent. At April 30, 2010, the entire balance was insured or collateralized.

At April 30, 2010, the Pension Trust Fund's carrying amount of cash was \$57,664 and the bank balances were \$57,664. The entire balance was covered under FDIC insurance as of April 30, 2010.

B. Investments (excluding Pension Trust Fund)

The investments which the City may purchase are limited to the following: savings, checking, money market accounts, certificate of deposits, and the Illinois Funds Money Market Fund and Prime Fund. Any other type of investment will require City Council approval. All investments shall be as authorized in the Illinois Compiled Statutes regarding the investment of public funds. As of April 30, 2010, the City held \$50,911 in the Illinois Money Market Fund. This investment is not subject to risk categorization, as the fund provides perfected collateral for the entire balance.

Interest Rate Risk. The City's policy states that a variety of financial instruments and maturities, properly balanced, will help to insure liquidity and reduce risk or interest rate volatility and loss of principal. The policy does not state specific limits in investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in management of their own affairs, not for speculation, but for investment, considering the safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the 'prudent person' standard and shall be applied in the context of managing an overall portfolio.

Custodial Credit Risk. For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that all amounts in excess of any insurance limits be collateralized by approved securities or surety bonds issued by top-rated insurers, having a value of at least 110% of the deposits. Collateral is required as security whenever deposits exceed the insurance limits of the FDIC. Repurchase agreements must also be collateralized in the amount of 105% of market value of principal and accrued interest. Collateral shall be held at an independent, third party institution in the name of the City. The third party institution shall comply with all qualifications and requirements as set forth in the Illinois Compiled Statutes 30 ILCS 235/6.

Concentration of Credit Risk. The City's policy states that a variety of financial instruments and maturities, properly balanced, will help to insure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying instruments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions. The City shall diversify to the best of its ability based on the type of funds invested and the cash flow needs of those funds. The City places no limit on the amount the City may invest in any one issuer.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

3. Deposits and Investments (Cont.)

C. Police Pension Investments

The Pension Trust Fund is authorized to invest in investments permitted under Section 3-135 of the Illinois Police Pension Code (40 ILCS 5/1-101), which includes the following: (1) interest-bearing bonds or tax anticipation warrants of the United States, of the State of Illinois, or of any county, township or Municipal Corporation of the State of Illinois; (2) insured withdrawable capital accounts of State chartered savings and loan associations; (3) insured withdrawable capital accounts of federal chartered savings and loan associations if the withdrawable capital accounts are insured by the Federal Savings and Loan Insurance Corporation; (4) insured investments in credit union; (5) savings accounts or certificates of deposit of national or state banks; (6) securities described in Section 1-113 of the Illinois Code; (7) contracts and agreements supplemental thereto providing for investments in the general account of a life insurance company authorized to do business in the State of Illinois; (8) separate accounts of a life insurance company authorized to do business in Illinois, comprised of common or preferred stocks, bonds, or money market instruments; (9) Federal National Mortgage Association (FNMA) and Student Loan Marketing Association (SLMA); and (10) direct obligations of the State of Israel.

The Pension Trust Fund's primary objective in dealing with investments is safety, liquidity, and return on investments. Safety is the foremost objective and investments shall be undertaken in a manner that seeks to insure the preservation of the capital. The investment portfolio shall remain sufficiently liquid to enable the Fund to meet all operating requirements that might be reasonably anticipated. Assets will be invested to achieve attractive real rates of return.

The following schedule reports the fair values and maturities for Pension Trust Fund's investments at April 30, 2010:

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
Fixed Income Securities					
U.S. Treasuries	\$ 961,133		577,260	383,873	
Federal Home Loan Mortgages	98,415			98,415	
Federal Farm Credit Bank	102,890			102,890	
Federal National Mortgage Association	705,238		386,369	89,391	229,478
Government National Mortgage Association	57,937				57,937
Total Fixed Income Securities	1,925,613	-	963,629	674,569	287,415
Mutual Funds	1,642,908				
Total Investments	\$ 3,568,521				

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

3. Deposits and Investments (Cont.)

C. Police Pension Investments (Cont.)

Interest Rate Risk. The Pension Trust Fund's investment policy states that no more than 5% of plan assets shall be invested in illiquid, long-term investments. Such investments may include certificates of deposits and guaranteed insurance contracts. Any other plan holding which would have a noticeable impact on market price in whole or in part is also defined as illiquid.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Trust Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in the securities of the United States Government agencies were all rated Triple A by Standard & Poor's and by Moody's Investor Services. The Pension Trust Fund's policy prescribe to 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 as the second objective of the attainment of market rates of return."

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Trust Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Trust Fund's investment policy does not state specific collateral requirements.

Concentration of Credit Risk. There is a risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal policy with regards to concentration risk for investments. As of April 30, 2010, the Pension Trust Fund had no securities or equities with over 5% of net plan assets invested. Although U.S. agency investments represent a large portion of the portfolio, the investments are diversified by maturity dates and are backed by the issuing organization.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

4. Capital Assets

Governmental Activities

	Balance, May 1 2009	Additions	Deletions	Balance, April 30, 2010
Capital Assets Not Being Depreciated				
Land	\$ 29,835,610			29,835,610
Construction in Progress	328,043	213,719	(328,043)	213,719
	<u>30,163,653</u>	<u>213,719</u>	<u>(328,043)</u>	<u>30,049,329</u>
Capital Assets Being Depreciated				
Buildings	14,509,556			14,509,556
Equipment	5,518,830	30,536		5,549,366
Vehicles	2,602,327			2,602,327
Infrastructure	27,331,901	10,638,125		37,970,026
	<u>49,962,614</u>	<u>10,668,661</u>	<u>-</u>	<u>60,631,275</u>
Less Accumulated Depreciation For				
Buildings	1,505,685	290,191		1,795,876
Equipment	2,004,472	470,336		2,474,808
Vehicles	1,765,548	309,283		2,074,831
Infrastructure	9,088,354	830,679		9,919,033
	<u>14,364,059</u>	<u>1,900,489</u>	<u>-</u>	<u>16,264,548</u>
Total Capital Assets Being Depreciated, Net	<u>35,598,555</u>	<u>8,768,172</u>	<u>-</u>	<u>44,366,727</u>
Governmental Activities Capital Assets, Net	<u>\$ 65,762,208</u>	<u>8,981,891</u>	<u>(328,043)</u>	<u>74,416,056</u>

Depreciation expense of \$1,900,489 was charged to the governmental activities functional expense categories as follows:

<u>Governmental Activities</u>	<u>Depreciation</u>
General Government	\$ 70,577
Public Safety	107,951
Public Works	1,111,655
Library	179,525
Culture and Recreation	430,781
	<u>\$ 1,900,489</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

4. Capital Assets (Cont.)

Business-Type Activities

	Balance, May 1 2009	Additions	Deletions	Balance, April 30, 2010
Capital Assets Not Being Depreciated				
Land	\$ 615,376			615,376
Construction in Progress	1,423,092		(595,497)	827,595
	<u>2,038,468</u>	-	<u>(595,497)</u>	<u>1,442,971</u>
Capital Assets Being Depreciated				
Equipment	18,766,299	125,000		18,891,299
Infrastructure	27,174,457	14,863,245		42,037,702
	<u>45,940,756</u>	<u>14,988,245</u>	-	<u>60,929,001</u>
Less Accumulated Depreciation For				
Equipment	3,492,804	430,222		3,923,026
Infrastructure	2,553,114	635,724		3,188,838
	<u>6,045,918</u>	<u>1,065,946</u>	-	<u>7,111,864</u>
Total Capital Assets Being Depreciated, Net	<u>39,894,838</u>	<u>13,922,299</u>	-	<u>53,817,137</u>
Business Type Activities Capital Assets, Net	<u>\$ 41,933,306</u>	<u>13,922,299</u>	<u>(595,497)</u>	<u>55,260,108</u>

Depreciation expense of \$734,273 and \$331,673 was charged to the Water and Sewer Funds and functional expense categories, respectively.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt

Debt service payments are paid from the Debt Service, Library, Fox Industrial TIF, Countryside TIF, Public Works Equipment Capital, and Citywide Capital (Special Revenue - nonmajor) Funds for governmental activities and from the Water Operation and Improvement and Sewer Operation and Improvement Funds for business-type activities. The following is a summary of changes in the long-term debt of the City for the year ended April 30, 2010:

Governmental Activities

	Balances April 30, 2009	Additions	Reductions	Balances April 30, 2010	Due Within One Year
General Obligation and Alternate Revenue Source Bonds					
Series of 2002	\$ 280,000		65,000	215,000	70,000
Series of 2005	3,525,000		165,000	3,360,000	170,000
Series of 2005A	3,465,000		175,000	3,290,000	185,000
Series of 2005B	7,225,000		25,000	7,200,000	75,000
Series of 2006	1,450,000		150,000	1,300,000	150,000
Total General Obligation and Alternate Revenue Source Bonds	15,945,000	-	580,000	15,365,000	650,000
Debt Certificates					
Series of 2002A Refunding	55,000		55,000		
Series of 2004C	375,000		90,000	285,000	95,000
Total Debt Certificates	430,000	-	145,000	285,000	95,000
Other Liabilities					
Conover Sewer Recapture Note Payable	1,890			1,890	
Adjustable Rate Note Payable	350,000		100,000	250,000	125,000
Compensated Absences	927,560		24,937	902,623	26,544
Net Pension Obligation (Asset)	593,411		206,464	386,947	221,316
Other Post-employment Benefits	(16,161)	150,101		133,940	
Other Commitments (See Note 6)	2,345	2,331		4,676	
Total Other Liabilities	105,000		105,000		
	1,964,045	152,432	436,401	1,680,076	372,860
	<u>\$ 18,339,045</u>	<u>152,432</u>	<u>1,161,401</u>	<u>17,330,076</u>	<u>1,117,860</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities

	Balances April 30, 2009	Additions	Reductions	Balances April 30, 2010	Due Within One Year
General Obligation and Alternate Revenue Source Bonds					
Series of 2004B	\$ 2,980,000		145,000	2,835,000	155,000
Series of 2005C	1,810,000		80,000	1,730,000	85,000
Series of 2005D	9,300,000			9,300,000	
Series of 2007A Refunding	2,980,000		10,000	2,970,000	10,000
Series of 2008 Refunding	2,020,000			2,020,000	
Total General Obligation and Alternate Revenue Source Bonds	19,090,000	-	235,000	18,855,000	250,000
Debt Certificates					
Series of 2002 Capital Appreciation*	932,125	34,787	145,000	821,912	215,000
Series of 2003 - IRBB	1,630,000		85,000	1,545,000	90,000
Series of 2003	800,000			800,000	
Series of 2004A	1,030,000		155,000	875,000	160,000
Series of 2006A Refunding	5,540,000		10,000	5,530,000	70,000
Total Debt Certificates	9,932,125	34,787	395,000	9,571,912	535,000
Loans Payable					
IEPA Loan L17-013000	144,076		34,126	109,950	35,358
IEPA Loan L17-115300	976,873		81,943	894,930	84,107
IEPA Loan L17-156300	1,763,417		81,451	1,681,966	83,500
Total Loans Payable	2,884,366	-	197,520	2,686,846	202,965
Other Liabilities					
Compensated Absences	53,945	18,672		72,617	42,694
Other Commitments (See Note 6.B.)	2,670,505	66,433	213,516	2,523,422	275,868
Total Other Liabilities	2,724,450	85,105	213,516	2,596,039	318,562
	<u>\$ 34,630,941</u>	<u>119,892</u>	<u>1,041,036</u>	<u>33,709,797</u>	<u>1,306,527</u>

* \$34,787 of the additions for this bond represents the accretion of interest.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Governmental Activities:

General Obligation and Alternate Revenue Source Bonds

Series of 2002

\$625,000 payable to BNY Midwest Trust Company at an interest rate ranging from 3.00% to 4.75% and maturing December 2012. Payable from incremental property tax revenues in the Fox Industrial TIF (Special Revenue) Fund.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 70,000	9,933	79,933
2012	70,000	6,783	76,783
2013	75,000	3,563	78,563
	<u>\$ 215,000</u>	<u>20,279</u>	<u>235,279</u>

Series of 2005

\$3,525,000 payable to BNY Midwest Trust Company at an interest rate ranging from 3.50% to 4.35% and maturing December 2024. Payable from incremental property tax revenues in the Countryside TIF (Special Revenue) Fund.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 170,000	137,093	307,093
2012	175,000	131,143	306,143
2013	180,000	124,668	304,668
2014	185,000	117,738	302,738
2015	195,000	110,523	305,523
2016-2020	1,090,000	429,363	1,519,363
2021-2025	1,365,000	181,463	1,546,463
	<u>\$ 3,360,000</u>	<u>1,231,991</u>	<u>4,591,991</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Governmental Activities (Cont.):

General Obligation and Alternate Revenue Source Bonds (Cont.)

