

**United City of Yorkville,  
Illinois**

**Annual Financial Report**

**For the Year Ended  
April 30, 2007**

**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, the discretely presented component unit, 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, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of United City of Yorkville, Illinois. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 opinion.

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, 2007, 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 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*

Oak Brook, Illinois  
October 16, 2007

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CITY OF YORKVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2007**

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As management of the 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, 2007. 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.

**Financial Highlights**

The assets of the City of Yorkville exceeded its liabilities at the close of the fiscal year by \$74,317,889 (net assets). Of this amount, \$12,207,269 is restricted for capital projects/debt service and \$66,894,894 is invested in capital assets net of related debt, leaving a deficit net asset balance of \$4,784,271 as unrestricted.

The government's total net assets increased by \$5,947,941 (8.7%) during the fiscal year ended April 30, 2007. The governmental net assets increased by \$3,754,336 (7.4%) and the business-type activities net assets increased by \$2,193,605 (12.5%).

As of the close of the current fiscal year, the City's General Fund reported an ending fund balance of \$5,317,824, a decrease of \$ 491,328 in comparison with the prior year.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$2,841,106.

**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. 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.

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.

**CITY OF YORKVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**  
**April 30, 2007**

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**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 City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 two individual major 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 governmental funds are combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

The 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 and sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the water fund and the sewer fund, both of which are considered to be major funds of the City.

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 own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.

**Notes to the Financial Statements**

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

**Other Information**

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

**CITY OF YORKVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**  
**April 30, 2007**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Assets**

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
<b>Assets:</b>						
Current and Other Assets	\$ 15.0	\$ 10.7	\$ 16.6	\$ 20.8	\$ 31.6	\$ 31.5
Capital Assets	62.2	55.5	36.6	30.2	98.8	85.7
<b>Total Assets</b>	<b>77.2</b>	<b>66.2</b>	<b>53.2</b>	<b>51.0</b>	<b>130.4</b>	<b>117.2</b>
<b>Liabilities:</b>						
Other Liabilities	5.1	5.0	0.7	5.0	5.8	10.0
Long-term Liabilities	17.6	18.2	32.7	28.0	50.3	46.2
<b>Total Liabilities</b>	<b>22.7</b>	<b>23.2</b>	<b>33.4</b>	<b>33.0</b>	<b>56.1</b>	<b>56.2</b>
<b>Net Assets:</b>						
Invested in Capital Assets, Net	51.9	48.0	14.9	15.5	66.8	63.5
Restricted	6.8	11.4	5.5	3.3	12.3	14.7
Unrestricted	(4.2)	(6.4)	(0.6)	(0.8)	(4.8)	(7.2)
<b>Total Net Assets</b>	<b>\$ 54.5</b>	<b>\$ 53.0</b>	<b>\$ 19.8</b>	<b>\$ 18.0</b>	<b>\$ 74.3</b>	<b>\$ 71.0</b>

The largest portion of the City of Yorkville's net assets, or 90%, 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 is still outstanding. The City of Yorkville uses its capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the 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 can not be used to liquidate these liabilities.

An additional portion of the City of Yorkville's net assets, or 17%, represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the City of Yorkville is able to report positive balance in total net assets in both the governmental and business-type activities. The same situation held true for the prior year.

**CITY OF YORKVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)  
April 30, 2007**

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	2007	2006	2007	2006	2007	2006
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 2.4	\$ 2.3	\$ 6.5	\$ 6.1	\$ 8.9	\$ 8.4
Operating Grants/Contributions		0.3				0.3
Cap. Grants/Contributions	3.9	1.3	2.1	1.1	6.0	2.4
General Revenues:						
Property Taxes	2.0	2.3			2.0	2.3
Other Taxes	5.4	4.6			5.4	4.6
Other	3.4	4.1	0.5		3.9	4.1
Transfer In	2.7	0.4			2.7	0.4
	<u>19.8</u>	<u>15.3</u>	<u>9.1</u>	<u>7.2</u>	<u>28.9</u>	<u>22.5</u>
<b>EXPENSES</b>						
General Government	4.9	4.7			4.9	4.7
Public Safety	2.7	2.4			2.7	2.4
Public Works	4.1	3.6			4.1	3.6
Library	0.8	0.5			0.8	0.5
Parks and Recreation	2.1	2.0			2.1	2.0
Community Development	0.5				0.5	
Interest Long-Term Debt	1.0	0.7			1.0	0.7
Water			3.0	2.6	3.0	2.6
Sewer			1.2	1.2	1.2	1.2
Transfer Out			2.7		2.7	
	<u>16.1</u>	<u>13.9</u>	<u>6.9</u>	<u>3.8</u>	<u>23.0</u>	<u>17.7</u>
<b>Change in Net Assets</b>	<u>3.7</u>	<u>1.4</u>	<u>2.2</u>	<u>3.4</u>	<u>5.9</u>	<u>4.8</u>
<b>Ending Net Assets</b>	<u>\$ 54.5</u>	<u>\$ 53.0</u>	<u>\$ 19.8</u>	<u>\$ 18.0</u>	<u>\$ 74.3</u>	<u>\$ 71.0</u>

**Governmental Activities.** Governmental activities increased the City of Yorkville's Net Assets by \$3.7 million, thereby accounting for 63% of the total increase in the net assets of the City of Yorkville.

**CITY OF YORKVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**  
**April 30, 2007**

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**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

**Governmental Funds.** The focus of the 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 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 City of Yorkville's governmental funds reported combined ending fund balances of \$9,846,548, a decrease of \$6,266,670 in comparison with the prior year. Approximately 29.5% of this amount, \$2,909,338, constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to insurance, debt service, and capital project commitments.

The General Fund is the chief operating fund of the City of Yorkville. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$2,841,106, while the total fund balance reached \$5,317,824. 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. At April 30, 2007, unreserved fund balance represented 101 days of average 2007 expenditures.

The fund balance of the City of Yorkville's General fund decreased by \$491,328 during the current fiscal year. Total revenue for the fund has been relatively consistent as have been the expenditures.

The fund balance of the City of Yorkville's Library Fund decreased by \$4,957,231 during the current fiscal year. This is mainly due to the current year expenditure in conjunction with the construction of the new Library facility. These costs were paid with prior year bond proceeds.

**Proprietary Funds.** The City of Yorkville's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Water Fund at the end of the year amounted to \$14,285,345 and those for the Sewer Maintenance Fund amounted to \$1,554,454. The Sewer Maintenance Fund had a decrease in net assets of \$51,431 while the Water Fund had growth in net assets of \$1,592,660.

**CITY OF YORKVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**  
**April 30, 2007**

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

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>Revenues:</b>			
Taxes	\$ 6.7	\$ 6.7	\$ 6.6
Fees	4.9	4.9	3.6
Other	0.2	0.2	0.8
Total Revenues	<u>11.8</u>	<u>11.8</u>	<u>11.0</u>
<b>Expenditures:</b>			
General Government	5.0	5.2	5.0
Public Safety	2.6	2.6	2.6
Streets and Public Works	6.4	6.2	1.8
Health and Sanitation	0.6	0.6	0.8
Total Expenditures	<u>14.6</u>	<u>14.6</u>	<u>10.2</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(2.8)</b>	<b>(2.8)</b>	<b>0.8</b>
<b>Other Financing Sources and Uses</b>	<b>(1.3)</b>	<b>(1.3)</b>	<b>(1.3)</b>
<b>Change in Fund Balance</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (0.5)</b>

Significant differences between the original budget and final amended budget can be briefly summarized as follows:

- \$175,597 increase in budgeted General Government expenditures.
- \$116,996 decrease in budgeted Public Works expenditures

Significant differences between the final amended budget and actual costs can be briefly summarized as follows:

- \$1,270,356 less actual Licenses, Permits and Fees than the final amended budget.
- \$4,125,272 less in actual Public Works expenditures than the final amended budget.

There was an amendment to the original budget in FY07 in order to reallocate expenditures between General Administration, Streets, Parks and Recreation and Debt Service functions in order to more accurately project expenditures. Property Taxes were over budgeted by \$257,379 as other taxes were under budgeted by \$147,900, and miscellaneous revenue was over budgeted by \$713,666. General Administration expenditures were under budget by \$221,533, Public Safety expenditures were over budget by \$19,535 as Public Works expenditures were under budget by \$4,152,272.

**CITY OF YORKVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)  
April 30, 2007**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

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

<u>Governmental Activities</u>	<u>Restated Balance May 1, 2006</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2007</u>
<b>Non-Depreciable Assets:</b>			
Land/Construction in Progress	\$ 32.1	\$ 6.0	\$ 38.1
<b>Depreciable Capital Assets:</b>			
Infrastructure	21.6	2.4	24.0
Buildings	4.7	0.4	5.1
Equipment	3.5	0.5	4.0
Vehicles/Furniture/Fixtures	1.5	0.9	2.4
Accumulated Depreciation on Capital Assets	(10.1)	(1.3)	(11.4)
	<u>\$ 53.3</u>	<u>\$ 8.9</u>	<u>\$ 62.2</u>

The major capital project during the year was the construction of the Library, which was not yet in service at the end of the year.

<u>Business-Type Activities</u>	<u>Restated Balance May 1, 2006</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2007</u>
<b>Non-Depreciable Assets:</b>			
Land/Construction in Progress	\$ 9.0	\$ (3.4)	\$ 5.6
<b>Depreciable Capital Assets:</b>			
Infrastructure	11.4	4.9	16.3
Vehicles/Furniture/Fixtures	15.8	2.7	18.5
Accumulated Depreciation on Capital Assets	(3.1)	(0.7)	(3.8)
	<u>\$ 33.1</u>	<u>\$ 3.5</u>	<u>\$ 36.6</u>

During the fiscal year there were additions to the water and sewer infrastructure totaling \$4.8 million, including prior year adjustments and construction in progress.

For more detailed information related to capital assets, see Note 5 to the financial statements.

**CITY OF YORKVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**  
**April 30, 2007**

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**Debt Administration**

At April 30, 2007, the City had outstanding debt as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
General Obligation (Alternative Revenue Source) Bonds	\$ 16,475,000	\$ 19,540,000	\$ 36,015,000
Debt Certificates	695,000	10,423,461	11,118,461
Loans Payable	1,890	2,752,667	2,754,557
	<b>\$ 17,171,890</b>	<b>\$ 32,716,128</b>	<b>\$ 49,888,018</b>

There were no significant changes in credit ratings and/or any debt limitations that may affect the financing of planned facilities or services.

For more detailed information related to long term debt, see Note 6 to the financial statements.

**ECONOMIC FACTORS**

The United City of Yorkville was 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 May of 2006 resulting in a population total of more than 11,000.

Based on information from the Illinois Department of Employment Security, the 2006 average unemployment for Kendall County was 4.0%, which favorably compares to the State of Illinois rate of 4.5%. Preliminary unemployment rates for Kendall County and the State are 5.1% and 5.4% respectively.

The 2000 Census reported that the median value of the City's owner-occupied homes was \$157,700, which compares with \$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 City Finance Director, Susan Mika 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, 2007**

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**(See Following Page)**

**UNITED CITY OF YORKVILLE**

Statement of Net Assets

April 30, 2007

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 11,927,519	1,836,537	13,764,056
Receivables			
Property Taxes Receivable	2,437,756		2,437,756
Intergovernmental Receivables	1,306,656		1,306,656
Accounts Receivable	1,210,095	401,196	1,611,291
Internal Balances	(2,089,072)	2,089,072	
Other Assets	121,032	35,000	156,032
<b>Total Current Assets</b>	<b>14,913,986</b>	<b>4,361,805</b>	<b>19,275,791</b>
<b>Capital Assets (Net of Accumulated Depreciation)</b>			
Land, Land Improvements and CIP	38,128,676	5,630,898	43,759,574
Infrastructure	16,406,551	15,094,943	31,501,494
Building and Improvements	4,025,164		4,025,164
Equipment and Vehicles	3,696,134	15,889,805	19,585,939
<b>Total Capital Assets</b>	<b>62,256,525</b>	<b>36,615,646</b>	<b>98,872,171</b>
<b>Other Assets</b>			
Assets Held for Others		11,091,000	11,091,000
Deferred Charges	84,719	1,173,251	1,257,970
<b>Total Other Assets</b>	<b>84,719</b>	<b>12,264,251</b>	<b>12,348,970</b>
<b>Total Assets</b>	<b>77,255,230</b>	<b>53,241,702</b>	<b>130,496,932</b>

See Notes to the Financial Statements.

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	1,786,196	317,778	2,103,974
Accrued Payroll	217,802	20,570	238,372
Interest Payable	289,389	386,871	676,260
Deferred Revenue	2,545,920		2,545,920
Other	258,487		258,487
<b>Total Current Liabilities</b>	<b>5,097,794</b>	<b>725,219</b>	<b>5,823,013</b>
<b>Noncurrent Liabilities</b>			
<b>Long Term Obligations Due within One Year</b>			
Bonds Payable	220,000	240,000	460,000
Loans Payable		166,445	166,445
Debt Certificates Payable	125,000	265,000	390,000
Compensated Absences	233,431	36,189	269,620
<b>Long Term Obligations Due in more than One Year</b>			
Bonds Payable	16,255,000	19,300,000	35,555,000
Loans Payable	1,890	2,586,224	2,588,114
Debt Certificates Payable	570,000	10,158,461	10,728,461
Compensated Absences	189,173	9,217	198,390
<b>Total Noncurrent Liabilities</b>	<b>17,594,494</b>	<b>32,761,536</b>	<b>50,356,030</b>
<b>Total Liabilities</b>	<b>22,692,288</b>	<b>33,486,755</b>	<b>56,179,043</b>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	51,904,378	14,990,516	66,894,894
Restricted for			
Capital Projects	6,819,743	4,726,669	11,546,412
Debt Service		660,854	660,854
Unrestricted	(4,161,179)	(623,092)	(4,784,271)
<b>Total Net Assets</b>	<b>\$ 54,562,942</b>	<b>19,754,947</b>	<b>74,317,889</b>

**UNITED CITY OF YORKVILLE**

Statement of Activities

For the Year Ended April 30, 2007

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General Government	\$ 4,871,741	1,808,797		60,046
Public Safety	2,761,019		6,820	
Public Works	4,139,483			2,539,459
Library	757,256	19,616	20,804	
Culture and Recreation	2,112,376	578,148	14,301	1,341,232
Community Development	502,434			
Interest on Long-Term Debt	958,673			
<b>Total Governmental Activities</b>	<b>16,102,982</b>	<b>2,406,561</b>	<b>41,925</b>	<b>3,940,737</b>
<b>Business-Type Activities:</b>				
Water	2,975,674	3,097,565		1,166,523
Sewer	1,242,655	3,477,706		918,479
<b>Total Business-Type Activities</b>	<b>4,218,329</b>	<b>6,575,271</b>	<b>-</b>	<b>2,085,002</b>
<b>Total Primary Government</b>	<b>\$ 20,321,311</b>	<b>8,981,832</b>	<b>41,925</b>	<b>6,025,739</b>

**General Revenues**

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

**Development Fees**

Investment Earnings  
 Miscellaneous  
 Transfers

**Total General Revenues**

**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
(3,002,898)		(3,002,898)
(2,754,199)		(2,754,199)
(1,600,024)		(1,600,024)
(716,836)		(716,836)
(178,695)		(178,695)
(502,434)		(502,434)
(958,673)		(958,673)
(9,713,759)	-	(9,713,759)
	1,288,414	1,288,414
	3,153,530	3,153,530
-	4,441,944	4,441,944
(9,713,759)	4,441,944	(5,271,815)
1,950,798		1,950,798
2,647,678		2,647,678
1,040,678		1,040,678
1,288,406		1,288,406
480,941		480,941
7,408,501	-	7,408,501
2,646,071		2,646,071
448,746	352,654	801,400
210,040	153,744	363,784
2,754,737	(2,754,737)	
13,468,095	(2,248,339)	11,219,756
3,754,336	2,193,605	5,947,941
50,808,606	17,561,342	68,369,948
54,562,942	19,754,947	74,317,889