Series of 2005A

\$3,825,000 payable to BNY Midwest Trust Company at an interest rate ranging from 4.00% to 4.375% and maturing December 2022.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 185,000	136,579	321,579
2012	195,000	129,179	324,179
2013	205,000	121,379	326,379
2014	215,000	113,179	328,179
2015	225,000	104,579	329,579
2016-2020	1,310,000	377,561	1,687,561
2021-2023	955,000	85,094	1,040,094
	<u>\$ 3,290,000</u>	<u>1,067,550</u>	<u>4,357,550</u>

Series of 2005B

\$7,250,000 payable to BNY Midwest Trust Company at an interest rate ranging from 4.00% to 4.75% and maturing December 2024. Payable from the Library Fund and secured by property tax revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 75,000	319,125	394,125
2012	175,000	316,125	491,125
2013	290,000	309,125	599,125
2014	335,000	297,525	632,525
2015	400,000	284,125	684,125
2016-2020	2,495,000	1,152,050	3,647,050
2021-2025	3,430,000	504,681	3,934,681
	<u>\$ 7,200,000</u>	<u>3,182,756</u>	<u>10,382,756</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Governmental Activities (Cont.):

General Obligation and Alternate Revenue Source Bonds (Cont.)

Series of 2006

\$1,500,000 payable to BNY Midwest Trust Company at an interest rate ranging from 4.75% to 4.80% and maturing December 2024. Payable from the Library Fund and secured by property tax revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 150,000	61,800	211,800
2012	175,000	54,675	229,675
2013	150,000	46,363	196,363
2014	100,000	39,238	139,238
2015	50,000	34,488	84,488
2016-2020	250,000	136,813	386,813
2021-2025	425,000	64,375	489,375
	<u>\$ 1,300,000</u>	<u>437,752</u>	<u>1,737,752</u>

Debt Certificates

Series of 2002A Refunding

\$1,280,000 payable to BNY Midwest Trust Company at an interest rate ranging from 2.15% to 5.15% and maturing January 2022. During fiscal year 2007, \$925,000 of these Certificates were refunded from the proceeds of the Series of 2006A Refunding Debt Certificates. After the partial refunding, the Certificates bore an interest rate of 4.0%. Final payment was made on this Certificate in January 2010.

Series of 2004C

\$650,000 payable to Bernardi Securities at an interest rate ranging from 3.80% to 5.00% and maturing December 2012. Payable from sales and utility tax revenues

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 95,000	12,825	107,825
2012	95,000	8,740	103,740
2013	95,000	4,465	99,465
	<u>\$ 285,000</u>	<u>26,030</u>	<u>311,030</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Governmental Activities (Cont.):

Loan Payable

Conover Sewer Recapture

\$1,890 owed to John Conover as reimbursement for sewer extensions. The loan is due in FY 2023.

Notes Payable

Land Purchase Agreement

In December 2007, the City entered into an agreement to purchase three parcels of land for the purpose of expanding the City's area available for recreational parks. The total purchase price is \$550,000 to be paid over a period of five years. This is a non-interest bearing agreement. Payments are made from the Citywide Capital (nonmajor) Fund.

The remaining installment payments are due as follows:

Year Ended April 30	Amount Due
2011	\$ 125,000
2012	<u>125,000</u>
	<u>\$ 250,000</u>

Adjustable Rate Note

In July 2008, the City entered into an agreement to purchase land and a building for use by the Public Works Department. The total cost of the purchase was \$1,251,900. An initial cash payment was made for \$314,400 and the remaining balance of \$937,500 was financed by the seller of the property. The interest rate on the note adjusts after five years and in five year increments thereafter. The adjustment on the interest rate is based upon the yield for five year United States Treasury Bonds 45 days prior to the date of adjustment. The initial interest rate of the note was established at 6.26% and will continue at that rate until October 1, 2013. The note expires on October 1, 2028, when the unpaid principal balance becomes due. After five years, there is no penalty to pay off the principal balance. Currently, the City is making monthly payments of \$6,858.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Governmental Activities (Cont.):

Notes Payable (Cont.)

Adjustable Rate Note (Cont.)

Installment payments due, using the current interest rate of 6.26% and equal monthly payments, are as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 26,544	55,751	82,295
2012	28,254	54,041	82,295
2013	30,074	52,221	82,295
2014	32,012	50,283	82,295
2015	34,074	48,221	82,295
2016-2020	206,271	205,204	411,475
2021-2025	281,851	129,624	411,475
2026-2029	263,543	31,346	294,889
	<u>\$ 902,623</u>	<u>626,691</u>	<u>1,529,314</u>

Business-Type Activities:

General Obligation and Alternate Revenue Source Bonds

Series of 2004B (Alternate Revenue Source)

\$3,500,000 payable to BNY Midwest Trust Company for improvements to the Waterworks and Sewerage System of the City. The Series 2004B G.O. Bonds bear interest ranging from 2.50% to 4.00%. The principal matures December 2018. Payable from sewer connection fees.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 155,000	103,300	258,300
2012	160,000	98,650	258,650
2013	170,000	93,850	263,850
2014	280,000	88,750	368,750
2015	375,000	78,950	453,950
2016-2019	1,695,000	171,625	1,866,625
	<u>\$ 2,835,000</u>	<u>635,125</u>	<u>3,470,125</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities (Cont.):

General Obligation and Alternate Revenue Source Bonds (Cont.)

Series of 2005C

\$2,000,000 payable to BNY Midwest Trust Company at an interest rate ranging from 3.5% to 5.5% and maturing December 2024. Payable from water and sewer revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 85,000	80,700	165,700
2012	90,000	77,725	167,725
2013	90,000	74,575	164,575
2014	95,000	70,975	165,975
2015	100,000	67,175	167,175
2016-2020	565,000	272,275	837,275
2021-2025	705,000	119,350	824,350
	<u>\$ 1,730,000</u>	<u>762,775</u>	<u>2,492,775</u>

Series of 2005D

\$11,300,000 payable to BNY Midwest Trust Company at an interest rate of 4.150% and maturing December 2016. This bond was issued to finance the construction of the Rob Roy Creek Interceptor, which the City agreed to fund as part of an intergovernmental agreement with the Yorkville-Bristol Sanitary District dated June of 2004. Principal and interest payments for this bond shall be paid from sewer connections fees, infrastructure participation fees, and, if those sources are not sufficient, property taxes. As of April 30, 2010, no such taxes have been extended by the City. In December 2008, \$2,000,000 of these bonds were refunded with the proceeds of the 2008 Series Refunding Bonds.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$	385,950	385,950
2012	1,000,000	385,950	1,385,950
2013	1,600,000	344,450	1,944,450
2014	1,700,000	278,050	1,978,050
2015	2,000,000	207,500	2,207,500
2016	3,000,000	124,500	3,124,500
	<u>\$ 9,300,000</u>	<u>1,726,400</u>	<u>11,026,400</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities (Cont.):

General Obligation and Alternate Revenue Source Bonds (Cont.)

Series of 2007A Refunding

\$3,020,000 payable to The Bank of New York Trust Company at an interest rate ranging from 4.0% to 4.25% and maturing December 2022. The proceeds from this bond issue were used to refund a portion of the Series of 2003 Debt Certificates. Payable from Water Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 10,000	124,266	134,266
2012	10,000	123,866	133,866
2013	10,000	123,454	133,454
2014	15,000	123,041	138,041
2015	15,000	122,423	137,423
2016-2020	740,000	602,618	1,342,618
2021-2023	2,170,000	181,163	2,351,163
	<u>\$ 2,970,000</u>	<u>1,400,831</u>	<u>4,370,831</u>

Series of 2008 Refunding

\$2,020,000 payable to The Bank of New York Trust Company at an interest rate of 5.25% and maturing December 2017. The proceeds from this bond issue were used to refund a portion of the Series of 2005D Bonds. Principal and interest payments for this bond shall be paid from sewer connections fees, infrastructure participation fees, and, if those sources are not sufficient, property taxes. As of April 30, 2010, no such taxes have been extended by the City.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$	110,090	110,090
2012		110,090	110,090
2013		110,090	110,090
2014		110,090	110,090
2015		110,090	110,090
2016-2018	2,020,000	276,588	2,296,588
	<u>\$ 2,020,000</u>	<u>827,038</u>	<u>2,847,038</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities (Cont.):

Debt Certificates

Series 2002 Capital Appreciation Debt Certificates

During fiscal year 2003, the City issued \$2,899,365 in capital appreciation debt certificates. During fiscal year 2007, a portion of these Certificates were refunded with the proceeds from the Series of 2006A Refunding Debt Certificates. The Series 2002 Certificates outstanding bear interest ranging from 2.5% to 4.5%. Interest is not paid but rather accretes to principal each May 1. After the partial refunding, principal matures on May 1, 2004 - May 1, 2012 in accreted values totaling \$1,070,000. Payable from Water Fund revenues.

The debt payment schedule to maturity for the Capital Appreciation Debt Certificates is as follows:

Fiscal Year Ended April 30	Series 2002 Capital Appreciation Debt Certificates	
	Accretion	Principal Repayment
2011	\$ 27,200	215,000
2012	15,888	285,000
2013		365,000
	<u>\$ 43,088</u>	<u>865,000</u>
Accreted Value at April 30, 2010		<u>\$ 821,912</u>

Series 2003 Illinois Rural Bond Bank

\$2,035,000 payable to U.S. Bank National Association at an interest rate ranging from 1.60% to 5.20% and maturing February 2023. Payable from Sewer Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 90,000	73,653	163,653
2012	95,000	70,143	165,143
2013	100,000	66,248	166,248
2014	100,000	62,048	162,048
2015	105,000	57,648	162,648
2016-2020	610,000	208,818	818,818
2021-2023	445,000	46,620	491,620
	<u>\$ 1,545,000</u>	<u>585,178</u>	<u>2,130,178</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities (Cont.):

Debt Certificates (Cont.)