**UNITED CITY OF YORKVILLE, ILLINOIS**

Balance Sheet

Governmental Funds

April 30, 2007

	General Fund	Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ 6,852,743	1,386,738	3,688,038	11,927,519
Receivables				
Property Taxes Receivable	1,810,490	627,266		2,437,756
Intergovernmental Receivables	1,278,888		27,768	1,306,656
Accounts Receivable	1,210,095			1,210,095
Interfund Receivables	2,876,034		1,545,603	4,421,637
Other Assets	117,467		3,565	121,032
<b>Total Assets</b>	<b>\$ 14,145,717</b>	<b>2,014,004</b>	<b>5,264,974</b>	<b>21,424,695</b>
<b>Liabilities</b>				
Accounts Payable	\$ 1,290,641	269,100	226,455	1,786,196
Accrued Payroll	163,049	15,337	39,416	217,802
Retainage Payable	26,396	232,091		258,487
Unearned Revenue	2,147,672	627,266	30,015	2,804,953
Interfund Payables	5,200,135	160,562	1,150,012	6,510,709
<b>Total Liabilities</b>	<b>8,827,893</b>	<b>1,304,356</b>	<b>1,445,898</b>	<b>11,578,147</b>
<b>Fund Balances</b>				
Reserved for				
Prepays	117,467			117,467
Capital Purposes	2,359,251	547,893	3,912,599	6,819,743
Unreserved, Undesignated Reported In				
General Fund	2,841,106			2,841,106
Special Revenue Funds		161,755	283,151	444,906
Debt Service Funds			(100,567)	(100,567)
Capital Project Funds			(276,107)	(276,107)
<b>Total Fund Balances</b>	<b>5,317,824</b>	<b>709,648</b>	<b>3,819,076</b>	<b>9,846,548</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 14,145,717</b>	<b>2,014,004</b>	<b>5,264,974</b>	<b>21,424,695</b>

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, 2007

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Total Fund Balances - Governmental Funds	\$ 9,846,548
Amounts reported for governmental activities in the Statement of Net Assets are difference because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	62,256,525
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.	84,719
Revenues in the Statement of Activities which do not provide current financial resources are deferred in the funds' statements.	259,033
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(17,171,890)
Interest on long-term liabilities is shown as an expenditure when paid by the funds, but accrued in the Statement of Net Assets.	(289,389)
Compensated absences are not reported in the funds, but are accrued in the Statement of Net Assets.	<u>(422,604)</u>
Net Assets of Governmental Activities	<u>\$ 54,562,942</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, 2007

	General Fund	Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 1,436,754	383,966	130,078	1,950,798
Sales Tax	2,676,261			2,676,261
Income Tax	1,040,678			1,040,678
Motor Fuel Tax			291,666	291,666
Utility Tax	463,480			463,480
Other Taxes	1,004,481	5,151		1,009,632
Licenses, Permits and Fees	3,632,292	170,968	1,155,198	4,958,458
Fines	88,841	5,333		94,174
Investment Income	153,890	155,432	139,424	448,746
Contributions		7,096	26,470	33,566
Grants	229,360	13,708	2,000	245,068
Other Revenue	299,364	2,809	136,167	438,340
<b>Total Revenues</b>	<b>11,025,401</b>	<b>744,463</b>	<b>1,881,003</b>	<b>13,650,867</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	5,000,288			5,000,288
Public Safety	2,589,749			2,589,749
Public Works	2,602,247			2,602,247
Library		560,248		560,248
Culture and Recreation			1,923,584	1,923,584
Community Development			303	303
<b>Total Current Expenditures</b>	<b>10,192,284</b>	<b>560,248</b>	<b>1,923,887</b>	<b>12,676,419</b>
<b>Capital Outlays</b>		<b>6,208,691</b>	<b>1,734,604</b>	<b>7,943,295</b>
<b>Debt Service</b>				
Principal			205,000	205,000
Interest and Fees		454,035	504,638	958,673
Costs of Issuance		14,150		14,150
<b>Total Debt Service Expenditures</b>	<b>-</b>	<b>468,185</b>	<b>709,638</b>	<b>1,177,823</b>
<b>Total Expenditures</b>	<b>10,192,284</b>	<b>7,237,124</b>	<b>4,368,129</b>	<b>21,797,537</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>833,117</b>	<b>(6,492,661)</b>	<b>(2,487,126)</b>	<b>(8,146,670)</b>
<b>Other Financing Sources (Uses)</b>				
Payment to Refund Bond Escrow Agent	(925,000)			(925,000)
Proceeds from Bond Issued		1,500,000		1,500,000
Transfers In	1,611,000	35,430	1,956,005	3,602,435
Transfers Out	(2,010,445)		(286,990)	(2,297,435)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,324,445)</b>	<b>1,535,430</b>	<b>1,669,015</b>	<b>1,880,000</b>
<b>Net Change in Fund Balances</b>	<b>(491,328)</b>	<b>(4,957,231)</b>	<b>(818,111)</b>	<b>(6,266,670)</b>
<b>Fund Balances at Beginning of Year</b>	<b>5,809,152</b>	<b>5,666,879</b>	<b>4,637,187</b>	<b>16,113,218</b>
<b>Fund Balances at End of Year</b>	<b>\$ 5,317,824</b>	<b>709,648</b>	<b>3,819,076</b>	<b>9,846,548</b>

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, 2007**

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

Net change in fund balances - total governmental funds	\$ (6,266,670)
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 (\$7,287,651) plus contributions (\$3,704,028) exceeded depreciation (\$1,371,731) and disposals (\$470,300) in the current period.	9,149,648
The transfer of capital assets from governmental activities to business activities resulted in miscellaneous income in the governmental funds. This amount was eliminated in the Statement of Activities.	(228,300)
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. This amount was issued as long-term debt during the current year, net of related costs.	205,000 (1,500,000)
Debt issued in the business-type activities was used to refund a portion of governmental activities debt. The amount which was refunded was reported as a transfer to governmental activities.	925,000
Loans payable were initially recorded in the governmental activities on the Statement of Net Assets; however, they have been reclassified as business activities due to the purpose of the loan. Funds were received by governmental funds from the enterprise fund to account for this transfer and eliminated in the Statement of Activities.	1,449,737
Interest on long-term debt is shown as a fund expenditure when paid, but is accrued in the Statement of Activities.	207,424
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 by which current year amortization expense (\$52,468) exceeds costs of issuance (\$14,150) in the current period.	(38,318)
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds' financial statements. This is the net change of revenues deferred/recognized during the year.	(24,014)
Change in compensated absences are not recorded as an expenditure in the fund statement, but are reported in the Statement of Activities.	(125,171)
Change in net assets of governmental activities	<u>\$ 3,754,336</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, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>				
Property Taxes	\$ 1,694,133	1,694,133	1,436,754	(257,379)
Sales Tax	2,845,000	2,845,000	2,676,261	(168,739)
Income Tax	885,000	885,000	1,040,678	155,678
Utility Tax	375,000	375,000	463,480	88,480
Other Taxes	932,000	932,000	1,004,481	72,481
Licenses, Permits and Fees	4,902,648	4,902,648	3,632,292	(1,270,356)
Fines	75,000	75,000	88,841	13,841
Investment Income	75,000	75,000	153,890	78,890
Grants	33,750	33,750	229,360	195,610
Other Revenue	37,195	37,195	299,364	262,169
<b>Total Revenues</b>	<b>11,854,726</b>	<b>11,854,726</b>	<b>11,025,401</b>	<b>(829,325)</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	5,150,644	5,258,741	5,000,288	(258,453)
Public Safety	2,561,214	2,570,214	2,589,749	19,535
Public Works	6,871,515	6,754,519	2,602,247	(4,152,272)
<b>Total Expenditures</b>	<b>14,607,069</b>	<b>14,583,474</b>	<b>10,192,284</b>	<b>(4,391,190)</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(2,752,343)</b>	<b>(2,728,748)</b>	<b>833,117</b>	<b>3,561,865</b>
<b>Other Financing Sources (Uses)</b>				
Payment to Refunded Bond Escrow Agent			(925,000)	(925,000)
Transfers In	686,000	686,000	1,611,000	925,000
Transfers Out	(2,000,101)	(2,000,101)	(2,010,445)	10,344
<b>Total Other Financing Sources (Uses)</b>	<b>(1,314,101)</b>	<b>(1,314,101)</b>	<b>(1,324,445)</b>	<b>10,344</b>
<b>Net Change in Fund Balance</b>	<b>(4,066,444)</b>	<b>(4,042,849)</b>	<b>(491,328)</b>	<b>3,551,521</b>
<b>Fund Balance at Beginning of Year</b>	<b>5,809,152</b>	<b>5,809,152</b>	<b>5,809,152</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 1,742,708</b>	<b>1,766,303</b>	<b>5,317,824</b>	<b>3,551,521</b>

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, 2007

	Original Budget	Final Budget	Actual	Various from Budget Over (Under)
<b>Revenues</b>				
Property Taxes	\$ 464,741	464,741	383,966	(80,775)
<b>Other Taxes</b>				
Personal Property Replacement Taxes	2,500	2,500	5,151	2,651
<b>Licenses, Permits and Fees</b>				
Development Fees - Building	95,000	95,000	86,300	(8,700)
Development Fees - Books	95,000	95,000	70,385	(24,615)
Copy Fees	900	900	1,379	479
Library Subscription Cards	8,000	8,000	12,904	4,904
	198,900	198,900	170,968	(27,932)
<b>Fines</b>	3,000	3,000	5,333	2,333
<b>Investment Income</b>	101,500	101,500	155,432	53,932
<b>Contributions</b>				
Memorials	5,000	5,000	7,096	2,096
<b>Grants</b>				
Grants	1,000	1,000		(1,000)
Library Per Capita Grant	7,700	7,700	13,708	6,008
	8,700	8,700	13,708	5,008
<b>Other Revenue</b>				
Rental Income	1,000	1,000	1,836	836
Sale of Books	500	500	973	473
	1,500	1,500	2,809	1,309
<b>Total Revenues</b>	<b>785,841</b>	<b>785,841</b>	<b>744,463</b>	<b>(41,378)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Library</b>				
Salaries - Employees	350,000	332,950	277,247	(55,703)
Group Health Insurance	55,000	55,000	44,681	(10,319)
Group Life Insurance	2,000	2,000	889	(1,111)
Dental and Vision Assistance	6,000	6,000	3,376	(2,624)

(Cont.)

See accompanying Notes to the Financial Statements.

**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, 2007

	Original/Final Budget	Original/Final Budget	Actual	Various from Budget Over (Under)
Expenditures (Cont.)				
Current (Cont.)				
Library (Cont.)				
Bonding	2,000	2,000	1,875	(125)
Attorney	2,000	2,000		(2,000)
Contract Services	3,000	3,000	2,251	(749)
Maintenance - Bldg/Janitorial	5,000	6,500	5,653	(847)
Maintenance - Office Equipment	3,000	4,500	2,470	(2,030)
Maintenance - Photocopier	1,000	1,000	946	(54)
Electricity	9,500	9,500	547	(8,953)
Telephone	1,700	2,700	2,640	(60)
Subscriptions	4,000	4,000	3,581	(419)
Training and Conferences	1,500	1,500	60	(1,440)
Public Relations	1,000	1,000	978	(22)
Employee Recognition	2,000	2,100	1,616	(484)
Contingencies	22,031	22,031	14,182	(7,849)
Library Supplies	8,000	9,200	6,355	(2,845)
Custodial Supplies	10,000	13,000	14,314	1,314
Office Supplies	6,000	7,500	5,732	(1,768)
Postage and Shipping	1,000	1,000	964	(36)
Publishing and Advertising	1,000	1,000	333	(667)
Mileage	1,000	1,000	512	(488)
Videos	5,000	5,000	4,831	(169)
Alarm Monitoring	1,000	1,000	489	(511)
Library Programming	12,000	12,000	5,541	(6,459)
Library Board Expenses	1,000	1,000	666	(334)
Books - Adult	10,000	10,000	9,731	(269)
Books - Juvenile	10,000	10,000	11,020	1,020
Books - Audio	10,000	10,000	6,630	(3,370)
Books - Reference	10,000	16,000	10,019	(5,981)
Books - Development Fee	95,000	95,000	28,300	(66,700)
Memorials/Gifts	5,000	5,000	7,147	2,147
Bldg-Development Fees	95,000	95,000	20,218	(74,782)
Grants	1,000	1,000		(1,000)
IMRF Participants	9,000	9,250	10,451	1,201
Social Security/Medicare	26,250	26,250	21,209	(5,041)
Automation	164,700	164,700	32,794	(131,906)
Total Current Expenditures	952,681	951,681	560,248	(391,433)

(Cont.)

See accompanying Notes to the Financial Statements.

**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, 2007

	Original/Final Budget	Original/Final Budget	Actual	Various from Budget Over (Under)
Expenditures (Cont.)				
Capital Outlay				
Building Expansion	7,363,881	6,992,139	6,208,691	(783,448)
Debt Service				
Interest			454,035	454,035
Costs of Issuance			14,150	14,150
Total Debt Service	-	-	468,185	468,185
Total Expenditures	8,316,562	7,943,820	7,237,124	(706,696)
Excess (Deficiency) of Revenues over Expenditures	(7,530,721)	(7,157,979)	(6,492,661)	665,318
Other Financing Sources (Uses)				
Transfers In	35,250	35,250	35,430	180
Proceeds from Bond Issued	1,500,000	1,500,000	1,500,000	
Total Other Financing Sources	1,535,250	1,535,250	1,535,430	180
Net Change in Fund Balance	(5,995,471)	(5,622,729)	(4,957,231)	665,498
Fund Balance at Beginning of Year	5,666,879	5,666,879	5,666,879	
Fund Balance at End of Year	\$ (328,592)	44,150	709,648	665,498

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Assets

Proprietary Funds

April 30, 2007

	Business-Type Activities - Enterprise Funds				Total
	Sanitary Improvement and Expansion Fund	Sewer Maintenance Fund	Water Improvement and Expansion Fund	Water Operating Fund	
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents	\$ 739,564		1,096,973		1,836,537
Receivables					
Accounts, Net of Allowance		115,635		285,561	401,196
Interfund Receivables	4,966,862	2,381,593	286,280	1,618,990	9,253,725
Assets Held for Others		11,091,000			11,091,000
Deferred Charges		189,971		983,280	1,173,251
Other Assets				35,000	35,000
<b>Total Current Assets</b>	<b>5,706,426</b>	<b>13,778,199</b>	<b>1,383,253</b>	<b>2,922,831</b>	<b>23,790,709</b>
<b>Noncurrent Assets</b>					
Capital Assets not being Depreciated		3,078,750		2,552,148	5,630,898
Capital Assets being Depreciated, Net		8,295,014		22,689,734	30,984,748
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>11,373,764</b>	<b>-</b>	<b>25,241,882</b>	<b>36,615,646</b>
<b>Total Assets</b>	<b>5,706,426</b>	<b>25,151,963</b>	<b>1,383,253</b>	<b>28,164,713</b>	<b>60,406,355</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	29,145	13,938	187,571	87,124	317,778
Accrued Payroll		5,284		15,286	20,570
Interest Payable		234,441	11,713	140,717	386,871
Interfund Payable	289,758	4,315,950	1,246,959	1,311,986	7,164,653
<b>Current Portion of Long-Term Debt</b>					
Bonds Payable		135,000		105,000	240,000
Debt Certificates Payable		225,000		40,000	265,000
Loans Payable		109,565	56,880		166,445
Compensated Absences		9,612		26,577	36,189
<b>Total Current Liabilities</b>	<b>318,903</b>	<b>5,048,790</b>	<b>1,503,123</b>	<b>1,726,690</b>	<b>8,597,506</b>
<b>Noncurrent Liabilities</b>					
Bonds Payable		14,420,000		4,880,000	19,300,000
Debt Certificates Payable		2,895,000		7,263,461	10,158,461
Loans Payable		1,233,719	1,352,505		2,586,224
Compensated Absences				9,217	9,217
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>18,548,719</b>	<b>1,352,505</b>	<b>12,152,678</b>	<b>32,053,902</b>
<b>Total Liabilities</b>	<b>318,903</b>	<b>23,597,509</b>	<b>2,855,628</b>	<b>13,879,368</b>	<b>40,651,408</b>
<b>Net Assets</b>					
Invested in Capital Assets - Net of Related Debt		3,446,480	(1,352,505)	12,953,421	15,047,396
Restricted for Capital Purposes	4,726,669				4,726,669
Restricted for Debt Service	660,854				660,854
Unrestricted		(1,892,026)	(119,870)	1,331,924	(679,972)
<b>Total Net Assets</b>	<b>5,387,523</b>	<b>1,554,454</b>	<b>(1,472,375)</b>	<b>14,285,345</b>	<b>19,754,947</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,706,426</b>	<b>25,151,963</b>	<b>1,383,253</b>	<b>28,164,713</b>	<b>60,406,355</b>

See accompanying Notes to the Financial Statements.

UNITED CITY OF YORKVILLE, ILLINOIS

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

Proprietary Funds

For the Year Ended April 30, 2007

	Business-Type Activities - Enterprise Funds				Total
	Sanitary Improvement and Expansion Fund	Sewer Maintenance Fund	Water Improvement and Expansion Fund	Water Operating Fund	
Operating Revenues					
Charges for Services	\$ 1,704,471	738,281	1,319,640	1,777,925	5,540,317
Licenses, Permits and Fees	1,034,954				1,034,954
Total Operating Revenues	2,739,425	738,281	1,319,640	1,777,925	6,575,271
Operating Expenses					
Cost of Sales	11,100	294,204	704,881	1,057,859	2,068,044
Administration				85,676	85,676
Depreciation		120,007		525,897	645,904
Total Operating Expenses	11,100	414,211	704,881	1,669,432	2,799,624
Operating Income	2,728,325	324,070	614,759	108,493	3,775,647
Nonoperating Revenues (Expenses)					
Other Revenue				492	492
Recapture Fees		76,626		76,626	153,252
Investment Income	158,809	74,824	44,232	74,789	352,654
Amortization Expense		(51,448)		(116,073)	(167,521)
Interest Expense		(765,896)	(11,713)	(473,575)	(1,251,184)
Total Nonoperating Revenues (Expenses)	158,809	(665,894)	32,519	(437,741)	(912,307)
Income (Loss) before Transfers and Contributions	2,887,134	(341,824)	647,278	(329,248)	2,863,340
Transfers and Contributions					
Contributions - Capital Assets		918,479		1,166,523	2,085,002
Transfers In	150,000	921,651	220,000	1,980,385	3,272,036
Transfers Out	(964,600)	(1,549,737)	(2,287,436)	(1,225,000)	(6,026,773)
Total Transfers and Contributions	(814,600)	290,393	(2,067,436)	1,921,908	(669,735)
Change in Net Assets	2,072,534	(51,431)	(1,420,158)	1,592,660	2,193,605
Net Assets at Beginning of Year, As Restated	3,314,989	1,605,885	(52,217)	12,692,685	17,561,342
Net Assets at End of Year	\$ 5,387,523	1,554,454	(1,472,375)	14,285,345	19,754,947

See accompanying Notes to the Financial Statements.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Statement of Cash Flows

Proprietary Funds

For the Year Ended April 30, 2007

	Business-Type Activities - Enterprise Funds				Total
	Sanitary Improvement and Expansion Fund	Sewer Maintenance Fund	Water Improvement and Expansion Fund	Water Operating Fund	
<b>Cash Flows from Operating Activities</b>					
Cash Received From Customers	\$ 2,739,425	721,639	1,319,640	1,735,215	6,515,919
Cash Payments For Goods And Services	(2,769,617)	(174,541)	(1,938,080)	(758,027)	(5,640,265)
Cash Payments To Employees		(125,158)		(338,340)	(463,498)
Net Cash Provided (Used) by Operating Activities	(30,192)	421,940	(618,440)	638,848	412,156
<b>Cash Flows from Noncapital Financing Activities</b>					
Interfund Borrowing	(4,677,104)	2,242,791	960,679	(26,486)	(1,500,120)
Transfers In	150,000	921,651	220,000	1,980,385	3,272,036
Transfers Out	(964,600)	(100,000)	(2,287,436)	(1,225,000)	(4,577,036)
Other Revenues		76,626		77,118	153,744
Net Cash Provided (Used) by Non-Capital Financing Activities	(5,491,704)	3,141,068	(1,106,757)	806,017	(2,651,376)
<b>Cash Flows from Capital and Related Financing Activities</b>					
Purchases of Capital Assets		(3,061,202)		(2,661,851)	(5,723,053)
Net Cash in Refundings				(1,111,542)	(1,111,542)
Proceeds from Capital Debt			1,409,385	2,128,867	3,538,252
Principal Paid on Capital Debt		(451,453)		(60,000)	(511,453)
Interest Paid on Capital Debt		(782,551)		(415,625)	(1,198,176)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(4,295,206)	1,409,385	(2,120,151)	(5,005,972)
<b>Cash Flows from Investing Activities</b>					
Investment Income	158,809	74,824	44,232	74,789	352,654
<b>Net Decrease in Cash and Cash Equivalents</b>	(5,363,087)	(657,374)	(271,580)	(600,497)	(7,304,694)
<b>Cash and Cash Equivalents at Beginning of Year</b>	6,102,651	657,374	1,368,553	600,497	8,729,075
<b>Cash and Cash Equivalents at End of Year</b>	\$ 739,564	-	1,096,973	-	1,424,381

See accompanying Notes to the Financial Statements.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Statement of Cash Flows (Cont.)

Proprietary Funds

For the Year Ended April 30, 2007

	Business-Type Activities - Enterprise Funds				Total
	Sanitary Improvement and Expansion Fund	Sewer Maintenance Fund	Water Improvement and Expansion Fund	Water Operating Fund	
<b>Reconciliation of Operating Income to Net Cash</b>					
<b>Provided (Used) by Operating Activities</b>					
Operating Income	\$ 2,728,325	324,070	614,759	108,493	3,775,647
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation		120,007		525,897	645,904
Changes in Assets and Liabilities:					
Accounts Receivable		(16,642)		(7,710)	(24,352)
Other Assets				(35,000)	(35,000)
Accounts Payable	(2,758,517)	(14,474)	(1,233,199)	31,586	(3,974,604)
Accruals and Other Liabilities		8,979		15,582	24,561
Net Cash Provided (Used) by Operating Activities	\$ (30,192)	421,940	(618,440)	638,848	412,156
<b>Non-cash Transaction</b>					
Developer Contributions of Systems	\$	918,479		1,166,523	2,085,002
<b>Long-Term Debt transferred from Governmental Activities</b>	\$	1,449,737			1,449,737

See accompanying Notes to the Financial Statements.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Statement of Fiduciary Net Assets

Trust and Agency Funds

April 30, 2007

	<u>Pension Trust Fund</u>	<u>Agency Fund</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 146,231	393,835
Investments	1,992,100	
Receivables		
Interest Receivable	18,541	
Accounts Receivable		419,564
	<hr/>	<hr/>
Total Assets	2,156,872	813,399
<b>Liabilities</b>		
Due to Other Governments		813,399
		<hr/>
<b>Net Assets</b>		
Held for Employees' Pension Benefits	<u>\$ 2,156,872</u>	<u>-</u>

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, 2007

Additions

Contributions

Employer	\$ 248,988
Plan Members	206,099
Total Contributions	<u>455,087</u>

Investment Income

Net Appreciation in Fair Value of Investments	54,502
Dividend Income	4,259
Interest Income	71,367
Less Investment Expense	(9,104)
Net Investment Income	<u>121,024</u>

Total Additions 576,111

Deductions

Legal Expenses	1,086
Administrative Expenses	1,200
Total Deductions	<u>2,286</u>

Change in Net Assets 573,825

Net Assets - Beginning of Year 1,583,047

Net Assets - End of Year \$ 2,156,872

See accompanying Notes to the Financial Statements.

# UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2007

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## 1. Summary of Significant Accounting Policies

The United City of Yorkville (City) is an Illinois unit of local government. The financial statements includes all functions, programs and activities under control of the City Council. The City's major operations include public safety, highways and streets, sanitation, health, culture and recreation, public improvements and general administrative services. 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*, 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 the appointment 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 Board is appointed by the City's Mayor and the appointment 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 requires such a fund for municipalities with populations in excess of 5,000. Credits which were 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, 2007

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

#### C. Measurement Focus and Basis of Accounting

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

# UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2007

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## 1. Summary of Significant Accounting Policies (Cont.)

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

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

For purpose of the statement of cash flows, the 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.

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

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

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. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Nonexchange transactions, in which the 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.

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

## UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2007

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### 1. Summary of Significant Accounting Policies (Cont.)

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

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 noncapital financing activities and investing activities.

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.

Differences occur from the manner in which the governmental activities and 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.

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 library. The board of the City of Yorkville Public Library is appointed by the City's Mayor and the appointment is 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.

#### Proprietary Funds

The 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 proprietary funds:

**Sanitary Improvement & Expansion Fund** - This fund accounts for the construction of new sewer systems and improvement of the existing sewer systems. Revenues are generated through charges to users based on sewer consumption.

**Sewer Maintenance Fund** - This fund accounts for the operation and maintenance of the City's owned sewer distribution system. Revenues are generated through charges to users based on sewer consumption.

# UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2007

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## 1. Summary of Significant Accounting Policies (Cont.)

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

**Water Improvement & Expansion Fund** – This fund accounts for the construction of new water systems and improvement of the existing water systems. Revenues are generated through charges to users based on water consumption.

**Water Fund** – This fund accounts for the construction, operation, and maintenance of the City's owned water distribution system. Revenues are generated through charges to users based on water consumption.

#### Fiduciary Funds

Trust and Agency Funds are used to account for assets held by the Government in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

These include pension trust and agency funds. Pension trust funds account for the activities of the City's public safety employees' retirement system, which accumulates resources for pension benefit payments to qualified public safety employees. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Village reports nine Special Revenue funds.

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

**Capital Projects Fund** – The Capital Projects Fund is used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations.

# UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2007

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## 1. Summary of Significant Accounting Policies (Cont.)

### 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 depreciation expense in proprietary funds. Annual budgets are adopted for the General, Library, Motor Fuel Tax, Land Cash, Sewer Maintenance, Land Acquisition, Debt Service, Parks and Recreation Equipment Capital, Public Works Equipment Capital, Police Equipment Capital, Parks and Recreation, Municipal Building, Fox Industrial, Countryside TIF, Sanitary Improvement Expansion, Water Improvement Expansion and Water Operating. 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.
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.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2007

1. Summary of Significant Accounting Policies (Cont.)

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 assets 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 live:

	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 investments in Illinois Funds is the same as the value of the pool shares. State statute requires the State Treasurers Illinois Funds 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.

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.

## UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2007

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### 1. Summary of Significant Accounting Policies (Cont.)

#### I. Property Tax Revenue Recognition

Property taxes attach as an enforceable lien on January 1. They are levied in September (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and on or about August 1 the following year. They are payable in two installments on or about March 1 and on or about September 1 the following year. The County collects such taxes and remits them periodically. Property tax revenues are recognized when they become both measurable and available. Proprietary and pension trust fund property tax revenues are recorded on the full accrual method of accounting. Property tax revenue recorded during the current fiscal year represents receipts of the 2005 tax levy. The entire 2006 property tax levy has been reflected as deferred revenue even though a portion of the levy was collected prior to April 30, as it is the City's policy to recognize this revenue as available for the 2007-08 fiscal year.

#### J. 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 non-current 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.

#### K. 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.

#### L. Long-Term Debt

In the government-wide financial statements and in the proprietary funds in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities 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.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2007

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1. Summary of Significant Accounting Policies (Cont.)

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

N. 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 will own and maintain 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, 2007, the balance of this project was \$11,091,000 reported in the Sewer Maintenance Fund. In connection with this project, the City issued a general obligation alternate revenue source bond, series 2005D, in fiscal year 2006 for \$11,300,000. See footnote 6 for more information on this long term debt issue.

2. Legal Compliance and Accountability

The following funds report deficit fund equity:

	<u>Deficit</u>
Nonmajor Special Revenue Fund	
Land Cash	\$ (251,283)
Capital Projects Fund	
Municipal Building	(276,107)
Debt Service	(100,567)
Water Improvement & Expansion	(1,472,375)

The following funds report an excess of expenditures over budget:

	<u>Excess</u>
Nonmajor Special Revenue Funds	
Land Cash	\$ 63,248
Parks and Recreation	1,383

## UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2007

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### 3. Deposits and Investments

#### A. Cash

The carrying amount of cash, excluding the Pension Trust Fund, was \$14,105,351 at April 30, 2007, while the bank balances were \$14,296,113. The account balances at the banks were insured either by the Federal Deposit Insurance Corporation (FDIC) for \$100,000 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, 2007, the Pension Trust Fund's carrying amount of cash was \$96,792 and the bank balances was \$96,792. The entire balance was covered under FDIC insurance as of April 30, 2007.

#### B. Certificates of Deposit

Certificates of Deposit, excluding the Pension Trust Fund, amounted to \$52,005 at April 30, 2007. In accordance with the City's policy, certificates of deposit were collateralized with securities of the U.S. Government in an amount equal to 110% of the funds on deposit. All investment collateral is held in safekeeping in the City's name by financial institutions acting as the City's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

#### C. 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. Except for amounts disclosed above, as of April 30, 2007, the City did not have any funds in investments.

*Interest Rate Risk.* The City's policy states that a variety of financial instruments and maturities, properly balanced, will help to ensure 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.

## UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2007

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### 3. Deposits and Investments (Cont.)

#### C. Investments (excluding Pension Trust Fund) (Cont.)

*Custodial Credit Risk.* For an investment, 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 ensure 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.

#### D. 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) Insurance 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 and (9) federal national mortgage association (FNMA) and student loan marketing association (SLMA).