Series 2003 Debt Certificates

\$4,800,000 payable to BNY Midwest Trust Company at an interest rate ranging from 3.80% to 5.00 % and maturing December 15, 2022. The Series 2003 Debt Certificates were issued to finance improvements to the City's water system. During fiscal year 2007, \$4,000,000 of this issue was refunded by the proceeds from the Series of 2006A Refunding Debt Certificates and the Series of 2007A General Obligation Refunding Bonds. After the partial refunding, the Certificates bear an interest rate ranging from 3.80% to 4.35% and mature in December 2018. Payable from Water Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$	33,150	33,150
2012		33,150	33,150
2013		33,150	33,150
2014	100,000	33,150	133,150
2015	100,000	19,350	119,350
2016-2019	600,000	77,250	677,250
	<u>\$ 800,000</u>	<u>229,200</u>	<u>1,029,200</u>

Series 2004A Debt Certificates

\$1,600,000 payable to BNY Midwest Trust Company at an interest rate ranging from 1.40% to 3.60% and maturing December 2014. The Series 2004A Debt Certificates were issued to provide funds to extend sanitary sewer services. Payable from Sewer Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 160,000	28,573	188,573
2012	170,000	24,093	194,093
2013	175,000	18,738	193,738
2014	180,000	13,050	193,050
2015	190,000	6,840	196,840
	<u>\$ 875,000</u>	<u>91,294</u>	<u>966,294</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities (Cont.):

Debt Certificates (Cont.)

Series 2006A Refunding Debt Certificates

\$5,555,000 payable to The Bank of New York Trust Company for the partial refunding of the Series of 2002 Capital Appreciation Debt Certificates, Series of 2002A Debt Certificates, and Series of 2003 Debt Certificates. The Series of 2006A Certificates bear interest at a rate ranging from 4.0% to 4.20% and mature in December 2022. Payable from Water Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 70,000	225,400	295,400
2012	70,000	222,606	292,606
2013	355,000	219,806	574,806
2014	405,000	205,606	610,606
2015	420,000	189,406	609,406
2016-2020	2,715,000	680,431	3,395,431
2021-2023	1,495,000	99,431	1,594,431
	<u>\$ 5,530,000</u>	<u>1,842,686</u>	<u>7,372,686</u>

Loans Payable

IEPA Loan L17-013000

\$549,081 payable to the Illinois Environmental Protection Agency for sewer construction assistance at 3.58% interest, maturing in January of 2013. Payable from Sewer Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 35,358	3,622	38,980
2012	36,635	2,344	38,979
2013	37,957	1,022	38,979
	<u>\$ 109,950</u>	<u>6,988</u>	<u>116,938</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

5. Long-Term Debt (Cont.)

Business-Type Activities (Cont.):

Loans Payable (Cont.)

IEPA Loan L17-115300

\$1,656,809 payable to the Illinois Environmental Protection Agency for sewer construction assistance at 2.625% interest, maturing in September of 2019. Payable from Sewer Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 84,107	22,944	107,051
2012	86,329	20,721	107,050
2013	88,610	18,440	107,050
2014	90,952	16,099	107,051
2015	93,355	13,696	107,051
2016-2020	451,577	30,150	481,727
	<u>\$ 894,930</u>	<u>122,050</u>	<u>1,016,980</u>

IEPA Loan L17-156300

\$1,886,000 payable to the Illinois Environmental Protection Agency for water construction assistance at 2.50% interest, maturing in August of 2026. Payable from Water Fund revenues.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2011	\$ 83,500	41,531	125,031
2012	85,600	39,430	125,030
2013	87,754	37,275	125,029
2014	89,961	35,069	125,030
2015	92,224	32,806	125,030
2016-2020	497,111	128,040	625,151
2021-2025	562,864	62,287	625,151
2026-2027	182,953	4,593	187,546
	<u>\$ 1,681,966</u>	<u>381,031</u>	<u>2,062,997</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2010

6. Commitments and Contingencies

A. Litigation

The City is a defendant in various lawsuits arising in the normal course of business. Litigation that has been determined to result in probable loss to the City has been accrued in the accompanying financial statements in the amount of \$60,000. In the aggregate, the remaining claims seek monetary damages in significant amounts. The outcome of these lawsuits is not presently determinable and has not been accrued in the accompanying financial statements.

B. Agreements with Developers

Under an agreement entered into in the fiscal year ending April 2003, the City and developer of the Windett Ridge subdivision agreed upon an advance of up to \$170,000 for sanitary sewer system improvements. The City is required to repay the advance to the developer within a ten-year period of receipt of the loan. Under an amendment to the agreement signed in fiscal year ending April 2005, the City and the developer agreed to reduce the balance by the amount of outstanding lot fees due the City. Per the amendment, the new loan amount is \$114,600, which is due back to the developer by October 21, 2013. This loan is recorded in the Sewer Operation and Improvement Fund and is to be paid with general sewer connection fees.

In December of 2002, the City entered into an agreement with the developer of the Raintree Village subdivision to reimburse the costs of sanitary sewer over-sizing within the development. The amount of eligible expenses to be reimbursed by the City totals \$1,154,718, of which \$853,649 has been paid as of April 30, 2010. The remaining balance, \$301,069, is subject to an estimated interest rate of 4.5%. Annual sewer charges assessed on the residents of the subdivision are earmarked to repay this obligation. The related sanitary sewer infrastructure was accepted by the City as an asset in December of 2007. This amount is recorded in the Sewer Operation and Improvement Fund.

Under a planned unit development agreement entered into in June of 2003, the City agreed to reimburse the developer of the Grand Reserve subdivision for regional water improvements required to support the subdivision and the surrounding area. In May of 2009, the two parties agreed upon the repayment of \$827,596 of eligible costs due in thirty-six monthly installments of \$22,989 beginning December 2009. As of April 30, 2010, the City has repaid \$114,943, leaving a balance of \$712,652. Water connection fees generated within the specific water pressure zone have been earmarked to repay the developer. As of year-end, the City had not accepted the water infrastructure assets from the developer. This liability is recorded in the Water Operation and Improvement Fund.

In August of 2003, the City entered into a reimbursement agreement with the developer of the Fox Hill subdivision. The agreement allows for the reimbursement of eligible costs associated with the construction and over-sizing of water and sewer infrastructure lines within the area. Eligible costs are to be paid to the developer within 20 years of the agreement. This agreement was amended in April 2006 to include additional costs. Total eligible costs as of April 30, 2010 are \$807,847, which accrues compounded interest of 5% annually. Interest for a portion of eligible costs is computed back to January 1, 1995. Total interest to date is \$587,254. The amount recorded as a liability, including interest, as of April 30, 2010 is \$1,395,102. 52% of this amount is recorded in the Water Operation and Improvement Fund; the remaining 48% of this amount is recorded in the Sewer Operation and Improvement Fund.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

6. Commitments and Contingencies (Cont.)

B. Agreements with Developer (Cont.)

In April of 2005, the City entered into a loan agreement with Centex Homes, Inc., a developer. This loan agreement was for the wetland design in the development that Centex Homes, Inc. was planning within the City. Under the agreement, the City was to hire and pay for the cost of the wetland designer for the project. The City received the funds in advance from Centex Homes, Inc. in April 2006. The amount was due back to the developer on January 31, 2010. The loan and accrued interest were forgiven in exchange for other concessions by the City in an agreement dated July 13, 2010. The liability settlement for \$105,000 has been reported at April 30, 2010.

Under a Development/Economic Initiative Agreement entered into in March of 2001, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Route 34. Eligible costs of \$2,074,833 and accrued interest at 5% are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of eighteen years. Through April 30, 2010, the City has reimbursed \$1,259,080, including \$169,228 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development and Annexation Agreement entered into in July of 2001, amended in October of 2001, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Kennedy Road. Eligible costs of \$8,639,334 are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of ten years. Through April 30, 2010, the City has reimbursed \$1,105,997, including \$183,887 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development/Economic Initiative Agreement entered into in June of 2002, the City agreed to reimburse eligible costs associated with a development located at Route 34 and Cannonball Trail. Eligible costs of \$100,000 are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of fifteen years. Through April 30, 2010, the City has reimbursed \$73,217, including \$9,360 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development/Economic Initiative Agreement entered into in February of 2005, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Wheaton Avenue. Eligible costs of \$1,107,923 and accrued interest at 5% are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of ten years. Through April 30, 2010, the City has reimbursed \$606,901, including \$141,023 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development/Economic Initiative Agreement entered into in January of 2007, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Corneils Road. Eligible costs of \$287,392 are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of twenty years. Through April 30, 2010, the City has reimbursed \$23,130. All payments have been recorded as an expenditure of the General Fund.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

6. Commitments and Contingencies (Cont.)

B. Agreements with Developer (Cont.)

In June of 2007, the City entered into a Development Agreement to create a business district in the area around Route 34 and Cannonball Trail. Under the Agreement, 50% of the sales tax and 100% of the business district tax generated in the district are remitted by the City to an escrow agent to pay the debt service on the 2007 Series Revenue Bonds. The Bonds are secured solely by the pledged revenues and are not obligations of the city and are therefore not recorded on the city's books. All payments have been recorded as an expenditure of the General Fund. Expenditures in the current year were \$267,394 for sales taxes and \$248,737 in business district taxes.

7. Transfers

The following transfers were made during the fiscal year between funds within the primary government:

	Transfers In	Transfers Out
General		
Nonmajor Governmental	\$ 60,449	1,644,594
Sewer Operation and Improvement	58,640	
Water Operation and Improvement	75,569	
Nonmajor Enterprise	150,000	
Total General	<u>344,658</u>	<u>1,644,594</u>
Nonmajor Governmental		
General	1,644,594	210,449
Nonmajor Governmental	57,200	57,200
Total Nonmajor Governmental	<u>1,701,794</u>	<u>267,649</u>
Sewer Operation and Improvement		
General		58,640
Water Operation and Improvement	965,806	81,750
Total Sewer Operation and Improvement	<u>965,806</u>	<u>140,390</u>
Water Operation and Improvement		
General		75,569
Sewer Operation and Improvement	81,750	965,806
Total Water Operation and Improvement	<u>81,750</u>	<u>1,041,375</u>
Total	<u>\$ 3,094,008</u>	<u>3,094,008</u>

Purpose of significant transfers is as follows:

- Net transfers of \$969,500 from General Fund to Parks & Recreation Fund (nonmajor) to supplement the operations of the City of Yorkville Park and Recreation activities.
- \$425,094 transferred from General Fund to Debt Service Fund (nonmajor) to cover bond principal and interest payments for governmental activities long-term debt.
- \$965,806 of capital assets were transferred from the Water Fund to the Sewer Fund.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

8. Interfund Receivables and Payables

Interfund receivables and payables as of April 30, 2010 are summarized below:

	Due From Other Funds	Due to Other Funds
General		
Sewer Operation and Improvement	\$	1,712,637
Nonmajor Governmental		103,048
Total General	-	1,815,685
Library		
Nonmajor Governmental	454,264	
Nonmajor Governmental		
General	103,048	
Library		454,264
Sewer Operation and Improvement		769,943
Total Nonmajor Governmental	103,048	1,224,207
Sewer Operation and Improvement		
General	1,712,637	
Nonmajor Governmental	769,943	
Nonmajor Enterprise	131,489	
Water Operation and Improvement	11,453	
Total Sewer Operation and Improvement	2,625,522	-
Water Operation and Improvement		
General		
Sewer Operation and Improvement		11,453
Total Water Operation and Improvement	-	11,453
Nonmajor Enterprise		
Sewer Operation and Improvement		131,489
	\$ 3,182,834	\$ 3,182,834

Purpose of significant interfund receivables and payables are as follows:

- \$598,105 due from the Land Cash Fund (nonmajor) to the Library Fund and Sewer Operation and Improvement Fund representing cash borrowings which occurred during the year.
- \$1,712,637 due from the General Fund to the Sewer Operation and Improvement Fund representing cash borrowings which occurred during the year.
- \$607,724 due from the Municipal Building Fund (nonmajor) to the Sewer Operation and Improvement Fund representing cash borrowings which occurred during the year.
- \$131,489 due from Recreation Center Fund (nonmajor) to the Sewer Operation and Improvement Fund representing cash borrowings which occurred during the year.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

9. Defined Pension Benefit Plans

A. Illinois Municipal Retirement Fund

Plan Description

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

Funding Policy

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. State statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer rate for calendar year 2009 was 8.30% of payroll. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees, except for the supplemental retirement benefit rate which is set by State statute.

Annual Pension Cost

For December 31, 2009, the City's annual pension cost of \$302,036 was equal to the City's required and actual contributions. The required contribution was determined as part of the December 31, 2007 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses); (b) projected salary increases of 4.00% a year attributable to inflation; (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit; and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007 valuation was 23 years.

Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 86.30% funded. The actuarial accrued liability for benefits was \$5,008,192 and the actuarial value of assets was \$4,322,149, resulting in an underfunded actuarial accrued liability (UAAL) of \$686,043. The covered payroll (annual payroll of active employees covered by the plan) was \$3,638,986 and the ratio of UAAL to the covered payroll was 19.00%. 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% 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.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

9. Defined Pension Benefit Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

Funded Status and Funding Progress (Cont.)

The schedule of funding progress, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

B. Police Pension

Plan Description:

Police sworn personnel are covered by the Police Pension Fund, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. At April 30, 2010, the Police Pension Fund membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	2
Current Employees	
Vested	13
Nonvested	<u>17</u>
Total	<u>32</u>

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

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

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

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

9. Defined Pension Benefit Plans (Cont.)

B. Police Pension (Cont.)

Summary of Significant Accounting Policies and Plan Asset Matters

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

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

Contributions

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

Funded Status and Funding Progress

As of May 1, 2009, the most recent actuarial valuation date, the plan was 33.4% funded. The actuarial accrued liability for benefits was \$8,272,076 and the actuarial value of assets was \$2,759,119, resulting in an underfunded actuarial accrued liability (UAAL) of \$5,512,957. The covered payroll (annual payroll of active employees covered by the plan) was \$1,926,125 and the ratio of UAAL to the covered payroll was 286.2%.

The schedule of funding progress, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

9. Defined Pension Benefit Plans (Cont.)

C. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	December 31, 2009	May 1, 2009
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Asset Valuation Method	5 Year Smoothed Market	Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization Period	23 Years Closed	40 Years Closed

Significant Actuarial Assumptions:

a) Rate of Return on Present and Future Assets	7.50% Compounded Annually	7.50% Compounded Annually
b) Projected Salary Increase - Attributable to Inflation	4.00% Compounded Annually	5.50% Compounded Annually
c) Additional Projected Salary Increases - Seniority/Merit	.40% - 10.0%	Not Available

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

9. Defined Pension Benefit Plans (Cont.)

C. Annual Pension Costs (Cont.)

The net pension obligation is the cumulative difference between the APC and the contributions actually made. Employer annual pension costs (APC), actual contributions and the net pension obligation (NPO) are as follows:

	Calendar Year	Illinois Illinois Municipal Retirement	Fiscal Year	Police Pension
Annual Pension Cost (APC)	2007	\$ 248,944	2007	231,991
	2008	287,422	2008	339,071
	2009	302,036	2009	383,502
Actual Contribution	2007	248,944	2007	248,988
	2008	287,422	2008	275,144
	2009	302,036	2009	297,328
Percentage of APC Contributed	2007	100%	2007	107.3%
	2008	100%	2008	81.1%
	2009	100%	2009	77.5%
Net Pension Asset (Obligation)	2007		2007	(16,161)
	2008		2008	47,766
	2009		2009	133,940

The net pension asset (obligation) has been calculated as follows:

	<u>Police Pension</u>
Annual Required Contributions	\$ 381,800
Interest on Net Pension Obligation	3,582
Adjustment to Annual Required Contribution	<u>(1,880)</u>
Annual Pension Cost	383,502
Contributions Made - Year Ended April 30, 2009	<u>297,328</u>
Change in Net Pension Obligation	86,174
Net Pension Obligation, Beginning of Year	<u>47,766</u>
Net Pension Obligation, End of Year	<u><u>\$ 133,940</u></u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
 April 30, 2010

10. Other Post-Employment Benefits

Plan Description

In addition to the pension benefits described in Note 9, the City provides limited health care insurance coverage for its eligible retired employees. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City under its personnel manual and union contracts. To be eligible, employees must be enrolled in the City's healthcare plan at time of retirement, and receive a pension from either the IMRF or the Police Pension Fund. The City provides an explicit premium subsidy to certain retirees who meet eligibility conditions, and healthcare access to other retired members provided the member pays 100% of the blended premium.

All healthcare benefits are provided through the City's health insurance plan. The benefit levels are similar to those afforded to active employees. Benefits include general in-patient and out-patient medical services, vision care, dental care and prescriptions. Upon a retired participant reaching the age of 65, Medicare becomes the primary insurer and the City's plan becomes secondary.

Membership

At April 30, 2010, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	6
Active Vested Employees	23
Active Nonvested Employees	<u>50</u>
 Total	 <u>79</u>

Funding Policy

The City negotiates the contribution percentages between the City and employees through union contracts and personnel policy. Retired employees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ended April 30, 2010, the City contributed \$1,814.

Annual OPEB Costs and Net OPEB Obligation

The City had an actuarial valuation performed for the plan as of April 30, 2009 to determine the funded status of the plan as of that date, as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2010. The City's annual OPEB cost (expense) of \$4,145 was equal to ARC for the fiscal year. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and 2010 was as follows:

Fiscal Year End	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributions	Net OPEB Obligation
April 30, 2010	\$ 4,145	1,814	43.76%	4,676
April 30, 2009	4,159	1,814	43.62%	2,345

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2010

10. Other Post-Employment Benefits (Cont.)

Annual OPEB Costs and Net OPEB Obligation (Cont.)

In future years, three-year trend information will be presented. Fiscal year 2009 was the year of implementation of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and the City elected to implement prospectively; therefore, prior year comparative data is not available for 2008.

The Net OPEB Obligation at April 30, 2010 was calculated as follows:

Annual Required Contribution	\$ 4,145
Interest on Net OPEB Obligation	
Adjustment to Annual Required Contribution	<u> </u>
Total OPEB Cost	4,145
Contributions Made	<u>1,814</u>
Increase in Net OPEB Obligation	2,331
Net OPEB Obligation, Beginning of Year	<u>2,345</u>
Net OPEB Obligation, End of Year	<u><u>\$ 4,676</u></u>

The funded status of the plan as of April 30, 2009 was as follows:

Actuarial Accrued Liability (AAL)	\$ 46,747
Actuarial Value of Plan Assets	
Unfunded Actuarial Accrued Liability (UAAL)	46,747
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	6,299,956
UAAL as a Percentage of Covered Payroll	0.74%

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 plan members) and include the types of benefits provided at the time of 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 normal cost method was applied. The actuarial assumptions included an investment rate of return of 5%, initial healthcare inflation rate of 8%, projected salary increases of 5%, and a level-percentage-of-payroll over a 30-year open amortization period.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2010

11. Risk Management

The City 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. These risks are covered by commercial insurance purchased from independent third parties. The City also purchased its employee health and accident insurance from commercial carriers. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage during the fiscal year ended April 30, 2010.

12. Prior Period Adjustment

Fund balance has been restated as follows:

	General Fund	Land Cash Fund (Nonmajor)
Fund Balance, as Previously Reported	\$ 1,395,540	(295,847)
Adjustment to Recognize Tax Rebates Payable	(177,283)	
Adjustment to Reverse Recognition of Grant Revenue		(269,670)
Fund Balance, May 1, 2009, as Restated	<u>\$ 1,218,257</u>	<u>(565,517)</u>

The restatement in the General Fund was made to properly align the timing of recognition of tax rebates. The Land Cash Fund restatement reflects the availability of certain grant awards.

Beginning net assets of governmental activities are restated as follows:

Net Assets, as Previously Reported	\$ 52,598,958
Adjustments to General Fund	<u>(177,283)</u>
Net Assets, as Restated	<u>\$ 52,421,675</u>

REQUIRED SUPPLEMENTARY INFORMATION

UNITED CITY OF YORKVILLE, ILLINOIS

Required Supplementary Information

Illinois Municipal Retirement Fund

April 30, 2010

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (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
12/31/2009	\$ 4,322,149	5,008,192	686,043	86.30 %	3,638,986	18.85 %
12/31/2008	4,165,811	4,949,634	783,823	84.16	3,694,367	21.22
12/31/2007	4,137,504	4,104,243	(33,261)	100.81	3,271,273	(1.02)
12/31/2006	3,574,710	3,290,143	(284,567)	108.65	2,565,402	(11.09)
12/31/2005	3,213,956	2,925,186	(288,770)	109.87	2,151,352	(13.42)
12/31/2004	2,759,166	2,517,686	(241,480)	109.59	1,734,213	(13.92)

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$4,171,732. On a market basis, the funded ratio would be 83.30%.

Schedule of Employer Contributions

Actuarial Valuation Date	Employer Contributions	Annual Required Contributions	Percent Contributed
12/31/2009	\$ 302,036	302,036	100.0 %
12/31/2008	287,422	287,422	100.0
12/31/2007	248,944	248,944	100.0
12/31/2006	202,667	202,667	100.0
12/31/2005	175,120	175,120	100.0
12/31/2004	174,635	174,635	100.0

UNITED CITY OF YORKVILLE, ILLINOIS

Required Supplementary Information

Police Pension Fund

April 30, 2010

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (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
4/30/2009	\$ 2,759,119	8,272,076	5,512,957	33.35 %	1,926,125	286.2 %
4/30/2008	2,631,594	7,382,023	4,750,429	35.65	1,789,042	265.5
4/30/2007	2,156,872	5,728,722	3,571,850	37.65	1,573,832	227.0
4/30/2006	1,583,047	5,031,506	3,448,459	31.46	1,296,753	265.9
4/30/2005	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2004	N/A	N/A	N/A	N/A	N/A	N/A

NA - No actuarial valuations were performed for fiscal years 2004 and 2005.