The Pension Trust Fund's primary objective in dealing with investments is safety, liquidity, and return on investments. Safety is 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.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements  
 April 30, 2007

3. Deposits and Investments (Cont.)

D. Police Pension Investments (Cont.)

The following schedule reports the fair values and maturities for Pension Trust Fund's investments at April 30, 2007:

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	6 to 10 Years
<b>Fixed Income Securities</b>				
U.S. Treasuries	\$ 657,865	114,126	331,833	
Federal Home Loan Mortgages	440,145		257,699	182,447
Federal National Mortgage	454,328		265,436	109,748
Federal National Mortgage Association	220,642			
<b>Total Fixed Income Securities</b>	<b>1,772,980</b>	<b>114,126</b>	<b>854,968</b>	<b>292,195</b>
<b>Equities</b>	<b>219,120</b>			
<b>Total Investments</b>	<b>\$ 1,992,100</b>			

*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 help limits 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, 2007, the Pension Trust Fund had over 5% of net plan assets invested in various agency securities and equities as listed below. Although agency investments represent a large portion of the portfolio, the investments are diversified by maturity dates and as mentioned below are backed by the issuing organization.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2007

3. Deposits and Investments (Cont.)

D. Police Pension Investments (Cont.)

The following investments exceeded 5% of Pension Fund investments:

Description	Amount	Investments
<b>Fixed Income Securities</b>		
U.S. Treasury Note	\$ 108,619	5.42%
U.S. Treasury Note	103,289	5.19%
Federal Home Loan Mortgage	112,882	5.67%
Federal National Mortgage	109,748	5.51%
Federal National Mortgage Association	100,851	5.06%
<b>Equities</b>		
Selected American Shares	107,618	5.42%

Reconciliation of Note to Financial Statements

*Per Financial Statement Notes:*

<b>City's Cash and Investments</b>	
Total Carrying Amount of the City's Deposits From Above	\$ 14,105,351
Total Carrying Amount of the City's Certificate of Deposits From Above	52,005
Total Carrying Amount of the City's Cash on Hand	535
<b>Police Pension Cash and Investments</b>	
Total Carrying Amount of the Pension's Deposits From Above	96,792
Total Carrying Amount of the Pension's MMF's From Above	49,439
Total Carrying Amount of the Pension's Investments From Above	<u>1,992,100</u>
<b>Total Cash and Investments From Above</b>	<u><u>\$ 16,296,222</u></u>

*Per Financial Statements:*

Statement of Net Assets - Cash and Cash Equivalents	\$ 13,764,056
Statement of Fiduciary Net Assets - Cash and Cash Equivalents	
Pension Trust Fund	146,231
Agency Fund	393,835
Statement of Fiduciary Net Assets - Investments	
Pension Trust Fund	<u>1,992,100</u>
<b>Total Cash and Investments Per Financial Statements</b>	<u><u>\$ 16,296,222</u></u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

4. Receivables

The following is a summary of other taxes, due from other governments, accounts, notes, and other receivables by fund type at April 30, 2007.

**Governmental Activities:**

	General	Special Revenue	Total Statement of Net Assets
<b>Intergovernmental Receivable</b>			
Personal Property Tax	\$ 4,130		4,130
Illinois Income Tax	334,545		334,545
Illinois Local Use Tax	32,833		32,833
Illinois Sales Tax	633,716		633,716
Utility Tax	259,659		259,659
Traffic Fines	14,005		14,005
Illinois Motor Fuel Tax		27,768	27,768
<b>Total Intergovernmental Receivable</b>	<b>\$ 1,278,888</b>	<b>27,768</b>	<b>1,306,656</b>
<b>Accounts Receivable</b>			
Customer Accounts Receivable	\$ 44,737		44,737
Other Accounts Receivable	1,165,358		1,165,358
<b>Total Accounts Receivable</b>	<b>\$ 1,210,095</b>	<b>-</b>	<b>1,210,095</b>

**Business-Type Activities:**

	<u>Enterprise</u>
<b>Accounts Receivable</b>	
Customer Accounts Receivable	<u>\$ 401,196</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

5. Capital Assets

**Governmental Activities**

	Restated Balance, May 1 2006	Additions	Deletions	Adjustments	Balances April 30, 2007
<b>Capital Assets Not Being Depreciated</b>					
Land	\$ 28,745,564	60,046			28,805,610
Construction in Progress	3,376,466	5,946,600			9,323,066
	<u>32,122,030</u>	<u>6,006,646</u>	<u>-</u>	<u>-</u>	<u>38,128,676</u>
<b>Capital Assets Being Depreciated</b>					
Buildings	4,688,221	443,184			5,131,405
Equipment	3,516,461	1,590,469	(535,000)	(666,775)	3,905,155
Vehicles	1,554,788	526,112		399,775	2,480,675
Infrastructure	21,579,693	2,425,268			24,004,961
	<u>31,339,163</u>	<u>4,985,033</u>	<u>(535,000)</u>	<u>(267,000)</u>	<u>35,522,196</u>
<b>Less Accumulated Depreciation For</b>					
Buildings	1,007,902	98,339			1,106,241
Equipment	1,199,678	268,910	(64,700)	(151,744)	1,252,144
Vehicles	971,235	353,273		113,044	1,437,552
Infrastructure	6,947,201	651,209			7,598,410
	<u>10,126,016</u>	<u>1,371,731</u>	<u>(64,700)</u>	<u>(38,700)</u>	<u>11,394,347</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>21,213,147</u>	<u>3,613,302</u>	<u>(470,300)</u>	<u>(228,300)</u>	<u>24,127,849</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 53,335,177</u>	<u>9,619,948</u>	<u>(470,300)</u>	<u>(228,300)</u>	<u>62,256,525</u>

Depreciation expense of \$1,371,731 was charged to the governmental activities functional expense categories as follows:

<u>Governmental Activities</u>	<u>Depreciation</u>
General Government	\$ 82,727
Public Safety	97,418
Public Works	921,404
Library	7,400
Parks and Recreation	262,782
	<u>\$ 1,371,731</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

5. Capital Assets

**Business-Type Activities**

	Restated Balance, May 1 2006	Additions	Deletions	Adjustments	Balances April 30, 2007
<b>Capital Assets Not Being Depreciated</b>					
Land	\$ 615,376				615,376
Construction in Progress	8,394,628	1,852,180		(5,231,286)	5,015,522
	<u>9,010,004</u>	<u>1,852,180</u>	<u>-</u>	<u>(5,231,286)</u>	<u>5,630,898</u>
<b>Capital Assets Being Depreciated</b>					
Equipment	15,826,105			2,683,563	18,509,668
Infrastructure	11,434,751	2,085,002		2,814,723	16,334,476
	<u>27,260,856</u>	<u>2,085,002</u>	<u>-</u>	<u>5,498,286</u>	<u>34,844,144</u>
<b>Less Accumulated Depreciation For</b>					
Equipment	2,195,898	377,932		46,033	2,619,863
Infrastructure	978,894	267,972		(7,333)	1,239,533
	<u>3,174,792</u>	<u>645,904</u>	<u>-</u>	<u>38,700</u>	<u>3,859,396</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>24,086,064</u>	<u>1,439,098</u>	<u>-</u>	<u>5,459,586</u>	<u>30,984,748</u>
<b>Business Type Activities Capital Assets, Net</b>	<u>\$ 33,096,068</u>	<u>3,291,278</u>	<u>-</u>	<u>228,300</u>	<u>36,615,646</u>

Depreciation expense of \$525,897 and \$120,007 was charged to the Water and Sewer functional expense categories, respectively.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

6. Changes in Long-Term Debt

Debt service payments are paid from the Debt Service Fund for governmental activities and from the Water Operating and Sewer Maintenance 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, 2007:

**Governmental Activities**

	Obligations Outstanding April 30, 2006	Additions	Reductions	Obligations Outstanding April 30, 2007	Due Within One Year
<b>General Obligation Alternate Revenue</b>					
<b>Source Bonds</b>					
Series of 2002	\$ 465,000		60,000	405,000	60,000
Series of 2005	3,525,000			3,525,000	
Series of 2005A	3,825,000		30,000	3,795,000	160,000
Series of 2005B	7,250,000			7,250,000	
Series of 2006		1,500,000		1,500,000	
<b>Total General Obligation Alternate Revenue Source Bonds</b>	<b>15,065,000</b>	<b>1,500,000</b>	<b>90,000</b>	<b>16,475,000</b>	<b>220,000</b>
<b>Debt Certificates</b>					
Series of 2002A Refunding	1,135,000		975,000	160,000	50,000
Series of 2004C	600,000		65,000	535,000	75,000
<b>Total Debt Certificates</b>	<b>1,735,000</b>	<b>-</b>	<b>1,040,000</b>	<b>695,000</b>	<b>125,000</b>
<b>Other Debt</b>					
Conover Sewer Recapture	1,890			1,890	
Compensated Absences	297,433	250,227	125,056	422,604	233,431
<b>Total Other Debt</b>	<b>299,323</b>	<b>250,227</b>	<b>125,056</b>	<b>424,494</b>	<b>233,431</b>
<b>\$</b>	<b>17,099,323</b>	<b>1,750,227</b>	<b>1,255,056</b>	<b>17,594,494</b>	<b>578,431</b>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

**6. Changes in Long-Term Debt (Cont.)**

**Business-Type Activities**

	Obligations Outstanding April 30, 2006	Additions	Deletions	Obligations Outstanding April 30, 2007	Due Within One Year
<b>General Obligation Alternate Revenue</b>					
<b>Source Bonds</b>					
Series of 2004B	\$ 3,380,000		125,000	3,255,000	135,000
Series of 2005C	2,000,000		35,000	1,965,000	75,000
Series of 2005D	11,300,000			11,300,000	
Series of 2007A Refunding		3,020,000		3,020,000	30,000
Total General Obligation Alternate Revenue Source Bonds	16,680,000	3,020,000	160,000	19,540,000	240,000
<b>Debt Certificates</b>					
Series of 2002 Capital Appreciation*	3,394,594	117,325	2,563,458	948,461	35,000
Series of 2003 - IRBB	1,875,000		80,000	1,795,000	80,000
Series of 2003	4,800,000		4,000,000	800,000	
Series of 2004A	1,465,000		140,000	1,325,000	145,000
Series of 2006A Refunding		5,555,000		5,555,000	5,000
Total Debt Certificates	11,534,594	5,672,325	6,783,458	10,423,461	265,000
<b>Loans Payable</b>					
IEPA Loan L17-013000	239,477		30,680	208,797	31,787
IEPA Loan L17-115300	1,210,260		75,775	1,134,485	77,778
IEPA Loan L17-156300		1,409,385		1,409,385	56,880
Total Loans Payable	1,449,737	1,409,385	106,455	2,752,667	166,445
<b>Other Debt</b>					
Compensated Absences	21,861	37,790	14,245	45,406	36,189
	29,686,192	10,139,500	7,064,158	32,761,534	707,634

\*Note: \$92,235 of the additions for this bond represents the accretion of interest.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

6. Changes in Long-Term Debt (Cont.)

Reconciliation to Statement of Net Assets:

	Governmental Activities	Business-Type Activities	Total
Long-term Obligations Due Within One Year			
Bonds Payable	\$ 220,000	240,000	460,000
Loans Payable		166,445	166,445
Debt Certificates Payable	125,000	265,000	390,000
Compensated Absences	233,431	36,189	269,620
Long-term Obligations Due in More than One Year			
Bonds Payable	16,255,000	19,300,000	35,555,000
Loans Payable	1,890	2,586,224	2,588,114
Debt Certificates Payable	570,000	10,158,461	10,728,461
Compensated Absences	189,173	9,217	198,390
<b>Total Debt</b>	<b>\$ 17,594,494</b>	<b>32,761,536</b>	<b>50,356,030</b>

*Governmental Activities:*

**General Obligation 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 Fox Industrial (Special Revenue) Fund.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 60,000	18,015	78,015
2009	65,000	15,556	80,556
2010	65,000	12,793	77,793
2011	70,000	9,933	79,933
2012	70,000	6,783	76,783
2013	75,000	3,563	78,563
	<b>\$ 405,000</b>	<b>66,641</b>	<b>471,641</b>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements (Cont.)  
 April 30, 2007

6. Changes in Long-Term Debt (Cont.)

*Governmental Activities (Cont.):*

**General Obligation Alternate Revenue Source Bonds (Cont.)**

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 Countryside TIF (Special Revenue) Fund.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$	142,868	142,868
2009		142,868	142,868
2010	165,000	142,868	307,868
2011	170,000	137,093	307,093
2012	175,000	131,143	306,143
2013-2017	970,000	550,373	1,520,373
2018-2022	1,185,000	337,833	1,522,833
2023-2025	860,000	75,348	935,348
	<u>\$ 3,525,000</u>	<u>1,660,393</u>	<u>5,185,393</u>

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
2008	\$ 160,000	156,779	316,779
2009	170,000	150,379	320,379
2010	175,000	143,579	318,579
2011	185,000	136,579	321,579
2012	195,000	129,179	324,179
2013-2017	1,130,000	520,894	1,650,894
2018-2022	1,445,000	266,241	1,711,241
2023	335,000	14,657	349,657
	<u>\$ 3,795,000</u>	<u>1,518,287</u>	<u>5,313,287</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

**6. Changes in Long-Term Debt (Cont.)**

*Governmental Activities (Cont.):*

**General Obligation Alternate Revenue Source Bonds (Cont.)**

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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$	321,125	321,125
2009	25,000	321,225	346,225
2010	25,000	320,125	345,125
2011	75,000	319,125	394,125
2012	175,000	316,125	491,125
2013-2017	1,920,000	1,409,625	3,329,625
2018-2022	2,855,000	927,931	3,782,931
2023-2025	2,175,000	209,950	2,384,950
	<u>\$ 7,250,000</u>	<u>4,145,231</u>	<u>11,395,231</u>

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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$	100,810	100,810
2009	50,000	71,300	121,300
2010	150,000	68,925	218,925
2011	150,000	61,800	211,800
2012	175,000	54,675	229,675
2013-2017	400,000	181,938	581,938
2018-2022	300,000	111,875	411,875
2023-2025	275,000	27,463	302,463
	<u>\$ 1,500,000</u>	<u>678,785</u>	<u>2,178,785</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements (Cont.)  
April 30, 2007

6. Changes in Long-Term Debt (Cont.)

*Governmental Activities (Cont.):*

**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 bear an interest rate of 4.0% and mature in January, 2010.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 50,000	6,400	56,400
2009	55,000	4,400	59,400
2010	55,000	2,200	57,200
	<u>\$ 160,000</u>	<u>13,000</u>	<u>173,000</u>

Series of 2004C

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

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 75,000	22,820	97,820
2009	85,000	19,745	104,745
2010	90,000	16,515	106,515
2011	95,000	12,825	107,825
2012	95,000	8,740	103,740
2013	95,000	4,465	99,465
	<u>\$ 535,000</u>	<u>85,110</u>	<u>620,110</u>

**Loans Payable**

Conover Sewer Recapture

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

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

6. Changes in Long-Term Debt (Cont.)

*Business-Type Activities:*

**General Obligation Alternate Revenue Source Bonds**

Series of 2004B (Alternate Revenue Service)

\$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 30, 2018.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 135,000	114,513	249,513
2009	140,000	111,138	251,138
2010	145,000	107,288	252,288
2011	155,000	103,300	258,300
2012	160,000	98,650	258,650
2013-2017	1,630,000	379,375	2,009,375
2018-2019	890,000	53,800	943,800
	<u>\$ 3,255,000</u>	<u>968,064</u>	<u>4,223,064</u>

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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 75,000	88,925	163,925
2009	80,000	86,300	166,300
2010	80,000	83,500	163,500
2011	85,000	80,700	165,700
2012	90,000	77,725	167,725
2013-2017	500,000	334,875	834,875
2018-2022	615,000	220,525	835,525
2023-2025	440,000	48,950	488,950
	<u>\$ 1,965,000</u>	<u>1,021,500</u>	<u>2,986,500</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
April 30, 2007

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6. Changes in Long-Term Debt (Cont.)

*Business-Type Activities (Cont.):*

**General Obligation Alternate Revenue Source Bonds (Cont.)**

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, 2007, no such taxes have been extended by the City.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$	468,950	468,950
2009		468,950	468,950
2010	1,000,000	468,950	1,468,950
2011	1,000,000	427,450	1,427,450
2012	1,600,000	385,950	1,985,950
2013-2016	7,700,000	954,500	8,654,500
	<u>\$ 11,300,000</u>	<u>3,174,750</u>	<u>14,474,750</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
April 30, 2007

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6. Changes in Long-Term Debt (Cont.)

*Business-Type Activities (Cont.):*

**General Obligation 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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 30,000	104,871	134,871
2009	10,000	125,066	135,066
2010	10,000	124,666	134,666
2011	10,000	124,266	134,266
2012	10,000	123,866	133,866
2013-2017	70,000	611,873	681,873
2018-2022	2,130,000	510,825	2,640,825
2023	750,000	30,000	780,000
	<u>\$ 3,020,000</u>	<u>1,755,433</u>	<u>4,775,433</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

6. Changes in 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 as of April 30, 2007 totaling \$948,461 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 \$1,105,000.

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
2008	\$ 39,651	35,000
2009	39,013	60,000
2010	34,787	145,000
2011	27,200	215,000
2012	15,888	285,000
2013		365,000
	<u>\$ 156,539</u>	<u>1,105,000</u>
Accreted Value at April 30, 2007		<u>\$ 948,461</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
April 30, 2007

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**6. Changes in Long-Term Debt (Cont.)**

*Business-Type Activities (Cont.):*

**Debt Certificates (Cont.)**

**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 1, 2023.

Debt service to maturity is as follows:

<u>Year Ended April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 80,000	81,795	161,795
2009	85,000	79,475	164,475
2010	85,000	76,713	161,713
2011	90,000	73,653	163,653
2012	95,000	70,143	165,143
2013-2017	530,000	286,568	816,568
2018-2022	675,000	146,753	821,753
2023	155,000	7,920	162,920
	<u>\$ 1,795,000</u>	<u>823,020</u>	<u>2,618,020</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

**6. Changes in 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 are being 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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$	33,150	33,150
2009		33,150	33,150
2010		33,150	33,150
2011		33,150	33,150
2012		33,150	33,150
2013-2017	400,000	142,550	542,550
2018-2019	400,000	30,350	430,350
	<u>\$ 800,000</u>	<u>338,650</u>	<u>1,138,650</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 30, 2014. The Series 2004A Debt Certificates are being issued to provide funds to extend sanitary sewer services.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 145,000	38,948	183,948
2009	150,000	35,975	185,975
2010	155,000	32,525	187,525
2011	160,000	28,573	188,573
2012	170,000	24,093	194,093
2013-2015	545,000	38,627	583,627
	<u>\$ 1,325,000</u>	<u>198,741</u>	<u>1,523,741</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)

April 30, 2007

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6. Changes in 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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 5,000	233,324	238,324
2009	10,000	226,206	236,206
2010	10,000	225,806	235,806
2011	70,000	225,406	295,406
2012	70,000	222,606	292,606
2013-2017	2,075,000	942,631	3,017,631
2018-2022	3,060,000	441,531	3,501,531
2023	255,000	10,518	265,518
	<u>\$ 5,555,000</u>	<u>2,528,030</u>	<u>8,083,030</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)

April 30, 2007

6. Changes in Long-Term Debt (Cont.)

*Business-Type Activities (Cont.):*

**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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 31,787	7,193	38,980
2009	32,935	6,045	38,980
2010	34,125	4,855	38,980
2011	35,357	3,623	38,980
2012	36,635	2,345	38,980
2013	37,958	1,023	38,981
	<u>\$ 208,796</u>	<u>25,085</u>	<u>233,881</u>

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.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 77,778	29,273	107,051
2009	79,833	27,218	107,051
2010	81,942	25,109	107,051
2011	84,107	22,944	107,051
2012	86,329	20,721	107,050
2013-2017	467,092	68,162	535,254
2018-2020	257,404	10,223	267,627
	<u>\$ 1,134,485</u>	<u>203,650</u>	<u>1,338,135</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
April 30, 2007

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**6. Changes in Long-Term Debt (Cont.)**

*Business-Type Activities (Cont.):*

**Loans Payable (Cont.)**

**IEPA Loan L17-156300**

\$1,409,386 payable to the Illinois Environmental Protection Agency for sewer construction assistance at 2.50% interest, maturing in August of 2026.

Debt service to maturity is as follows:

Year Ended April 30	Principal	Interest	Total
2008	\$ 56,880	43,618	100,498
2009	58,311	33,450	91,761
2010	59,778	31,983	91,761
2011	61,281	30,480	91,761
2012	62,823	28,938	91,761
2013-2017	338,632	120,175	458,807
2018-2022	383,423	75,384	458,807
2023-2027	388,258	22,668	410,926
	<u>\$ 1,409,386</u>	<u>386,696</u>	<u>1,796,082</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

**7. Transfers**

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

	Transfers In	Transfers Out
<b>General</b>		
Library		35,430
Nonmajor Governmental;	\$ 16,000	1,605,015
Water Improvement & Expansion	200,000	220,000
Sanitary Improvement & Expansion	150,000	150,000
Water	1,175,000	
Sewer Maintenance	70,000	
Total General	<u>1,611,000</u>	<u>2,010,445</u>
<b>Library</b>		
General	<u>35,430</u>	
<b>Nonmajor Governmental</b>		
General	1,605,015	
Library		16,000
Nonmajor Governmental	270,990	270,990
Water	50,000	
Sewer Maintenance	30,000	
Total Nonmajor Governmental	<u>1,956,005</u>	<u>286,990</u>
<b>Water Improvement &amp; Expansion</b>		
General	220,000	200,000
Water		1,980,385
Sewer Maintenance		107,051
Total Water Improvement & Expansion	<u>220,000</u>	<u>2,287,436</u>
<b>Sanitary Improvement &amp; Expansion</b>		
General	150,000	150,000
Nonmajor Governmental		640,041
Sewer Maintenance		174,559
Total Sanitary Improvement & Expansion	<u>150,000</u>	<u>964,600</u>
<b>Water</b>		
General		1,175,000
Nonmajor Governmental		50,000
Water Improvement & Expansion	1,980,385	
Total Water	<u>1,980,385</u>	<u>1,225,000</u>
<b>Sewer Maintenance</b>		
General		1,519,737
Nonmajor Governmental		30,000
Water Improvement & Expansion	107,051	
Sanitary Improvement & Expansion	814,600	
Total Sewer Maintenance	<u>921,651</u>	<u>1,549,737</u>
<b>Total</b>	<u>\$ 6,874,471</u>	<u>8,324,208</u>

## UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements (Cont.)  
April 30, 2007

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### 7. Transfers (Cont.)

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

Purpose of significant transfers is as follows:

- \$1,015,107 transferred from General Fund to Parks & Recreation Fund to supplement Parks & Recreation.
- \$640,041 transferred from Sanitary Improvement & Expansion Fund to Sewer Maintenance Fund to cover debt service payments.
- \$346,070 transferred from Water Improvement & Expansion Fund to Water Fund to cover debt service payments.
- \$1,634,315 transferred from Water Improvement & Expansion Fund to Water Fund for capital asset purchases.
- \$1,175,000 transferred from Water Fund to General Fund related to refunded debt transactions and other purposes.
- Within the fund financial statements, the transfer of certain long-term debt issues, totaling \$1,449,737, were made from the Sewer Maintenance Fund to governmental activities. As the transfer does not represent current financial resources, there is no offsetting transfer reportable in governmental funds. The net results of the transfer are reflected in the Statement of Activities.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements (Cont.)  
 April 30, 2007

8. Interfund Receivables and Payables

Interfund receivables and payables as of April 30, 2007 are summarized below:

	Due From Other Funds	Due to Other Funds
General		
Library	\$ 160,562	
Nonmajor Governmental	944,235	1,143,359
Water Operating	382,952	1,542,364
Water Improvement & Expansion	1,136,179	286,280
Sewer Maintenance	122,358	1,447,362
Sanitary Improvement & Expansion	129,748	780,770
Total General	<u>2,876,034</u>	<u>5,200,135</u>
Library		
General		<u>160,562</u>
Nonmajor Governmental		
General	1,143,359	944,235
Nonmajor Governmental	39,224	39,224
Water Improvement & Expansion	110,780	
Sanitary Improvement & Expansion	160,010	
Water Operating	84,730	76,626
Sewer Maintenance	7,500	89,927
Total Nonmajor Governmental	<u>1,545,603</u>	<u>1,150,012</u>
Water Operating		
General	1,542,364	382,952
Nonmajor Governmental	76,626	84,730
Sewer Maintenance		844,304
Total Water Operations	<u>1,618,990</u>	<u>1,311,986</u>
Water Improvement & Expansion		
General	286,280	1,136,179
Nonmajor Governmental		110,780
Total Water Improvement & Expansion	<u>286,280</u>	<u>1,246,959</u>
Sewer Maintenance		
General	1,447,362	122,358
Nonmajor Governmental	89,927	7,500
Water Operating	844,304	
Sanitary Improvement and Expansion		4,186,092
Total Sewer Maintenance	<u>2,381,593</u>	<u>4,315,950</u>
Sanitary Improvement and Expansion		
General	780,770	129,748
Nonmajor Governmental		160,010
Sewer Maintenance	4,186,092	
Total Sanitary Improvement and Expansion	<u>4,966,862</u>	<u>289,758</u>
Total	<u>\$ 13,675,362</u>	<u>13,675,362</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

8. Interfund Receivables and Payables (Cont.)

Purpose of significant interfund receivables and payables are as follows:

- \$160,562 due from the Library Fund to the General Fund for repayment of bond interest paid on behalf of the Library. Repayment is expected within one year.
- \$944,235 due from Nonmajor Governmental, \$1,136,179 due from Water Improvement & Expansion to the General Fund and \$1,542,364 due to Water Operations and \$1,447,362 due to Sewer Maintenance Fund from the General Fund for interfund borrowings. Repayment is expected within one year.
- \$799,236 due from Water Operations Fund to the Sewer Maintenance Fund for capital assets transferred to the Water Operations Fund. Repayment is expected within one year.
- \$4,186,092 due from the Sewer Maintenance Fund to the Sanitary Improvement & Expansion Fund for capital asset purchases during the year. Repayment is expected within one year.

9. Fund Equity

The following adjustments and corrections were recorded in beginning fund balances/net assets:

<b>Governmental Activities</b>	
Net Asset Balance as Previously Reported	\$ 53,031,560
Correction of Error in the Prior Year Recording of Capital Assets, Net of Accumulated Depreciation Taken in Prior Years	<u>(2,222,954)</u>
Adjusted Beginning Net Assets	<u>\$ 50,808,606</u>
<b>Business-Type Activities</b>	
Net Asset Balance as Previously Reported	\$ 17,982,088
Correction of Error in the Prior Year Recording of Capital Assets, Net of Accumulated Depreciation Taken in Prior Years	<u>(420,746)</u>
Adjusted Beginning Net Assets	<u>\$ 17,561,342</u>
<b>Water Operating Fund</b>	
Net Asset Balance as Previously Reported	\$ 12,903,938
Correction of Error in the Prior Year Recording of Capital Assets, Net of Accumulated Depreciation Taken in Prior Years	<u>(211,253)</u>
Adjusted Beginning Fund Balance	<u>\$ 12,692,685</u>
<b>Sewer Maintenance Fund</b>	
Net Asset Balance as Previously Reported	\$ 1,815,378
Correction of Error in the Prior Year Recording of Capital Assets, Net of Accumulated Depreciation Taken in Prior Years	<u>(209,493)</u>
Adjusted Beginning Net Assets	<u>\$ 1,605,885</u>

# UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements (Cont.)  
April 30, 2007

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## 10. Defined Pension Benefit Plans

### A. Illinois Municipal Retirement Fund:

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.

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The member rate is established by state statute. The City is required to contribute at an actuarially determined rate. The employer rate for calendar year 2006 was 7.90% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis (overfunded liability amortized on open basis). The remaining amortization period at December 31, 2006 was 26 years.

For December 31, 2006, the City's annual pension cost of \$202,667 was equal to City's required and actual contributions. The required contribution was determined as part of the December 31, 2004 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 11.6% 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. The assumptions used for the 2006 actuarial valuation were based on the 2002 - 2004 Experience Study.

### TREND INFORMATION

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2006	\$ 202,667	100%	0
12/31/2005	175,120	100%	0
12/31/2004	174,635	100%	0
12/31/2003	131,995	100%	0
12/31/2002	66,662	100%	0
12/31/2001	105,124	100%	0

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
April 30, 2007

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10. Defined Pension Benefit Plans (Cont.)

B. Police Pension

During fiscal year 2002, the City and members of the police force began making contributions to the newly formed Police Pension Fund. The following is a description of the plan:

*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, 2006, the Police Pension Fund membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	<u>0</u>
Current Employees	
Vested	11
Nonvested	<u>13</u>
Total	<u>24</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% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

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

*Summary of Significant Accounting Policies and Plan Asset Matters*

Basis of Accounting – The financial statements are prepared using the cash 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.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

**10. Defined Pension Benefit Plans (Cont.)**

**B. Police Pension (Cont.)**

*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.

**C. Annual Pension Costs**

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	December 31, 2006	April 30, 2006
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	26 Years, Closed	30 Years, Closed
<b>Significant Actuarial Assumptions:</b>		
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% - 11.60%	Not Available

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
 April 30, 2007

10. Defined Pension Benefit Plans (Cont.)

C. Annual Pension Costs (Cont.)

The NPO (asset) 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) (asset) are as follows:

	Calendar Year	Illinois Illinois Municipal Retirement	Fiscal Year	Police Pension
Annual Pension Cost (APC)	2004	\$ 174,635	2004	N/A
	2005	175,120	2005	N/A
	2006	202,667	2006	231,960
Actual Contribution	2004	174,635	2004	183,411
	2005	175,120	2005	206,231
	2006	202,667	2006	231,124
Percentage of APC Contributed	2004	100%	2004	N/A
	2005	100%	2005	N/A
	2006	100%	2006	99.6%
Net Pension Obligation	2004		2004	N/A
	2005		2005	N/A
	2006		2006	836

N/A – The police pension fund was formed during fiscal year 2002; no actuarial valuation was performed for fiscal years 2004 and 2005.

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

	<u>Police Pension</u>
Annual Required Contributions	\$ 231,960
Interest on Net Pension Obligation	
Adjustment to Annual Required Contribution	
	<hr/>
Annual Pension Cost	231,960
Contributions Made	<u>231,124</u>
	<hr/>
Increase (Decrease) in Net Pension Obligation (Asset)	836
Net Pension Obligation (Asset), Beginning of Year	
	<hr/>
Net Pension Obligation (Asset), End of Year	<u>\$ 836</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

Notes to the Financial Statements (Cont.)  
April 30, 2007

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**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, 2007.

**REQUIRED SUPPLEMENTARY INFORMATION**

**UNITED CITY OF YORKVILLE, ILLINOIS**

Required Supplementary Information

Illinois Municipal Retirement Fund

April 30, 2007

**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
12/31/2006	\$ 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)
12/31/2003	2,915,820	2,694,940	(220,880)	108.20	1,425,431	(15.50)
12/31/2002	2,634,906	2,415,010	(219,896)	109.11	1,194,657	(18.41)
12/31/2001	3,530,307	3,819,354	289,047	92.43	1,757,922	16.44

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$3,879,496. On a market basis, the funded ratio would be 117.91%.

**Schedule of Employer Contributions**

Actuarial Valuation Date	Employer Contributions	Annual Required Contributions	Percent Contributed
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
12/31/2003	131,995	131,995	100.0
12/31/2002	66,662	66,662	100.0
12/31/2001	105,124	105,124	100.0

**Digest of Changes - Assumptions**

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 Experience Study. The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For regular members, fewer normal and early retirements are expected to occur.