Schedule of Employer Contributions

Actuarial Valuation Date	Employer Contributions	Annual Required Contributions	Percent Contributed
4/30/2009	\$ 297,328	383,502	77.5 %
4/30/2008	275,144	339,071	81.1
4/30/2007	248,988	231,991	107.3
4/30/2006	231,124	231,960	99.6
4/30/2005	N/A	N/A	N/A
4/30/2004	N/A	N/A	N/A

**COMBINING AND INDIVIDUAL STATEMENTS
AND SCHEDULES**

GOVERNMENTAL FUND TYPES

GENERAL FUND

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues - Budget and Actual

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Taxes			
Property Taxes	\$ 2,450,000	2,407,483	(42,517)
Township Road and Bridge Taxes	160,000	151,196	(8,804)
Sales Tax	2,600,000	2,446,099	(153,901)
Municipal Utility Tax	961,000	833,669	(127,331)
Cable TV Franchise Taxes	190,000	188,282	(1,718)
Telephone Franchise Taxes	600,000	518,446	(81,554)
Hotel Tax	20,022	17,262	(2,760)
Amusement Tax	333,249	112,964	(220,285)
Auto Rental Tax		6,973	6,973
Business District Tax		263,363	263,363
Total Taxes	7,314,271	6,945,737	(368,534)
Intergovernmental			
Income Tax	1,595,554	1,277,889	(317,665)
Personal Property Replacement Taxes	20,000	13,409	(6,591)
State Use Tax	237,063	201,681	(35,382)
Grants		8,209	8,209
Total Intergovernmental	1,852,617	1,501,188	(351,429)
Charges for Services			
Garbage Surcharge	1,050,000	1,132,478	82,478
Collection Fees - Sanitary District	66,000	119,121	53,121
Mowing Income		280	280
GIS Services		1,025	1,025
Total Charges for Services	1,116,000	1,252,904	136,904
Licenses, Permits and Fees			
Development Fees	300,000	21,435	(278,565)
Liquor Licenses	30,000	43,545	13,545
Other Licenses	4,500	3,786	(714)
Building Permits	354,300	190,579	(163,721)
Filing Fees	3,000	250	(2,750)
Ordinance Fees	37,500	44,565	7,065
Zoning Variance Fees		255	255
Total Licenses, Permits and Fees	729,300	304,415	(424,885)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Fines and Forfeits			
Fines	120,000	129,075	9,075
Police Tows		25,500	25,500
Total Fines and Forfeits	<u>120,000</u>	<u>154,575</u>	<u>34,575</u>
Investment Income	<u>30,000</u>	<u>62,043</u>	<u>32,043</u>
Other Revenues			
Reimbursements			
Police Training		62,086	62,086
Police Protection	3,300	36,780	33,480
Traffic Signal	18,500	14,925	(3,575)
Cable Consortium Fee		36,184	36,184
Other Governments		17,352	17,352
Donations		2,460	2,460
Miscellaneous Income	233,857	272,121	38,264
Total Other Revenues	<u>255,657</u>	<u>441,908</u>	<u>186,251</u>
Total Revenues	<u>\$ 11,417,845</u>	<u>10,662,770</u>	<u>(755,075)</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
General Government			
Administration			
Salaries - Mayor	\$ 11,310	8,945	(2,365)
Salaries - City Clerk	8,980	7,993	(987)
Salaries - City Treasurer	6,500	5,300	(1,200)
Salaries - Alderman	50,320	43,685	(6,635)
Salaries - Liquor Commissioner	1,000	917	(83)
Salaries - Administrative	278,663	270,592	(8,071)
Salaries - Overtime		863	863
Legal Services	20,000	38,747	18,747
Legislative Attorney	10,000		(10,000)
Litigation Council	150,000	110,259	(39,741)
Corporate Council	100,000	93,529	(6,471)
Codification	4,000	8,788	4,788
Building Inspections	265,765	117,622	(148,143)
Contractual Services	20,000	22,335	2,335
Cable Consortium Fee	40,000	54,240	14,240
Office Cleaning	28,000	23,490	(4,510)
Maintenance - Office Equipment	100		(100)
Facade Program	10,000		(10,000)
Telephone	11,000	22,210	11,210
Cellular Telephone	780	1,808	1,028
Telephone Systems Maintenance	3,000	2,945	(55)
Dues	9,250	12,493	3,243
Illinois Municipal League Dues	960		(960)
Subscriptions	100	104	4
Training and Conferences	1,200	1,769	569
Travel Expenses	5,800	4,043	(1,757)
Public Relations	150	176	26
Kendall County Paratransit	23,549	5,887	(17,662)
Senior Service Funding		5,000	5,000
Contingencies	44,153	16,153	(28,000)
Office Supplies	8,000	5,741	(2,259)
Operating Supplies	7,000	5,450	(1,550)
Postage and Shipping	14,000	7,378	(6,622)
Printing and Copying	6,750	8,845	2,095
Publishing and Advertising	2,000	1,354	(646)
IMRF Participants	29,529	26,377	(3,152)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
General Government (Cont.)			
Administration (Cont.)			
Social Security and Medicare	28,823	21,623	(7,200)
Computer Equipment and Software	1,600	355	(1,245)
Office Equipment	1,000	135	(865)
Gas	31,000	25,248	(5,752)
Miscellaneous		36	36
Appreciation Dinner	1,000	45	(955)
Volunteer Appreciation Day	1,000		(1,000)
Car Allowance		3,092	3,092
Total Administration	1,236,282	985,572	(250,710)
Finance			
Salaries - Finance	287,196	254,446	(32,750)
Salaries - Overtime	1,500	161	(1,339)
Benefits - Unemployment Comp. Tax	21,000	38,466	17,466
Benefits - Health Insurance	905,819	1,118,821	213,002
Benefits - Group Life Insurance	28,240	28,262	22
Benefits - Dental/Vision Asst	97,000	90,005	(6,995)
Audit Fees and Expenses	50,900	54,040	3,140
Employee Assistance	5,000	2,487	(2,513)
Insurance - Liability and Property	300,000	276,386	(23,614)
Contractual Services	24,500	25,291	791
Maintenance - Office Equipment	1,800		(1,800)
Maintenance - Computers	1,500		(1,500)
Maintenance - Photocopiers	27,000	18,964	(8,036)
Accounting System Service Fee	15,000	11,946	(3,054)
Cellular Telephone	1,010	993	(17)
Dues	1,380	635	(745)
Subscriptions/Books	500	43	(457)
Office Supplies	3,000	815	(2,185)
Operating Supplies	4,500	2,712	(1,788)
Postage & Shipping	2,500	1,284	(1,216)
Printing & Copying	2,500		(2,500)
Marketing - Hotel Tax	20,000	15,739	(4,261)
IMRF Participants	23,962	21,826	(2,136)
Social Security & Medicare	24,085	20,404	(3,681)
Computer Equipment & Software	15,000	2,632	(12,368)
Office Equipment	1,000		(1,000)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
General Government (Cont.)			
Finance (Cont.)			
City Tax Rebate	1,050	808	(242)
Sales Tax Rebates	620,000	773,140	153,140
Business District Rebate		248,737	248,737
Amusement Tax Rebate	183,287	62,130	(121,157)
Total Finance	2,670,229	3,071,173	400,944
Community Relations			
Salaries - Employees	65,000	65,250	250
Part Time Salaries	9,880	2,426	(7,454)
Contractual Services	4,500	5,325	825
Cellular Telephone	540	453	(87)
Subscriptions/Books	400	275	(125)
Public Relations	4,000	1,565	(2,435)
Office Supplies	750	346	(404)
Postage & Shipping	5,000	1,933	(3,067)
Printing & Copying	8,000	135	(7,865)
Publishing & Advertising	10,000	5,923	(4,077)
IMRF Participants	5,395	5,603	208
Social Security & Medicare	5,728	4,087	(1,641)
Community Events	6,000	1,939	(4,061)
Total Community Relations	125,193	95,260	(29,933)
Engineering			
Salaries - Employees	326,267	327,133	866
Salaries - Overtime	1,000		(1,000)
Contractual Services	30,000	35,689	5,689
Fees	1,000	1,000	
Maintenance - Vehicles	1,500	1,521	21
Maintenance - Office Equip	1,000		(1,000)
Maintenance - Computers	500		(500)
Wearing Apparel	500		(500)
Cellular Telephone	3,542	2,288	(1,254)
Dues	400	62	(338)
Training and Conferences		(115)	(115)
Travel Expense		7	7
Tuition Reimbursement	825	823	(2)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
General Government (Cont.)			
Engineering (Cont.)			
Books and Publications	100	36	(64)
Engineering Supplies	2,000	1,146	(854)
Office Supplies	2,000	280	(1,720)
Postage and Shipping		452	452
Printing and Copying	1,000	1,217	217
IMRF Participants	27,163	28,301	1,138
Social Security and Medicare	25,036	24,224	(812)
Computer Equipment and Software	6,900	1,399	(5,501)
Office Equipment	1,000		(1,000)
Total Engineering	431,733	425,463	(6,270)
 Total General Government	 4,463,437	 4,577,468	 114,031
Public Safety			
Police Department			
Salaries - Employees	1,263,768	1,326,119	62,351
Salaries - Lieutenant/Sergeant	749,327	774,290	24,963
Salaries - Crossing Guard	25,000	23,327	(1,673)
Salaries - Police Clerks	212,386	200,568	(11,818)
Salaries - Part Time	39,000	40,775	1,775
Salaries - Overtime	60,000	75,769	15,769
Cadet Program	30,000	10,969	(19,031)
Salaries - Grant Reimbursement		944	944
Legal Services	40,000	16,367	(23,633)
Maintenance - Equipment	14,000	6,032	(7,968)
Maintenance - Vehicles	37,000	34,338	(2,662)
Maintenance - Computers	10,000	993	(9,007)
Maintenance - K-9	1,000	1,086	86
Weather Warning Siren Maintenance	6,000	2,082	(3,918)
Wearing Apparel	18,000	9,118	(8,882)
Cops Grant - Vests	4,200	4,319	119
Psychological Testing	1,000	560	(440)
Health Services	1,000	185	(815)
Laboratory Fees	500	615	115
Kendall County Probation	3,000	2,784	(216)
Telephone	21,500	21,860	360
Cellular Telephone	17,920	18,629	709

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Public Safety (Cont.)			
Police Department (Cont.)			
MTD - Alerts Fee	6,000	6,660	660
New World Live Scan	10,000	15,087	5,087
Admin Adjudication Contractual	12,000	17,925	5,925
Dues	2,000	1,490	(510)
Subscriptions	350	206	(144)
Training and Conference	18,025	7,239	(10,786)
Travel Expenses	7,575	5,832	(1,743)
Community Relations	3,250	280	(2,970)
Police Commission	10,000	11,999	1,999
Gun Range Fees	500	500	
Special Response Team Fee	3,500	3,500	
Neighborhood Watch	1,500	46	(1,454)
Citizens Police Academy	1,500	339	(1,161)
Compliance Checks	500	174	(326)
Dare Program	3,000	3,227	227
Supplies - Grant Reimbursement		246	246
Office Supplies	5,000	3,073	(1,927)
Evidence Tech Supplies	1,500	469	(1,031)
Operating Supplies	14,500	4,607	(9,893)
Postage and Shipping	3,500	1,821	(1,679)
Printing and Copying	5,000	5,842	842
Publishing and Advertising	500	187	(313)
Gasoline	85,000	70,010	(14,990)
Ammunition	3,500		(3,500)
Admin Adjudication Operating		1,046	1,046
IMRF Participants	17,628	17,322	(306)
Social Security and Medicare	182,030	179,109	(2,921)
Police Pension	325,000	323,291	(1,709)
Computer Equipment and Software	7,000	7,000	
Total Police Department	3,284,459	3,260,256	(24,203)
Total Public Safety	3,284,459	3,260,256	(24,203)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Community Development			
Building and Zoning			
Employee Salaries	302,353	293,596	(8,757)
Legal Services	10,000	4,473	(5,527)
Contractual Services	13,000	12,550	(450)
Economic Development	45,000	45,000	
Cellular Telephone	1,500	1,355	(145)
Dues	1,500	480	(1,020)
Training and Conferences		450	450
Operating Supplies	5,000	1,532	(3,468)
Postage and Shipping		459	459
Printing and Copying	1,000	1,548	548
Publishing and Advertising	500	326	(174)
Books and Maps	500	495	(5)
IMRF Participants	25,095	23,567	(1,528)
Social Security and Medicare	23,130	21,792	(1,338)
Computer Equipment and Software	6,250	560	(5,690)
Office Equipment	500	138	(362)
Rain Garden Grant		231	231
Full Circle Grant		11,233	11,233
Total Building and Zoning	435,328	419,785	(15,543)
Total Community Development	435,328	419,785	(15,543)
Public Works			
Streets Operations			
Salaries - Employee	299,059	296,220	(2,839)
Salaries - Overtime	32,000	15,913	(16,087)
Inspections and Licenses	700	700	
Contractual Services	1,000	861	(139)
Maintenance - Equipment	10,000	7,899	(2,101)
Maintenance - Vehicles	15,000	26,856	11,856
Maintenance - Traffic Signals	15,000	30,131	15,131
Maintenance - Street Lights	14,000	14,475	475
Maintenance - Property	30,000	16,060	(13,940)
Maintenance - Storm Sewer	5,000	17	(4,983)
Wearing Apparel	4,200	2,441	(1,759)
Raymond Retention Base		300	300
Rental - Equipment	1,000	300	(700)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual (Cont.)

General Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Public Works (Cont.)			
Streets Operations (Cont.)			
Electricity	70,000	94,920	24,920
Cellular Telephone	4,020	2,536	(1,484)
Training and Conferences		110	110
Operating Supplies	14,000	3,310	(10,690)
Electrical Maintenance Supply	1,000	10	(990)
Gasoline	32,000	26,132	(5,868)
Hand Tools	1,000	190	(810)
Gravel	2,500	565	(1,935)
IMRF Participants	27,478	26,842	(636)
Social Security and Medicare	27,478	23,255	(4,223)
Hanging Baskets	2,000	1,800	(200)
Mosquito Control	30,000	30,966	966
Safety Equipment	1,000	293	(707)
In Town Road Program		7,364	7,364
Tree and Stump Removal	10,000	6,790	(3,210)
Sidewalk Construction	5,000	3,966	(1,034)
Total Streets Operations	654,435	641,222	(13,213)
Health and Sanitation			
Garbage Services	1,140,000	1,154,840	14,840
Leaf Pickup	6,000	4,327	(1,673)
Total Health and Sanitation	1,146,000	1,159,167	13,167
Total Public Works	1,800,435	1,800,389	(46)
Total Expenditures	\$ 9,983,659	10,057,898	74,239

NONMAJOR GOVERNMENTAL FUNDS

UNITED CITY OF YORKVILLE, ILLINOIS

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2010

(See Following Page)

UNITED CITY OF YORKVILLE, ILLINOIS

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2010

	Special Revenue				
	Fox Hill SSA Fund	Sunflower SSA Fund	Motor Fuel Tax Fund	Land Cash Fund	Parks & Recreation Fund
ASSETS					
Assets					
Cash and Equivalents	\$ 2,226	6,188	370,132		117,654
Receivables:					
Intergovernmental Receivables			36,524	269,670	
Interfund Receivables					
Prepaid Items					2,967
Total Assets	\$ 2,226	6,188	406,656	269,670	120,621
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$		1,038	5,320	35,220
Accrued Payroll					16,420
Deferred Revenue				269,670	39,304
Other Liabilities					4,526
Interfund Payables				598,105	
Total Liabilities	-	-	1,038	873,095	95,470
Fund Balances					
Reserved for					
Prepays					2,967
Capital Purposes					
Debt Service					
Unreserved					
Special Revenue Funds	2,226	6,188	405,618	(603,425)	22,184
Capital Projects Fund					
Total Fund Balances	2,226	6,188	405,618	(603,425)	25,151
Total Liabilities and Fund Balances	\$ 2,226	6,188	406,656	269,670	120,621

Special Revenue			
Fox Industrial TIF Fund	Countryside TIF Fund	Downtown TIF Fund	Total Nonmajor Special Revenue Funds
418,385	2,477,758	136,294	3,528,637
			306,194
4,966			7,933
423,351	2,477,758	136,294	3,842,764
			41,578
			16,420
			308,974
			4,526
			598,105
-	-	-	969,603
4,966			7,933
	2,477,758	136,294	2,614,052
418,385			418,385
			(167,209)
423,351	2,477,758	136,294	2,873,161
423,351	2,477,758	136,294	3,842,764

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Combining Balance Sheet (Cont.)

Nonmajor Governmental Funds

April 30, 2010

	Capital Projects			
	Debt Service Fund	Municipal Building Fund	Police Equipment Capital Fund	Public Works Equipment Capital Fund
ASSETS				
Assets				
Cash and Equivalents	\$ 7,628		107,236	150,949
Receivables:				
Intergovernmental Receivables				
Interfund Receivables			103,048	
Prepaid Items				6,858
			<u>210,284</u>	<u>157,807</u>
Total Assets	<u>7,628</u>	<u>-</u>	<u>210,284</u>	<u>157,807</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable				
Accrued Payroll				
Deferred Revenue				
Other Liabilities				
Interfund Payables		607,724		
Total Liabilities	<u>-</u>	<u>607,724</u>	<u>-</u>	<u>-</u>
Fund Balances				
Reserved for				
Prepays				6,858
Capital Purposes			210,284	150,949
Debt Service	7,628			
Unreserved				
Special Revenue Funds				
Capital Projects Fund		(607,724)		
Total Fund Balances	<u>7,628</u>	<u>(607,724)</u>	<u>210,284</u>	<u>157,807</u>
Total Liabilities and Fund Balances	<u>\$ 7,628</u>	<u>-</u>	<u>210,284</u>	<u>157,807</u>

Capital Projects			
Parks and Recreation Equipment Capital Fund	Citywide Capital Fund	Total Capital Projects Funds	Total Nonmajor Governmental Funds
226,856		485,041	4,021,306
			306,194
		103,048	103,048
		6,858	14,791
<u>226,856</u>		<u>594,947</u>	<u>4,445,339</u>
			41,578
1,700		1,700	18,120
			308,974
158,304		158,304	162,830
	18,378	626,102	1,224,207
<u>160,004</u>	<u>18,378</u>	<u>786,106</u>	<u>1,755,709</u>
		6,858	14,791
66,852		428,085	3,042,137
			426,013
			(167,209)
	(18,378)	(626,102)	(626,102)
<u>66,852</u>	<u>(18,378)</u>	<u>(191,159)</u>	<u>2,689,630</u>
<u>226,856</u>	<u>-</u>	<u>594,947</u>	<u>4,445,339</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Nonmajor Governmental Funds

For the Year Ended April 30, 2010

	Special Revenue				
	Fox Hill SSA Fund	Sunflower SSA Fund	Motor Fuel Tax Fund	Land Cash Fund	Parks & Recreation Fund
Revenues					
Property Taxes	\$ 19,897	13,871			
Motor Fuel Tax			434,263		
Licenses, Permits and Fees				165,810	219,803
Investment Income			779		286
Contributions					10,576
Grants				103,337	1,478
Other Revenue			38,162		165,436
Total Revenues	19,897	13,871	473,204	269,147	397,579
Expenditures					
Current					
General Government	4,011	8,782			
Public Works			176,275		
Culture and Recreation				246,606	1,285,816
Community Development					
Total Current Expenditures	4,011	8,782	176,275	246,606	1,285,816
Capital Outlays			192,245		
Debt Service					
Principal					
Interest and Fees					
Total Debt Service	-	-	-	-	-
Total Expenditures	4,011	8,782	368,520	246,606	1,285,816
Excess (Deficiency) of Revenues over Expenditures	15,886	5,089	104,684	22,541	(888,237)
Other Financing Sources (Uses)					
Transfers In					1,119,500
Transfers Out				(60,449)	(150,000)
Total Other Financing Sources (Uses)	-	-	-	(60,449)	969,500
Net Change in Fund Balances	15,886	5,089	104,684	(37,908)	81,263
Fund Balance at Beginning of Year	(13,660)	1,099	300,934	(565,517)	(56,112)
Fund Balance at End of Year	\$ 2,226	6,188	405,618	(603,425)	25,151

Special Revenue			
Fox Industrial TIF Fund	Countryside TIF Fund	Downtown TIF Fund	Total Nonmajor Special Revenue Funds
216,677	6,250	88,550	345,245
			434,263
			385,613
44	8,223		9,332
			10,576
			104,815
			203,598
216,721	14,473	88,550	1,493,442
			12,793
			176,275
			1,532,422
1,220	999	1,831	4,050
1,220	999	1,831	1,725,540
			192,245
65,000	165,000		230,000
12,793	142,869		155,662
77,793	307,869	-	385,662
79,013	308,868	1,831	2,303,447
137,708	(294,395)	86,719	(810,005)
			1,119,500
			(210,449)
-	-	-	909,051
137,708	(294,395)	86,719	99,046
285,643	2,772,153	49,575	2,774,115
423,351	2,477,758	136,294	2,873,161

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (Cont.)

Nonmajor Governmental Funds

For the Year Ended April 30, 2010

	Capital Projects			
	Debt Service Fund	Municipal Building Fund	Police Equipment Capital Fund	Public Works Equipment Capital Fund
Revenues				
Property Taxes	\$			
Motor Fuel Tax				
Licenses, Permits and Fees		9,750	19,950	47,450
Investment Income				
Contributions			4,381	
Grants				
Other Revenue	7,628		17,465	557
Total Revenues	7,628	9,750	41,796	48,007
Expenditures				
Current				
General Government				
Public Works				
Culture and Recreation				
Community Development				
Total Current Expenditures	-	-	-	-
Capital Outlays			7,363	4,000
Debt Service				
Principal	320,000			24,937
Interest and Fees	162,294			57,358
Total Debt Service	482,294	-	-	82,295
Total Expenditures	482,294	-	7,363	86,295
Excess (Deficiency) of Revenues over Expenditures	(474,666)	9,750	34,433	(38,288)
Other Financing Sources (Uses)				
Transfers In	482,294			
Transfers Out		(57,200)		
Total Other Financing Sources (Uses)	482,294	(57,200)		
Net Change in Fund Balances	7,628	(47,450)	34,433	(38,288)
Fund Balance at Beginning of Year	-	(560,274)	175,851	196,095
Fund Balance at End of Year	\$ 7,628	(607,724)	210,284	157,807

(Cont.)