**UNITED CITY OF YORKVILLE, ILLINOIS**

Required Supplementary Information

Police Pension Fund

April 30, 2007

**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
4/30/2006	\$ 1,583,047	5,031,506	3,448,459	31.46 %	1,296,753	265.9 %
4/30/2005	NA	NA	NA	NA	NA	NA
4/30/2004	NA	NA	NA	NA	NA	NA
4/30/2003	517,894	3,418,034	2,900,140	15.15	789,173	367.5
4/30/2002	NA	NA	NA	NA	NA	NA
4/30/2001	NA	NA	NA	NA	NA	NA

NA - The pension fund was formed during fiscal year 2002; no actuarial valuation was performed for fiscal years 2004 and 2005.

**Schedule of Employer Contributions**

Actuarial Valuation Date	Employer Contributions	Annual Required Contributions	Percent Contributed
4/30/2006	\$ 206,351	N/A	N/A %
4/30/2005	231,124	231,960	99.6
4/30/2004			N/A
4/30/2003	117,713	175,120	148.8

**GOVERNMENTAL FUND TYPES**

**GENERAL FUND**

**UNITED CITY OF YORKVILLE, ILLINOIS**

Schedule of Revenues - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>Property Taxes</b>				
Property Taxes	\$ 1,589,133	1,589,133	1,337,599	(251,534)
Township Road and Bridge Taxes	105,000	105,000	99,155	(5,845)
<b>Total Property Taxes</b>	<b>1,694,133</b>	<b>1,694,133</b>	<b>1,436,754</b>	<b>(257,379)</b>
<b>Intergovernmental</b>				
Sales Tax	2,845,000	2,845,000	2,676,261	(168,739)
Income Tax	885,000	885,000	1,040,678	155,678
Municipal Utility Tax	375,000	375,000	463,480	88,480
<b>Other Taxes</b>				
Personal Property Replacement Taxes	10,000	10,000	20,233	10,233
NICOR Franchise Taxes	250,000	250,000	232,616	(17,384)
Cable TV Franchise Taxes	90,000	90,000	138,527	48,527
Telephone Franchise Taxes	425,000	425,000	448,351	23,351
Hotel Tax	20,000	20,000	19,728	(272)
State Use Tax	137,000	137,000	145,026	8,026
<b>Total Intergovernmental</b>	<b>5,037,000</b>	<b>5,037,000</b>	<b>5,184,900</b>	<b>147,900</b>
<b>Licenses, Permits and Fees</b>				
Development Fees - Public Works	1,475,000	1,475,000	1,153,125	(321,875)
Road Contribution Fee	1,500,000	1,500,000	850,661	(649,339)
Liquor Licenses	26,000	26,000	15,691	(10,309)
Other Licenses	4,500	4,500	1,518	(2,982)
Building Permits	1,550,000	1,550,000	1,278,672	(271,328)
Filing Fees	25,000	25,000	9,860	(15,140)
Garbage Surcharge	227,648	227,648	248,024	20,376
Collection Fees - YBSD	35,000	35,000	32,916	(2,084)
Engineering Capital Fee	52,000	52,000	38,900	(13,100)
Ordinance Fees	2,500	2,500	2,925	425
Traffic Signal Revenue	5,000	5,000		(5,000)
<b>Total Licenses, Permits and Fees</b>	<b>4,902,648</b>	<b>4,902,648</b>	<b>3,632,292</b>	<b>(1,270,356)</b>
<b>Fines</b>	<b>75,000</b>	<b>75,000</b>	<b>88,841</b>	<b>13,841</b>
<b>Investment Income</b>	<b>75,000</b>	<b>75,000</b>	<b>153,890</b>	<b>78,890</b>
<b>Grants</b>				
COPS Grant - Vests	2,500	2,500	5,280	2,780
Other Grants	30,000	30,000	222,540	192,540
Police State Tobacco Grant	1,250	1,250	1,540	290
<b>Total Grants</b>	<b>33,750</b>	<b>33,750</b>	<b>229,360</b>	<b>195,610</b>

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Revenues - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
Other Revenue				
Reimbursements - Police Training	11,805	11,805		(11,805)
Donations	12,390	12,390	4,220	(8,170)
Reimbursements - Police Protection	3,000	3,000	3,308	308
Miscellaneous Income	10,000	10,000	291,836	281,836
Total Other Revenue	37,195	37,195	299,364	262,169
Total Revenues	\$11,854,726	11,854,726	11,025,401	(829,325)

**UNITED CITY OF YORKVILLE, ILLINOIS**

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>General Government</b>				
<b>Finance and Administration</b>				
Salaries - Mayor	\$ 7,500	7,500	7,394	(106)
Salaries - City Clerk	3,600	3,600	4,500	900
Salaries - City Treasurer	3,600	3,600	3,705	105
Salaries - Alderman	29,080	29,080	30,970	1,890
Salaries - Liquor Commissioner	1,000	1,000	1,281	281
Salaries - City Attorney	11,502	11,502	11,503	1
Salaries - Administrative	626,215	693,715	715,063	21,348
Salaries - Part Time	50,000	35,000	28,909	(6,091)
Salaries - Overtime	1,500	3,600	3,691	91
Merit Pay	104,400	36,900	17,188	(19,712)
Benefits - Unemploy. Comp. Tax	12,000	19,255	20,308	1,053
Benefits - Health Insurance	852,458	852,458	753,400	(99,058)
Benefits - Group Life Insurance	23,668	23,668	22,126	(1,542)
Benefits - Dental/Vision Asst	74,049	74,049	75,193	1,144
Legal Services	55,000	150,000	188,534	38,534
Audit Fees and Expenses	2,675	48,675	49,083	408
Accounting Assistance	5,000	3,000	2,785	(215)
Employee Assistance	4,500	4,500	3,068	(1,432)
Codification	5,000	5,000	1,822	(3,178)
Building Inspections	1,115,000	1,115,000	990,782	(124,218)
Insurance - Liability and Property	130,000	169,720	137,233	(32,487)
Contractual Services	40,000	38,000	114,563	76,563
Special Census			(19)	(19)
Cable Consortium Fee	30,000	30,000	39,923	9,923
Office Cleaning	7,500	7,500	7,737	237
Maintenance - Office Equipment	500	500	129	(371)
Maintenance - Computers	2,000	2,000	1,364	(636)
Maintenance - Photocopiers	19,392	22,000	22,530	530
Wearing Apparel	1,140	28	28	
Facade Program	30,000			
Telephone	15,000	15,000	18,758	3,758
Acctg System Service Fee	8,500	9,652	9,652	
Cellular Telephone	2,300	2,300	2,654	354
Telephone Systems Maintenance	11,000	5,000	3,648	(1,352)
Dues	5,000	5,000	5,197	197
Illinois Municipal League Dues	781	900	900	
Subscriptions	900	500	733	233
Training and Conferences	13,000	18,508	19,441	933

(Cont.)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>General Government (Cont.)</b>				
<b>Finance and Administration (Cont.)</b>				
Travel Expenses	17,000	3,000	2,931	(69)
Promotional/Marketing	9,577	577	2,941	2,364
Public Relations	18,000	16,000	8,570	(7,430)
Sponsorships	1,500	1,500	620	(880)
Contingencies	595,000	580,179	334,355	(245,824)
Office Supplies	15,000	15,000	15,616	616
Operating Supplies	10,000	12,450	14,435	1,985
Postage and Shipping	12,500	17,500	16,257	(1,243)
Printing and Copying	11,000	15,180	20,525	5,345
Publishing and Advertising	5,000	5,000	3,866	(1,134)
Marketing - Hotel Tax	20,000	20,000	19,332	(668)
IMRF Participants	49,471	54,471	55,136	665
Social Security and Medicare	56,151	51,151	62,202	11,051
Computer Equipment and Software	30,000	28,000	28,114	114
Office Equipment	5,000	3,000	2,876	(124)
City Tax Rebate	500	2,000	57	(1,943)
NICOR Gas	30,000	24,144	25,881	1,737
Sales Tax Rebate	450,000	500,000	600,253	100,253
<b>Total Finance and Administration</b>	<b>4,640,459</b>	<b>4,796,862</b>	<b>4,529,743</b>	<b>(267,119)</b>
<b>City Hall and Grounds</b>				
Salaries - Employees	313,306	265,000	271,075	6,075
Salaries - Overtime	1,000	1,000	800	(200)
Contractual Services	50,000	53,000	94,026	41,026
GIS System	5,000	5,000	294	(4,706)
Fees	2,000	2,000	1,000	(1,000)
Maintenance - Vehicles	2,000	2,000	1,482	(518)
Maintenance - Office Equip	1,000	1,000	164	(836)
Maintenance - Computers	3,000	3,000	487	(2,513)
Wearing Apparel	1,400	1,400	269	(1,131)
Cellular Telephone	3,360	3,360	2,537	(823)
Dues	400	400	339	(61)
Training and Conferences	6,000	3,000	552	(2,448)
Travel Expense	1,000	1,000	496	(504)
Tuition Reimbursement	1,245	1,245		(1,245)
Books and Publications	200	200		(200)
Engineering Supplies	3,000	3,000	2,205	(795)
Office Supplies	2,500	2,500	1,563	(937)

**UNITED CITY OF YORKVILLE, ILLINOIS**

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>General Government (Cont.)</b>				
<b>City Hall and Grounds (Cont.)</b>				
Printing and Copying	2,000	2,000	1,853	(147)
Engineering Capital	52,000	52,000	39,691	(12,309)
IMRF Participants	24,830	24,830	21,193	(3,637)
Social Security and Medicare	24,044	24,044	20,403	(3,641)
Computer Equipment and Software	7,900	7,900	9,224	1,324
Office Equipment	3,000	3,000	892	(2,108)
Total Village Hall and Grounds	510,185	461,879	470,545	8,666
Total General Government	5,150,644	5,258,741	5,000,288	(258,453)
<b>Public Safety</b>				
<b>Police Department</b>				
Salaries - Employees	822,230	822,230	859,924	37,694
Salaries - Lieutenant/Sergeant	612,203	612,203	606,857	(5,346)
Salaries - Cops	106,226	106,226	116,455	10,229
Salaries - Crossing Guard	19,500	19,500	18,824	(676)
Salaries - Police Clerks	122,418	122,418	128,326	5,908
Salaries - Part Time	35,000	35,000	21,895	(13,105)
Salaries - Overtime	65,000	65,000	47,584	(17,416)
Cadet Program	22,000	22,000	18,324	(3,676)
Legal Services	20,000	29,000	33,874	4,874
Maintenance - Equipment	8,400	8,814	8,600	(214)
Maintenance - Vehicles	28,000	32,000	35,405	3,405
Maintenance - Office Equipment	2,625	2,625	2,625	
Maintenance - Computers	6,000	6,118	6,000	(118)
Weather Warning Siren Maintenance	6,000	6,000	6,520	520
Wearing Apparel	30,000	30,000	29,656	(344)
Cops Grant Iv - Vests	3,000	3,000	3,471	471
Clasy Grant	1,000	1,000	1,000	
Psychological Testing	1,750	3,250	3,250	
Health Services	5,000	7,500	7,527	27
Telephone	20,000	16,000	17,245	1,245
Cellular Telephone	14,500	14,500	14,524	24
Mtd-Alerts Fee	8,450	7,918	5,038	(2,880)
Dues	2,500	2,500	2,500	
Subscriptions	350	350	346	(4)
Training and Conference	19,950	19,950	16,532	(3,418)
Travel Expenses	10,500	10,500	8,735	(1,765)

(Cont.)

**UNITED CITY OF YORKVILLE, ILLINOIS**

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>Public Safety (Cont.)</b>				
<b>Police Department (Cont.)</b>				
Community Relations	7,800	11,800	11,685	(115)
Police Commission	21,000	10,000	8,333	(1,667)
Tuition Reimbursement	14,000	14,000	13,328	(672)
Police Recruit Academy	10,500	10,500	19,340	8,840
Gun Range Fees	700	700	400	(300)
SRT Fee	3,500	3,500	3,490	(10)
Office Supplies	6,825	7,803	7,751	(52)
Operating Supplies	16,800	19,800	20,027	227
Postage and Shipping	3,500	3,500	3,635	135
Printing and Copying	4,725	5,725	5,484	(241)
Publishing and Advertising	1,500	522	521	(1)
Gasoline	63,000	63,000	60,618	(2,382)
Ammunition	5,500	5,500	5,439	(61)
IMRF Participants	9,671	9,671	10,344	673
Social Security and Medicare	137,591	137,591	139,421	1,830
Police Pension	250,000	250,000	248,988	(1,012)
Computer Equipment and Software	9,500	9,500	8,716	(784)
Bike Patrol	2,500	1,500	1,192	(308)
<b>Total Police Department</b>	<b>2,561,214</b>	<b>2,570,214</b>	<b>2,589,749</b>	<b>19,535</b>
<b>Total Public Safety</b>	<b>2,561,214</b>	<b>2,570,214</b>	<b>2,589,749</b>	<b>19,535</b>
<b>Public Works</b>				
<b>Building and Zoning</b>				
Employee Salaries	218,000	115,000	121,163	6,163
Legal Services	20,000	40,000	28,805	(11,195)
Contractual Services	80,000	45,000	55,415	10,415
Planning Consultant	70,000	38,000	37,958	(42)
Economic Development	45,000	45,000	45,000	
Cellular Telephone	1,000	1,500	1,059	(441)
Dues	1,000	2,000	1,753	(247)
Training and Conferences	6,000	5,000	5,175	175
Travel Expense	3,000	2,000	2,479	479
Operating Supplies	5,000	10,500	5,761	(4,739)
Printing and Copying	2,500	2,500	521	(1,979)
Publishing and Advertising	8,000	4,000	3,040	(960)
Books and Maps	4,000	4,000	2,469	(1,531)
IMRF Participants	17,222	17,222	9,345	(7,877)

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>Public Works (Cont.)</b>				
<b>Building and Zoning (Cont.)</b>				
Social Security and Medicare	16,677	16,677	9,221	(7,456)
Computer Equipment and Software	25,000	50,000	47,630	(2,370)
Office Equipment	3,000	18,000	1,314	(16,686)
<b>Total Building and Zoning</b>	<b>525,399</b>	<b>416,399</b>	<b>378,108</b>	<b>(38,291)</b>
<b>Streets and Alleys</b>				
Salaries - Employee	225,437	215,000	222,007	7,007
Salaries - Part Time	8,500	5,000	3,096	(1,904)
Salaries - Overtime	20,000	20,000	12,637	(7,363)
Engineering	261,802	261,802		(261,802)
Inspections and Licenses	400	400	509	109
Contractual Services	2,000	3,000	2,659	(341)
Maintenance - Equipment	8,000	6,500	5,803	(697)
Maintenance - Vehicles	9,000	15,000	17,030	2,030
Maintenance - Traffic Signals	18,000	18,000	22,645	4,645
Maintenance - Street Lights	25,000	25,000	15,824	(9,176)
Maintenance - Storm Sewer	10,000	8,000	2,231	(5,769)
Wearing Apparel	6,000	6,000	4,401	(1,599)
Raymond Storm Sewer Outflow			8,141	8,141
Rental - Equipment	2,000	2,000	1,271	(729)
Electricity	60,000	60,000	77,684	17,684
Cellular Telephone	3,300	3,300	3,197	(103)
Street Lighting	6,000	6,000	200	(5,800)
Training and Conferences	5,000	2,000	947	(1,053)
Operating Supplies	30,000	25,000	18,166	(6,834)
Gasoline	27,500	35,850	36,368	518
Hand Tools	2,500	1,000	187	(813)
Gravel	6,500	5,000	2,149	(2,851)
IMRF Participants	19,390	19,390	18,313	(1,077)
Social Security and Medicare	19,426	19,426	18,200	(1,226)
Hanging Baskets		2,442	2,442	
Mosquito Control	27,000	28,414	28,414	
Safety Equipment	1,000	2,000	1,793	(207)
Bristol Ridge Road	1,600,000	1,600,000	385,659	(1,214,341)
Street Rehab Projects	75,000	75,000	52,755	(22,245)
In Town Road Program	1,588,198	1,588,198	451,122	(1,137,076)
Tree and Stump Removal	25,000	17,000	9,623	(7,377)
Sidewalk Construction	25,000	25,000	(316)	(25,316)

(Cont.)

**UNITED CITY OF YORKVILLE, ILLINOIS**

Schedule of Expenditures - Budget and Actual

General Fund

For the Year Ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
<b>Public Works (Cont.)</b>				
<b>Streets and Alleys (Cont.)</b>				
Fox Hill SSA Expenses	18,000	18,000	8,625	(9,375)
Road Contribution Fund Projects	30,000	38,000	37,936	(64)
Road Contribution Fund - Reserve	1,500,000	1,500,000		(1,500,000)
<b>Total Streets and Alleys</b>	<b>5,664,953</b>	<b>5,656,722</b>	<b>1,471,718</b>	<b>(4,185,004)</b>
<b>Health and Sanitation</b>				
Garbage Services	676,163	676,163	747,186	71,023
Leaf Pickup	5,000	5,235	5,235	
<b>Total Health and Sanitation</b>	<b>681,163</b>	<b>681,398</b>	<b>752,421</b>	<b>71,023</b>
<b>Total Public Works</b>	<b>6,871,515</b>	<b>6,754,519</b>	<b>2,602,247</b>	<b>(4,152,272)</b>
<b>Total Expenditures</b>	<b>\$14,583,373</b>	<b>14,583,474</b>	<b>10,192,284</b>	<b>(4,391,190)</b>

**NONMAJOR GOVERNMENTAL FUNDS –  
COMBINING STATEMENTS**

**UNITED CITY OF YORKVILLE, ILLINOIS**

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2007

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(See Following Page)

**UNITED CITY OF YORKVILLE, ILLINOIS**

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2007

	Special Revenue				
	Motor Fuel Tax Fund	Police Equipment Capital Fund	Public Works Equipment Capital Fund	Parks and Recreation Equipment Capital Fund	Land Cash Fund
<b>ASSETS</b>					
<b>Assets</b>					
Cash and Equivalents	\$ 470,497			106,203	
Receivables:					
Intergovernmental Receivables	27,768				
Interfund Receivables		258,839	647,094		12,652
Other Assets					
<b>Total Assets</b>	<b>\$ 498,265</b>	<b>258,839</b>	<b>647,094</b>	<b>106,203</b>	<b>12,652</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 18,971	17,132	126,750		44,716
Accrued Payroll					
Deferred Revenue					
Interfund Payables		12,333			219,219
<b>Total Liabilities</b>	<b>18,971</b>	<b>29,465</b>	<b>126,750</b>	<b>-</b>	<b>263,935</b>
<b>Fund Balances - Unreserved</b>					
Reserved for Capital Purposes		229,374	520,344	106,203	
Unreserved					
Special Revenue Funds	479,294				(251,283)
Debt Service Fund					
Capital Projects Fund					
<b>Total Fund Balances</b>	<b>479,294</b>	<b>229,374</b>	<b>520,344</b>	<b>106,203</b>	<b>(251,283)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 498,265</b>	<b>258,839</b>	<b>647,094</b>	<b>106,203</b>	<b>12,652</b>

Special Revenue							
Land Acquisition Fund	Parks & Recreation Fund	Fox Industrial Fund	Countryside TIF Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Capital Projects Municipal Building Fund	Total Nonmajor Governmental Funds
	81,652	109,736	2,919,950	3,688,038			3,688,038
63,618	56,624 3,565			27,768 1,038,827 3,565	446,760	60,016	27,768 1,545,603 3,565
63,618	141,841	109,736	2,919,950	4,758,198	446,760	60,016	5,264,974
	17,270 39,416 30,015			224,839 39,416 30,015		1,616	226,455 39,416 30,015
13,618		22,183	825	268,178	547,327	334,507	1,150,012
13,618	86,701	22,183	825	562,448	547,327	336,123	1,445,898
50,000		87,553	2,919,125	3,912,599			3,912,599
	55,140			283,151	(100,567)		283,151 (100,567) (276,107)
50,000	55,140	87,553	2,919,125	4,195,750	(100,567)	(276,107)	3,819,076
63,618	141,841	109,736	2,919,950	4,758,198	446,760	60,016	5,264,974

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Nonmajor Governmental Funds

For the Year Ended April 30, 2007

	Special Revenue				
	Motor Fuel Tax Fund	Police Equipment Capital Fund	Public Works Equipment Capital Fund	Parks and Recreation Equipment Capital Fund	Land Cash Fund
<b>Revenues</b>					
Property Taxes					
Motor Fuel Tax	\$ 291,666				
Licenses, Permits and Fees		140,850	344,750	17,350	300,540
Investment Income	24,062				
Contributions		14,169			
Grants					
Other Revenue	11,806	9,308			
<b>Total Revenues</b>	<b>327,534</b>	<b>164,327</b>	<b>344,750</b>	<b>17,350</b>	<b>300,540</b>
<b>Expenditures</b>					
Current					
Culture and Recreation					490,015
Community Development					
<b>Total Current Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>490,015</b>
Capital Outlays	353,466	182,913	490,361	72,601	
Debt Service					
Principal					
Interest and Fees					
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>353,466</b>	<b>182,913</b>	<b>490,361</b>	<b>72,601</b>	<b>490,015</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(25,932)</b>	<b>(18,586)</b>	<b>(145,611)</b>	<b>(55,251)</b>	<b>(189,475)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers In		82,402	80,000	150,000	154,949
Transfers Out					(16,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>82,402</b>	<b>80,000</b>	<b>150,000</b>	<b>138,949</b>
<b>Net Change in Fund Balances</b>	<b>(25,932)</b>	<b>63,816</b>	<b>(65,611)</b>	<b>94,749</b>	<b>(50,526)</b>
<b>Fund Balance at Beginning of Year</b>	<b>505,226</b>	<b>165,558</b>	<b>585,955</b>	<b>11,454</b>	<b>(200,757)</b>
<b>Fund Balance at End of Year</b>	<b>\$ 479,294</b>	<b>229,374</b>	<b>520,344</b>	<b>106,203</b>	<b>(251,283)</b>

Special Revenue							
Land Acquisition Fund	Parks & Recreation Fund	Fox Industrial Fund	Countryside TIF Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Capital Projects Municipal Building Fund	Total Nonmajor Governmental Funds
		130,078		130,078			130,078
				291,666			291,666
	260,258			1,063,748		91,450	1,155,198
	11,647	5,375	98,340	139,424			139,424
	12,301			26,470			26,470
	2,000			2,000			2,000
	115,053			136,167			136,167
-	401,259	135,453	98,340	1,789,553	-	91,450	1,881,003
	1,433,569			1,923,584			1,923,584
		284	19	303			303
-	1,433,569	284	19	1,923,887	-	-	1,923,887
			500,000	1,599,341		135,263	1,734,604
		60,000		60,000	145,000		205,000
		20,415	142,868	163,283	341,355		504,638
-	-	80,415	142,868	223,283	486,355	-	709,638
-	1,433,569	80,699	642,887	3,746,511	486,355	135,263	4,368,129
-	(1,032,310)	54,754	(544,547)	(1,956,958)	(486,355)	(43,813)	(2,487,126)
(163,618)	1,015,107 (4,949)			1,482,458 (184,567)	395,282	78,265 (102,423)	1,956,005 (286,990)
(163,618)	1,010,158	-	-	1,297,891	395,282	(24,158)	1,669,015
(163,618)	(22,152)	54,754	(544,547)	(659,067)	(91,073)	(67,971)	(818,111)
213,618	77,292	32,799	3,463,672	4,854,817	(9,494)	(208,136)	4,637,187
50,000	55,140	87,553	2,919,125	4,195,750	(100,567)	(276,107)	3,819,076

**SPECIAL REVENUE FUNDS**

**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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Motor Fuel Tax	\$ 318,601	291,666	(26,935)
Investment Income	12,000	24,062	12,062
Other Revenue		11,806	11,806
<b>Total Revenues</b>	<b>330,601</b>	<b>327,534</b>	<b>(3,067)</b>
<b>Expenditures</b>			
Capital Outlay			
Streets and Alleys	635,827	353,466	(282,361)
<b>Net Change in Fund Balance</b>	<b>(305,226)</b>	<b>(25,932)</b>	<b>279,294</b>
<b>Fund Balance at Beginning of Year</b>	<b>505,226</b>	<b>505,226</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 200,000</b>	<b>479,294</b>	<b>279,294</b>

**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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Licenses, Permits and Fees			
Police Development Fees	\$ 188,000	140,850	(47,150)
<b>Contributions</b>			
Donations	1,000	42	(958)
K-9	1,000	2,977	1,977
In-car Video	9,714	11,150	1,436
	<u>11,714</u>	<u>14,169</u>	<u>2,455</u>
<b>Other Revenue</b>			
Miscellaneous Income	20,000	8,358	(11,642)
Total Revenue	<u>219,714</u>	<u>163,377</u>	<u>(56,337)</u>
<b>Expenditures</b>			
<b>Capital Outlay</b>			
<b>Police Equipment</b>			
Lethal/Non-Lethal Weapons	7,000	7,000	
Equipment	36,722	23,265	(13,457)
K-9 Equipment	1,500	1,242	(258)
Car Build Out	49,415	47,136	(2,279)
Weather Warning Sirens	37,000		(37,000)
Vehicles	104,624	104,270	(354)
Reserve Weather Warning Sirens	82,648		(82,648)
New World Software	125,000		(125,000)
Reserve	24,265		(24,265)
Total Expenditures	<u>468,174</u>	<u>182,913</u>	<u>(285,261)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(248,460)</u>	<u>(19,536)</u>	<u>228,924</u>
<b>Other Financing Sources</b>			
Sale of Capital Assets	500	950	450
Transfers In	82,402	82,402	
Total Other Financing Sources	<u>82,902</u>	<u>83,352</u>	<u>450</u>
Net Change in Fund Balance	(165,558)	63,816	229,374
Fund Balance at Beginning of Year	<u>165,558</u>	<u>165,558</u>	
Fund Balance at End of Year	<u>\$ -</u>	<u>229,374</u>	<u>229,374</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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Licenses, Permits and Fees			
Development Fees	\$ 435,000	344,750	(90,250)
<b>Expenditures</b>			
Capital Outlay			
Public Works Equipment			
Vehicles	309,000	286,326	(22,674)
Skidsteer Upgrade	4,500	4,500	
Truck Accessories	14,000	5,185	(8,815)
Salt Dome	192,342	7,442	(184,900)
Equipment	150,000	126,750	(23,250)
Reserve/Future Building	60,158	60,158	
Total Expenditures	730,000	490,361	(239,639)
Excess (Deficiency) of Revenues over Expenditures	(295,000)	(145,611)	149,389
<b>Other Financing Sources</b>			
Sale of Capital Assets	40,000		(40,000)
Transfers In	80,000	80,000	
Total Other Financing Sources	120,000	80,000	40,000
Net Change in Fund Balance	(175,000)	(65,611)	109,389
Fund Balance at Beginning of Year	585,955	585,955	
Fund Balance at End of Year	\$ 410,955	520,344	109,389

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Parks and Recreation Equipment Capital Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Licenses, Permits and Fees	\$ 26,000	17,350	(8,650)
<b>Expenditures</b>			
Capital Outlay			
Park Equipment			
Pick-Up Trucks	75,000	68,722	(6,278)
Computer Workstations	1,500		(1,500)
Mower	15,000	3,879	(11,121)
Recreation Equipment	954		(954)
Other	105,000		(105,000)
Total Expenditures	197,454	72,601	(124,853)
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(171,454)	(55,251)	116,203
<b>Other Financing Sources</b>			
Sale of Capital Assets	10,000		(10,000)
Transfers In	150,000	150,000	
Total Other Financing Sources	160,000	150,000	(10,000)
<b>Net Change in Fund Balance</b>	(11,454)	94,749	106,203
<b>Fund Balance at Beginning of Year</b>	11,454	11,454	
<b>Fund Balance at End of Year</b>	\$ -	106,203	106,203

**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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
<b>Licenses, Permits and Fees</b>			
Greenbriar	\$ 1,071	1,071	
Country Hills	2,307	3,076	769
River's Edge - Land Cash	2,013	2,684	671
White Oak Unit 1 and 2	1,226	1,226	
Foxfield II Park		1,688	1,688
Heartland Circle	22,000	20,000	(2,000)
Raintree Village	133,000	133,400	400
Whispering Meadows	33,833	43,983	10,150
Autumn Creek	7,135	17,844	10,709
Blackberry Woods	158,000	75,568	(82,432)
	<u>360,585</u>	<u>300,540</u>	<u>(60,045)</u>
<b>Grants</b>			
OSLAD Grant	128,000		(128,000)
<b>Total Revenues</b>	<u>488,585</u>	<u>300,540</u>	<u>(188,045)</u>
<b>Expenditures</b>			
<b>Current</b>			
<b>Culture and Recreation</b>			
Riverfront Building Improvement	66,496	66,495	(1)
Sunflower	115,230	33,221	(82,009)
Cannonball Estates/Kylin	65	65	
Mosier Holding Costs	15,686	15,685	(1)
Grande Reserve Park	24,152	40,974	16,822
Prairie Meadows	14,356	22,964	8,608
Whispering Meadows	34,579	49,248	14,669
Raintree Village	29,258	72,539	43,281
Hoover Holding Costs	116,638	178,518	61,880
Park Building	10,307	10,306	(1)
<b>Total Expenditures</b>	<u>426,767</u>	<u>490,015</u>	<u>63,248</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>61,818</u>	<u>(189,475)</u>	<u>(251,293)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	154,949	154,949	
Transfers Out	(16,000)	(16,000)	
<b>Total Other Financing Sources (Uses)</b>	<u>138,949</u>	<u>138,949</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>200,767</u>	<u>(50,526)</u>	<u>(251,293)</u>
<b>Fund Balance at Beginning of Year</b>	<u>(200,757)</u>	<u>(200,757)</u>	
<b>Fund Balance at End of Year</b>	<u>\$ 10</u>	<u>(251,283)</u>	<u>(251,293)</u>

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Land Acquisition Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
Expenditures			
Current			
Contingency	\$ 50,000		(50,000)
Other Financing Uses			
Transfers Out	(163,618)	(163,618)	
Net Change in Fund Balance	(213,618)	(163,618)	50,000
Fund Balance at Beginning of Year	213,618	213,618	
Fund Balance at End of Year	\$ -	50,000	50,000

**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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Licenses, Permits and Fees			
Fees for Programs	\$ 208,500	244,577	36,077
Concessions	15,000	15,681	681
Total Licenses, Permits and Fees	<u>223,500</u>	<u>260,258</u>	<u>36,758</u>
Investment Income	<u>10,000</u>	<u>11,647</u>	<u>1,647</u>
Contributions			
Donations	9,000	10,896	1,896
Tree Donations	600	1,405	805
Total Contributions	<u>9,600</u>	<u>12,301</u>	<u>2,701</u>
Grants			
Youth Services Grant	<u>2,000</u>	<u>2,000</u>	
Other Revenue			
Rental Income	500	1,255	755
Vending Machine Income	250	367	117
Golf Outing Revenue	40,888	40,888	
Hometown Days Revenue	72,523	72,543	20
Total Other Revenue	<u>114,161</u>	<u>115,053</u>	<u>892</u>
Total Revenues	<u>359,261</u>	<u>401,259</u>	<u>41,998</u>
<b>Expenditures</b>			
Current			
Culture and Recreation			
Park Operations			
Salaries - Employees	341,653	332,926	(8,727)
Salaries - Part-Time	48,000	41,155	(6,845)
Salaries - Overtime	6,000	1,416	(4,584)
Park Contractual	18,000	13,468	(4,532)
Maintenance - Equipment	8,000	9,499	1,499
Maintenance - Parks	45,000	46,240	1,240
Wearing Apparel	7,000	6,928	(72)
Rental Equipment	2,500	1,968	(532)
Cellular Telephone	3,800	4,521	721
Legal	4,000	1,125	(2,875)

(Cont.)