Capital Projects			
Parks and Recreation Equipment Capital Fund	Citywide Capital Fund	Total Capital Projects Funds	Total Nonmajor Governmental Funds
			345,245
			434,263
3,300	74,800	155,250	540,863
			9,332
48,572		52,953	63,529
			104,815
		18,022	229,248
51,872	74,800	226,225	1,727,295
			12,793
			176,275
			1,532,422
			4,050
-	-	-	1,725,540
10,772		22,135	214,380
	100,000	124,937	674,937
		57,358	375,314
-	100,000	182,295	1,050,251
10,772	100,000	204,430	2,990,171
41,100	(25,200)	21,795	(1,262,876)
	100,000	100,000	1,701,794
		(57,200)	(267,649)
-	100,000	42,800	1,434,145
41,100	74,800	64,595	171,269
25,752	(93,178)	(255,754)	2,518,361
66,852	(18,378)	(191,159)	2,689,630

SPECIAL REVENUE FUNDS

UNITED CITY OF YORKVILLE, ILLINOIS

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

Fox Hill Special Service Area Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Fox Hill Property Tax Levy	\$ 19,892	19,897	5
Expenditures			
General Government			
Common Grounds Maintenance	20,000	4,011	(15,989)
Net Change in Fund Balance	(108)	15,886	15,994
Fund Balance at Beginning of Year	(13,660)	(13,660)	
Fund Balance at End of Year	\$ (13,768)	2,226	15,994

UNITED CITY OF YORKVILLE, ILLINOIS

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

Sunflower Special Service Area Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Sunflower Property Tax Levy	\$ 13,868	13,871	3
Expenditures			
General Government			
Common Grounds Maintenance	23,000	8,782	(14,218)
Net Change in Fund Balance	(9,132)	5,089	14,221
Fund Balance at Beginning of Year	1,099	1,099	
Fund Balance at End of Year	\$ (8,033)	6,188	14,221

UNITED CITY OF YORKVILLE, ILLINOIS

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

Motor Fuel Tax Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Motor Fuel Tax	\$ 240,000	434,263	194,263
Investment Income	8,000	779	(7,221)
Other Revenue	430,000	38,162	(391,838)
Total Revenues	<u>678,000</u>	<u>473,204</u>	<u>(204,796)</u>
Expenditures			
Public Works			
Supplies	235,000	176,275	(58,725)
Capital Outlay			
Streets and Alleys	411,436	192,245	(219,191)
Total Expenditures	<u>646,436</u>	<u>368,520</u>	<u>(277,916)</u>
Net Change in Fund Balance	31,564	104,684	73,120
Fund Balance at Beginning of Year	<u>300,934</u>	<u>300,934</u>	
Fund Balance at End of Year	<u>\$ 332,498</u>	<u>405,618</u>	<u>73,120</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Land Cash Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Licenses, Permits and Fees			
Autumn Creek	\$ 15,000	62,427	47,427
Bristol Bay Land Cash	50,000	100,000	50,000
Raintree Village	28,000		(28,000)
Whispering Meadows		3,383	3,383
Total Licenses, Permits and Fees	<u>93,000</u>	<u>165,810</u>	<u>72,810</u>
Grants			
Bike Path Grant	200,000	103,337	(96,663)
OSLAD Grants	362,000		(362,000)
Total Grants	<u>562,000</u>	<u>103,337</u>	<u>(458,663)</u>
Total Revenues	<u>655,000</u>	<u>269,147</u>	<u>(385,853)</u>
Expenditures			
Culture and Recreation			
Wheaton Woods Nature Trail	45,000	15,533	(29,467)
Heartland Circle		22,408	22,408
Raintree Village	38,572		(38,572)
Whispering Meadows		196,015	196,015
Grande Reserve Bike Trail		2,650	2,650
Mosier Holding Costs	6,000	10,000	4,000
Total Expenditures	<u>89,572</u>	<u>246,606</u>	<u>157,034</u>
Excess (Deficiency) of Revenues over Expenditures	565,428	22,541	(542,887)
Other Financing Uses			
Transfers Out	(70,408)	(60,449)	9,959
Net Change in Fund Balance	495,020	(37,908)	(532,928)
Fund Balance at Beginning of Year, as Restated	<u>(565,517)</u>	<u>(565,517)</u>	
Fund Balance at End of Year	<u>\$ (70,497)</u>	<u>(603,425)</u>	<u>(532,928)</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Parks and Recreation Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Licenses, Permits and Fees			
Fees for Programs	\$ 243,225	180,230	(62,995)
Concessions	27,000	39,573	12,573
Total Licenses, Permits and Fees	<u>270,225</u>	<u>219,803</u>	<u>(50,422)</u>
Investment Income	<u>3,000</u>	<u>286</u>	<u>(2,714)</u>
Contributions			
Donations	14,000	10,576	(3,424)
Tree Donations	500		(500)
Total Contributions	<u>14,500</u>	<u>10,576</u>	<u>(3,924)</u>
Grants			
Youth Services Grant	<u>900</u>	<u>1,478</u>	<u>578</u>
Other Revenue			
Rental Income	15,000	19,329	4,329
Golf Outing Revenue	27,000	8,659	(18,341)
Retail Revenue	3,000		(3,000)
Hometown Days Revenue	117,000	137,448	20,448
Total Other Revenue	<u>162,000</u>	<u>165,436</u>	<u>3,436</u>
Total Revenues	<u>450,625</u>	<u>397,579</u>	<u>(53,046)</u>
Expenditures			
Culture and Recreation			
Park Operations			
Salaries - Employees	394,500	383,500	(11,000)
Salaries - Part-Time	10,000	7,509	(2,491)
Salaries - Overtime	5,000	308	(4,692)
Park Contractual	3,000	865	(2,135)
Maintenance - Equipment	11,000	10,342	(658)
Maintenance - Parks	35,000	30,172	(4,828)
Wearing Apparel	4,500	4,023	(477)
Rental Equipment	3,500		(3,500)
Cellular Telephone	4,500	3,085	(1,415)
Legal	4,000	4,582	582
Training and Conferences			

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Cont.)

Parks and Recreation Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Expenditures (Cont.)			
Culture and Recreation (Cont.)			
Park Operations (Cont.)			
Office Supplies	500	70	(430)
Operating Supplies	25,750	18,457	(7,293)
Hand Tools	1,750	1,759	9
Christmas Decorations	500	809	309
Public Decoration	500	96	(404)
IMRF Participants	33,159	32,960	(199)
Social Security/Medicare	31,327	29,265	(2,062)
Office Equipment	500	130	(370)
Flowers/Trees	1,500	1,010	(490)
Total Park Operations	<u>570,486</u>	<u>528,942</u>	<u>(41,544)</u>
Recreation Operations			
Salaries - Employee	358,738	342,637	(16,101)
Salaries - Concession	9,000	9,968	968
Salaries - Pre-School	18,000	19,468	1,468
Salaries - Part time	13,500	13,482	(18)
Salaries - Overtime	350		(350)
Salaries - Instructor Contractual	66,000	14,100	(51,900)
Salaries - Recording Secretary	3,000		(3,000)
Contractual Services		41,199	41,199
Contractual Services- Rec Secretary		2,284	2,284
Maintenance Supplies	3,750	825	(2,925)
Maintenance - Vehicles	1,700	587	(1,113)
Maintenance - Office Equipment	5,000	4,145	(855)
Youth Services Grant Expenses	900	45	(855)
Electricity	23,000	15,690	(7,310)
Telephone/Internet	1,300	1,379	79
Cellular Telephone	3,000	2,978	(22)
Portable Toilets	5,000	4,837	(163)
Publishing/Advertising	27,000	28,013	1,013
Books/Publications	100	104	4
Dues	1,000	1,061	61
Office Supplies	4,500	2,368	(2,132)
Program Supplies	57,750	41,176	(16,574)

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Cont.)

Parks and Recreation Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Expenditures (Cont.)			
Culture and Recreation (Cont.)			
Recreation Operations (Cont.)			
Operating Supplies	1,500	1,900	400
Recreation Equipment	3,000	510	(2,490)
Postage and Shipping	5,000	7,391	2,391
Gasoline	5,000	1,846	(3,154)
Mileage	400		(400)
Golf Outing Expenses	18,000	6,001	(11,999)
Concessions	13,000	24,239	11,239
Hometown Days Expenses	93,000	100,578	7,578
Scholarships	2,000	156	(1,844)
Program Refund	9,000	5,949	(3,051)
IMRF Participants	29,804	31,675	1,871
Social Security/Medicare	35,847	30,185	(5,662)
Computer Equipment & Software	500	98	(402)
Total Recreation	<u>818,639</u>	<u>756,874</u>	<u>(61,765)</u>
Total Expenditures	<u>1,389,125</u>	<u>1,285,816</u>	<u>(103,309)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(938,500)</u>	<u>(888,237)</u>	<u>50,263</u>
Other Financing Sources (Uses)			
Transfers In	979,500	1,119,500	140,000
Transfers Out		(150,000)	(150,000)
Total Other Financing Sources (Uses)	<u>979,500</u>	<u>969,500</u>	<u>10,000</u>
Net Change in Fund Balance	41,000	81,263	40,263
Fund Balance at Beginning of Year	<u>(56,112)</u>	<u>(56,112)</u>	
Fund Balance at End of Year	<u>\$ (15,112)</u>	<u>25,151</u>	<u>40,263</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Fox Industrial TIF Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Property Taxes	\$ 200,863	216,677	15,814
Investment Income	1,800	44	(1,756)
Total Revenues	202,663	216,721	14,058
Expenditures			
Community Development			
Administration Fees	750	1,220	470
Total Community Development	750	1,220	470
Debt Service			
Principal	65,000	65,000	
Interest	12,793	12,793	
Total Debt Service	77,793	77,793	-
Total Expenditures	78,543	79,013	470
Excess of Revenues over Expenditures	124,120	137,708	13,588
Other Financing Uses			
Transfers Out	(124,120)		124,120
Net Change in Fund Balance	-	137,708	137,708
Fund Balance at Beginning of Year	285,643	285,643	
Fund Balance at End of Year	\$ 285,643	423,351	137,708

UNITED CITY OF YORKVILLE, ILLINOIS

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

Countryside TIF Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Property Taxes	\$ 8,455	6,250	(2,205)
Investment Income	60,000	8,223	(51,777)
Total Revenues	<u>68,455</u>	<u>14,473</u>	<u>(53,982)</u>
Expenditures			
Community Development			
Administrative Fees	13,095	999	(12,096)
Debt Service			
Principal	165,000	165,000	
Interest	142,869	142,869	
Total Expenditures	<u>320,964</u>	<u>308,868</u>	<u>(12,096)</u>
Net Change in Fund Balance	(252,509)	(294,395)	(41,886)
Fund Balance at Beginning of Year	<u>2,772,153</u>	<u>2,772,153</u>	
Fund Balance at End of Year	<u>\$ 2,519,644</u>	<u>2,477,758</u>	<u>(41,886)</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Downtown TIF Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Property Taxes	\$ 71,588	88,550	16,962
Total Revenue	71,588	88,550	16,962
Expenditures			
Community Development			
Administrative Fees	1,000	1,831	831
Total Expenditures	1,000	1,831	831
Net Change in Fund Balance	70,588	86,719	16,131
Fund Balance at Beginning of Year	49,575	49,575	
Fund Balance at End of Year	\$ 120,163	136,294	16,131

DEBT SERVICE FUND

UNITED CITY OF YORKVILLE, ILLINOIS

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

Debt Service Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Other Revenue	\$	7,628	7,628
Expenditures			
Debt Service			
Principal	320,000	320,000	
Interest	162,294	162,294	
Total Expenditures	482,294	482,294	-
Excess (Deficiency) of Revenues over Expenditures	(482,294)	(474,666)	7,628
Other Financing Uses			
Transfers In	482,294	482,294	
Net Change in Fund Balance	-	7,628	7,628
Fund Balance at Beginning of Year			
Fund Balance at End of Year	\$ -	7,628	7,628

CAPITAL PROJECTS FUNDS

UNITED CITY OF YORKVILLE, ILLINOIS

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

Municipal Building Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Licenses, Permits and Fees	\$ 55,000	9,750	(45,250)
Other Financing Uses			
Transfers Out	(57,200)	(57,200)	
Net Change in Fund Balance	(2,200)	(47,450)	(45,250)
Fund Balance at Beginning of Year	(560,274)	(560,274)	
Fund Balance at End of Year	<u>\$ (562,474)</u>	<u>(607,724)</u>	<u>(45,250)</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Police Equipment Capital Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Licenses, Permits and Fees			
Police Development Fees	\$ 50,000	19,950	(30,050)
Contributions		4,381	4,381
Other Revenue	82,648	17,465	(65,183)
Total Revenues	<u>132,648</u>	<u>41,796</u>	<u>(90,852)</u>
Expenditures			
Capital Outlay			
Police Equipment			
Lethal/Non-Lethal Weapons	10,000	910	(9,090)
Seized Vehicles		3,187	3,187
Equipment	40,000	3,266	(36,734)
K-9 Equipment	2,500		(2,500)
Vehicles	80,148		(80,148)
Weather Warning Sirens	82,648		(82,648)
Total Expenditures	<u>215,296</u>	<u>7,363</u>	<u>(207,933)</u>
Net Change in Fund Balance	(82,648)	34,433	117,081
Fund Balance at Beginning of Year	<u>175,851</u>	<u>175,851</u>	
Fund Balance at End of Year	<u>\$ 93,203</u>	<u>210,284</u>	<u>117,081</u>

UNITED CITY OF YORKVILLE, ILLINOIS

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

Public Works Equipment Capital Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Licenses, Permits and Fees			
Development Fees	\$ 70,000	47,450	(22,550)
Other Revenue		557	557
Total Revenue	<u>70,000</u>	<u>48,007</u>	<u>(21,993)</u>
Expenditures			
Capital Outlay			
Public Works Equipment			
Vehicles	46,000		(46,000)
Skidsteer Upgrade	4,500	4,000	(500)
Truck Accessories	4,500		(4,500)
Public Works Building	84,000	82,295	(1,705)
Total Expenditures	<u>139,000</u>	<u>86,295</u>	<u>(52,705)</u>
Net Change in Fund Balance	(69,000)	(38,288)	30,712
Fund Balance at Beginning of Year	<u>196,095</u>	<u>196,095</u>	
Fund Balance at End of Year	<u>\$ 127,095</u>	<u>157,807</u>	<u>30,712</u>

Note: Principal and interest payments on a Note were budgeted as a Public Works Building expenditure, thus are reported accordingly in this schedule. There is no net variance to the reporting in the combining non-major governmental fund statements.

UNITED CITY OF YORKVILLE, ILLINOIS

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

Citywide Capital Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Engineering Capital Fee	\$ 10,000	6,200	(3,800)
Road Contribution Fee	200,000	68,600	(131,400)
Total Revenues	210,000	74,800	(135,200)
Expenditures			
Capital Outlay			
Vehicles	10,000		(10,000)
Centex Loan	108,000		(108,000)
Road Contribution	200,000		(200,000)
Total Capital Outlay	318,000	-	(318,000)
Debt Service			
Ron Clark Property Purchase Note	100,000	100,000	
Total Expenditures	418,000	100,000	(318,000)
Excess (Deficiency) of Revenues over Expenditures	(208,000)	(25,200)	182,800
Other Financing Sources			
Transfers In	100,000	100,000	
Net Change in Fund Balance	(108,000)	74,800	182,800
Fund Balance at Beginning of Year	(93,178)	(93,178)	
Fund Balance at End of Year	\$ (201,178)	(18,378)	182,800

PROPRIETARY FUND TYPES

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues, Expenses and
Changes in Net Assets - Budget and Actual

Sewer Operation and Improvement Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 590,700	715,512	124,812
Other Revenue		5,708	5,708
Total Revenues	<u>590,700</u>	<u>721,220</u>	<u>130,520</u>
Operating Expenses			
Operations	485,624	407,558	(78,066)
Depreciation		331,673	331,673
Total Operating Expenses	<u>485,624</u>	<u>739,231</u>	<u>253,607</u>
Operating Income (Loss)	<u>105,076</u>	<u>(18,011)</u>	<u>(123,087)</u>
Nonoperating Revenues (Expenses)			
Connection Fees	400,000	1,260,689	860,689
Recapture Fees		9,106	9,106
Investment Income	9,000	2,174	(6,826)
Amortization Expense		(35,400)	(35,400)
Interest Expense	(1,410,488)	(795,154)	615,334
Total Nonoperating Revenues (Expenses)	<u>(1,001,488)</u>	<u>441,415</u>	<u>1,442,903</u>
Income (Loss) before Contributions and Transfers	<u>(896,412)</u>	<u>423,404</u>	<u>1,319,816</u>
Other Financing Sources (Uses)			
Contributions - Capital Assets		9,698,371	9,698,371
Transfers In		965,806	965,806
Transfers Out	(58,640)	(140,390)	(81,750)
Total Other Financing Sources (Uses)	<u>(58,640)</u>	<u>10,523,787</u>	<u>10,582,427</u>
Change in Net Assets	(955,052)	10,947,191	11,902,243
Net Assets at Beginning of Year	<u>5,935,899</u>	<u>5,935,899</u>	
Net Assets at End of Year	<u>\$ 4,980,847</u>	<u>16,883,090</u>	<u>11,902,243</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues, Expenses and
Changes in Net Assets - Budget and Actual

Water Operation and Improvement Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 1,548,500	1,664,128	115,628
Other Revenue		4,161	4,161
Total Revenues	<u>1,548,500</u>	<u>1,668,289</u>	<u>119,789</u>
Operating Expenses			
Operations	1,340,751	1,081,618	(259,133)
Improvements	4,000	108,274	104,274
Depreciation		734,273	734,273
Total Expenses	<u>1,344,751</u>	<u>1,924,165</u>	<u>579,414</u>
Operating Income (Loss)	<u>203,749</u>	<u>(255,876)</u>	<u>(459,625)</u>
Nonoperating Revenues (Expenses)			
Connection Fees	636,000	201,466	(434,534)
Recapture Fees		6,071	6,071
Investment Income	25,000	3,204	(21,796)
Amortization Expense		(92,784)	(92,784)
Interest Expense	(621,305)	(399,513)	221,792
Total Nonoperating Revenues (Expenses)	<u>39,695</u>	<u>(281,556)</u>	<u>(321,251)</u>
Income (Loss) before Contributions and Transfers	<u>243,444</u>	<u>(537,432)</u>	<u>(780,876)</u>
Other Financing Sources (Uses)			
Contributions - Capital Assets		4,775,586	4,775,586
Transfers In		81,750	81,750
Transfers Out	(75,569)	(1,041,375)	(965,806)
Total Other Financing Sources (Uses)	<u>(75,569)</u>	<u>3,815,961</u>	<u>3,891,530</u>
Change in Net Assets	167,875	3,278,529	3,110,654
Net Assets at Beginning of Year	<u>16,030,110</u>	<u>16,030,110</u>	
Net Assets at End of Year	<u>\$ 16,197,985</u>	<u>19,308,639</u>	<u>3,110,654</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues, Expenses and
Changes in Fund Balance - Budget and Actual

Recreation Center Fund

For the Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance from Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 701,600	582,889	(118,711)
Operating Expenses			
Operations	695,748	634,346	(61,402)
Operating Income (Loss)	5,852	(51,457)	(57,309)
Nonoperating Revenues			
Other Income		149	149
Change in Net Assets	5,852	(51,308)	(57,160)
Net Assets at Beginning of Year	(77,579)	(77,579)	
Net Assets at End of Year	\$ (71,727)	(128,887)	(57,160)

STATISTICAL SECTION

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections

April 30, 2010

(See Following Page)

UNITED CITY OF YORKVILLE, ILLINOIS

**Schedule of Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections**

April 30, 2010

	Tax Levy Years			
	2009	2008	2007	2006
Assessed Valuations				
Farm	\$ 2,524,355	2,562,106	2,643,309	2,384,569
Real Estate Lots	575,726,753	564,660,058	506,977,372	396,432,749
Railroads	17,328	17,328	17,328	17,328
	<u>\$578,268,436</u>	<u>567,239,492</u>	<u>509,638,009</u>	<u>398,834,646</u>
Tax Rates				
General Fund				
General Corporate	0.1138	0.1379	0.0864	0.0142
Garbage				0.0524
Police Protection	0.0584	0.0550	0.0699	0.0788
Crossing Guard	0.0042	0.0043	0.0047	0.0065
Illinois Municipal Retirement Fund and Social Security	0.1306	0.1265	0.1555	0.1809
Liability Insurance	0.0583	0.0387	0.0350	0.0404
Audit	0.0095	0.0073	0.0064	0.0081
Unemployment Tax	0.0043	0.0047	0.0059	0.0044
Police Pension	0.0583	0.0523	0.0526	0.0690
	<u>0.4374</u>	<u>0.4267</u>	<u>0.4164</u>	<u>0.4547</u>
Library Fund - Operating	0.1124	0.1104	0.1292	0.1500
Library Fund - Bond and Interest Fund	0.1048	0.0995	0.0918	0.2197
	<u>0.6546</u>	<u>0.6366</u>	<u>0.6374</u>	<u>0.8244</u>
Tax Extensions				
General Fund	\$ 2,529,057	2,420,411	2,122,133	1,813,501
Library Fund	650,012	626,213	658,430	598,226
Library Fund - Bond and Interest Fund	605,949	564,386	467,832	876,202
	<u>\$ 3,785,018</u>	<u>3,611,010</u>	<u>3,248,395</u>	<u>3,287,929</u>
Tax Collections - All Funds				
Collected to April 30, 2010 (Cash Basis)		<u>\$ 3,591,257</u>	<u>3,217,393</u>	<u>3,286,237</u>
Percentage of Extensions Collected		<u>99.45%</u>	<u>99.05%</u>	<u>99.95%</u>

Tax Levy Years					
2005	2004	2003	2002	2001	2000
1,672,887	961,557	1,128,633	700,520	815,985	768,854
303,902,600	237,377,538	200,663,326	164,461,506	134,511,183	116,881,878
17,425	17,382	18,084	12,718	10,966	12,995
305,592,912	238,356,477	201,810,043	165,174,744	135,338,134	117,663,727
0.0120	0.0239	0.1012	0.1990	0.2205	0.3155
0.1220	0.1332	0.1228	0.1151	0.1211	0.1411
0.0750	0.0750	0.0750	0.0713	0.0750	0.0750
0.0062	0.0042	0.0047	0.0034	0.0035	0.0036
0.1047	0.1865	0.1612	0.1462	0.1451	0.1961
0.0390	0.0525	0.0562	0.0613	0.0520	0.0551
0.0077	0.0062	0.0098	0.0113	0.0119	0.0128
0.0033	0.0038	0.0058	0.0089	0.0093	0.0115
0.0819	0.0973	0.1028	0.1083	0.1302	
0.4518	0.5826	0.6395	0.7248	0.7686	0.8107
0.1500	0.1500	0.1500	0.1426	0.1600	0.1606
0.6018	0.7326	0.7895	0.8674	0.9286	0.9713
1,569,528	1,388,669	1,287,453	1,194,170	1,039,162	953,902
458,390	357,535	301,915	234,944	216,323	188,967
2,027,918	1,746,204	1,589,368	1,429,114	1,255,485	1,142,869
2,023,203	1,845,264	1,677,772	1,424,544	1,251,975	1,144,706
98.80%	105.67%	105.56%	99.68%	99.72%	100.16%