**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, 2007

	Original/Final Budget	Actual	Variance from Budget Over (Under)
Expenditures (Cont.)			
Current (Cont.)			
Culture and Recreation (Cont.)			
Park Operations (Cont.)			
Professional Growth/Subscriptions	4,800	1,185	(3,615)
Travel Expenses	3,800	4,337	537
Continuing Education	4,200	3,708	(492)
Office Supplies	1,500	6,338	4,838
Operating Supplies	32,000	35,877	3,877
Gasoline	3,500	1,077	(2,423)
Hand Tools	3,000	3,657	657
Christmas Decorations	7,000	6,629	(371)
Public Decoration	3,000	1,332	(1,668)
IMRF Participants	28,000	26,021	(1,979)
Social Security/Medicare	31,000	28,558	(2,442)
Office Equipment	6,000	1,421	(4,579)
Flowers/Trees	7,000	7,372	372
Total Park Operations	618,753	586,758	(31,995)
Recreation Operations			
Salaries - Employee	384,306	353,326	(30,980)
Salaries - Concession	4,000	3,557	(443)
Salaries - Pre-School	55,000	61,411	6,411
Salaries - Overtime		93	93
Salaries - Instructor Contractual	65,000	73,120	8,120
Salaries - Recording Secretary	2,400	2,465	65
Maintenance Supplies	5,000	5,799	799
Maintenance - Vehicles	1,700	2,282	582
Maintenance - Office Equipment	6,500	7,043	543
Youth Services Grant Expenses	2,000	358	(1,642)
Telephone/Internet	800	1,973	1,173
Cellular Telephone	3,852	4,720	868
Portable Toilets	3,500	2,986	(514)
Publishing/Advertising	25,700	21,605	(4,095)
Books/Publications	750	581	(169)
Beecher Deposit Refund		4,145	4,145
Dues	2,700	2,372	(328)
Professional Growth/Subscriptions		458	458
Training and Conferences	7,500	7,606	106

(Cont.)

**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, 2007

	Original/Final Budget	Actual	Variance from Budget Over (Under)
<b>Expenditures (Cont.)</b>			
<b>Current (Cont.)</b>			
<b>Culture and Recreation (Cont.)</b>			
<b>Recreation Operations (Cont.)</b>			
Travel Expenses	2,500	1,577	(923)
Office Supplies	7,000	6,993	(7)
Program Supplies	47,000	55,472	8,472
Operating Supplies	4,200		(4,200)
Recreation Equipment	4,000	4,018	18
Postage and Shipping	7,200	8,597	1,397
Gasoline	2,000	3,823	1,823
Mileage	500	456	(44)
Golf Outing Expenses	22,177	22,177	
Concessions	11,000	14,011	3,011
Hometown Days Expenses	78,863	78,863	
Scholarships	3,600	413	(3,187)
Program Refund	6,000	7,827	1,827
IMRF Participants	24,666	29,623	4,957
Social Security/Medicare	35,544	34,546	(998)
Computer Equipment & Software	4,750	5,680	930
Reserve	11,603	16,835	5,232
<b>Total Recreation</b>	<b>843,311</b>	<b>846,811</b>	<b>3,500</b>
<b>Total Expenditures</b>	<b>1,462,064</b>	<b>1,433,569</b>	<b>(28,495)</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(1,102,803)</b>	<b>(1,032,310)</b>	<b>70,493</b>
<b>Other Financing Sources (Uses)</b>			
Transfers In	1,046,127	1,015,107	(31,020)
Transfers Out	(4,949)	(4,949)	
<b>Total Other Financing Sources (Uses)</b>	<b>1,041,178</b>	<b>1,010,158</b>	<b>31,020</b>
<b>Net Change in Fund Balance</b>	<b>(61,625)</b>	<b>(22,152)</b>	<b>39,473</b>
<b>Fund Balance at Beginning of Year</b>	<b>77,292</b>	<b>77,292</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 15,667</b>	<b>55,140</b>	<b>39,473</b>

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Fox Industrial Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Property Taxes	\$ 75,000	130,078	55,078
Investment Income	3,000	5,375	2,375
<b>Total Revenues</b>	<b>78,000</b>	<b>135,453</b>	<b>57,453</b>
<b>Expenditures</b>			
<b>Current</b>			
Community Development			
Administration Fees	300	284	(16)
Reserve - Future Bond Payments	30,084		(30,084)
	<u>30,384</u>	<u>284</u>	<u>(30,100)</u>
<b>Debt Service</b>			
Principal	60,000	60,000	
Interest	20,415	20,415	
	<u>80,415</u>	<u>80,415</u>	<u>-</u>
<b>Total Expenditures</b>	<b>110,799</b>	<b>80,699</b>	<b>(30,100)</b>
<b>Net Change in Fund Balance</b>	<b>(32,799)</b>	<b>54,754</b>	<b>87,553</b>
<b>Fund Balance at Beginning of Year</b>	<b>32,799</b>	<b>32,799</b>	
<b>Fund Balance at End of Year</b>	<b>\$ -</b>	<b>87,553</b>	<b>87,553</b>

**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, 2007

	Final Budget	Actual	Various from Budget Over (Under)
<b>Revenues</b>			
Investment Income	\$ 75,000	98,340	23,340
<b>Expenditures</b>			
<b>Current</b>			
Community Development			
Administrative Fees	2,500	19	(2,481)
<b>Capital Outlay</b>			
Land Improvements	3,393,304	500,000	(2,893,304)
<b>Debt Service</b>			
Interest	142,868	142,868	
Total Expenditures	3,538,672	642,887	(2,895,785)
<b>Net Change in Fund Balance</b>	(3,463,672)	(544,547)	2,919,125
<b>Fund Balance at Beginning of Year</b>	3,463,672	3,463,672	
<b>Fund Balance at End of Year</b>	\$ -	2,919,125	2,919,125

**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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Revenues</b>			
Other Revenue	\$ 132,773		(132,773)
<b>Expenditures</b>			
Debt Services			
Principal	609,123	145,000	(464,123)
Interest	1,002,094	341,355	(660,739)
Total Expenditures	1,611,217	486,355	(1,124,862)
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(1,478,444)	(486,355)	992,089
<b>Other Financing Sources</b>			
Transfers In	1,478,444	395,282	(1,083,162)
<b>Net Change in Fund Balance</b>	-	(91,073)	(91,073)
<b>Fund Balance at Beginning of Year</b>	(9,494)	(9,494)	
<b>Fund Balance at End of Year</b>	\$ (9,494)	(100,567)	(91,073)

**CAPITAL PROJECTS FUND**

**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, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
Revenues			
Licenses, Permits and Fees	\$ 149,423	91,450	(57,973)
Expenditures			
Capital Outlays	157,765	135,263	(22,502)
Excess (Deficiency) of Revenues over Expenditures	(8,342)	(43,813)	(35,471)
Other Financing Sources (Uses):			
Transfers In	78,265	78,265	
Transfers Out	(102,423)	(102,423)	
Total Other Financing Sources (Uses)	(24,158)	(24,158)	-
Net Change in Fund Balance	(32,500)	(67,971)	(35,471)
Fund Balance at Beginning of Year	(208,136)	(208,136)	
Fund Balance at End of Year	\$ (240,636)	(276,107)	(35,471)

**PROPRIETARY FUND TYPE**

**ENTERPRISE FUNDS**

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Sanitary Improvement and Expansion Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 5,500,000	1,704,471	(3,795,529)
Licenses, Permits and Fees	1,596,800	1,034,954	(561,846)
Total Revenues	7,096,800	2,739,425	(4,357,375)
Operating Expenses			
Cost of Sales	8,895,000	11,100	(8,883,900)
Administration	841,759		(841,759)
Total Operating Expenses	9,736,759	11,100	(9,725,659)
Operating Income	(2,639,959)	2,728,325	5,368,284
Nonoperating Revenue			
Investment Income	150,000	158,809	8,809
Income Before Transfers	(2,489,959)	2,887,134	5,377,093
Transfers			
Transfers In	150,000	150,000	
Transfers Out	(790,041)	(964,600)	(174,559)
Total Transfers	(640,041)	(814,600)	(174,559)
Change in Net Assets	(3,130,000)	2,072,534	5,202,534
Net Assets at Beginning of Year	3,314,989	3,314,989	
Net Assets at End of Year	\$ 184,989	5,387,523	5,202,534

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Sewer Maintenance Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 743,000	738,281	(4,719)
Operating Expenses:			
Cost of Sales	1,008,000	294,204	(713,796)
Depreciation		120,007	120,007
Total Operating Expenses	1,008,000	414,211	(593,789)
Operating Income (Loss)	(265,000)	324,070	589,070
Nonoperating Revenues (Expenses)			
Recapture Fees		76,626	76,626
Investment Income	15,000	74,824	59,824
Amortization Expense		(51,448)	(51,448)
Interest Expense		(765,896)	(765,896)
Total Nonoperating Revenue (Expenses)	15,000	(665,894)	(680,894)
Income (Loss) Before Transfers and Contributions	(250,000)	(341,824)	(91,824)
Transfers and Contributions			
Contributions - Capital Assets		918,479	918,479
Transfers In		921,651	921,651
Transfers Out	(100,000)	(1,549,737)	(1,449,737)
Total Transfers and Contributions	(100,000)	290,393	390,393
Change in Net Assets	(350,000)	(51,431)	298,569
Net Assets at Beginning of Year, as Restated	1,605,885	1,605,885	
Net Assets at End of Year	\$ 1,255,885	1,554,454	298,569

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Water Improvement and Expansion Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 4,731,276	1,319,640	(3,411,636)
Operating Expenses			
Cost of Sales	7,157,124	704,881	(6,452,243)
Operating Income (Loss)	(2,425,848)	614,759	3,040,607
Nonoperating Revenues (Expenses)			
Investment Income	55,000	44,232	(10,768)
Interest Expense		(11,713)	(11,713)
Total Nonoperating Revenues (Expenses)	55,000	32,519	(22,481)
Income (Loss) Before Transfers and Contributions	(2,370,848)	647,278	3,018,126
Other Financing Sources (Uses)			
Proceeds from Loan	1,412,960		(1,412,960)
Transfers In	220,000	220,000	
Transfers Out	(643,121)	(2,287,436)	(1,644,315)
Total Other Financing Sources (Uses)	989,839	(2,067,436)	(3,057,275)
Change in Net Assets	(1,381,009)	(1,420,158)	(39,149)
Net Assets at Beginning of Year	(52,217)	(52,217)	
Net Assets at End of Year	\$ (1,433,226)	(1,472,375)	(39,149)

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

Water Operating Fund

For the Year Ended April 30, 2007

	Final Budget	Actual	Variance from Budget Over (Under)
<b>Operating Revenues</b>			
Charges for Services	\$ 1,405,000	1,777,925	372,925
<b>Operating Expenses</b>			
Cost of Sales	1,592,205	1,057,859	(534,346)
Administration	130,292	85,676	(44,616)
Depreciation		525,897	525,897
Total Operating Expenses	1,722,497	1,669,432	(53,065)
<b>Operating Income (Loss)</b>	(317,497)	108,493	425,990
<b>Nonoperating Revenues (Expenses)</b>			
Other Revenue	2,000	492	(1,508)
Recapture Fees		76,626	76,626
Investment Income	15,000	74,789	59,789
Amortization Expense		(116,073)	(116,073)
Interest Expense		(473,575)	(473,575)
Total Nonoperating Revenues (Expenses)	17,000	(437,741)	(454,741)
<b>Income (Loss) Before Transfers and Contributions</b>	(300,497)	(329,248)	(28,751)
<b>Transfers and Contributions</b>			
Contributions - Capital Assets		1,166,523	1,166,523
Transfers In		1,980,385	1,980,385
Transfers Out	(300,000)	(1,225,000)	(925,000)
Total Transfers and Contributions	(300,000)	1,921,908	2,221,908
<b>Change in Net Assets</b>	(600,497)	1,592,660	2,193,157
<b>Net Assets at Beginning of Year, as Restated</b>	12,692,685	12,692,685	
<b>Net Assets at End of Year</b>	\$12,092,188	14,285,345	2,193,157

**STATISTICAL SECTION**

**UNITED CITY OF YORKVILLE, ILLINOIS**

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

**April 30, 2007**

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(See Following Page)

**UNTIED CITY OF YORKVILLE, ILLINOIS**

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

April 30, 2007

	Tax Levy Years			
	2006	2005	2004	2003
<b>Assessed Valuations</b>				
Farm	\$ 2,384,569	1,672,887	961,557	1,128,633
Real Estate Lots	396,432,749	303,902,600	237,377,538	200,663,326
Railroads	17,328	17,425	17,382	18,084
	<u>\$ 398,834,646</u>	<u>305,592,912</u>	<u>238,356,477</u>	<u>201,810,043</u>
<b>Tax Rates</b>				
<b>General Fund</b>				
General Corporate	0.0142	0.0120	0.0239	0.1012
Garbage	0.0524	0.1220	0.1332	0.1228
Police Protection	0.0788	0.0750	0.0750	0.0750
Crossing Guard	0.0065	0.0062	0.0042	0.0047
Illinois Municipal Retirement Fund and Social Security	0.1809	0.1047	0.1865	0.1612
Liability Insurance	0.0404	0.0390	0.0525	0.0562
Audit	0.0081	0.0077	0.0062	0.0098
Unemployment Tax	0.0044	0.0033	0.0038	0.0058
Police Pension	0.0690	0.0819	0.0973	0.1028
	<u>0.4547</u>	<u>0.4518</u>	<u>0.5826</u>	<u>0.6395</u>
Library Fund - Operating	0.1500	0.1500	0.1500	0.1500
Library Fund - Bond and Interest Fund	0.2197			
	<u>0.8244</u>	<u>0.6018</u>	<u>0.7326</u>	<u>0.7895</u>
<b>Tax Extensions</b>				
General Fund	\$ 1,813,501	1,569,528	1,388,669	1,287,453
Library Fund	598,226	458,390	357,535	301,915
Library Fund - Bond and Interest Fund	876,202			
	<u>\$ 3,287,929</u>	<u>2,027,918</u>	<u>1,746,204</u>	<u>1,589,368</u>
<b>Tax Collections - All Funds</b>				
Collected to April 30, 2007 (Cash Basis)		<u>\$ 2,023,203</u>	<u>1,845,264</u>	<u>1,677,772</u>
<b>Percentage of Extensions Collected</b>		<u>98.80%</u>	<u>105.67%</u>	<u>105.56%</u>

Tax Levy Years				
2002	2001	2000	1999	1998
700,520	815,985	768,854	692,281	636,937
164,461,506	134,511,183	116,881,878	109,711,442	104,124,981
12,718	10,966	12,995	8,345	6,702
<b>165,174,744</b>	<b>135,338,134</b>	<b>117,663,727</b>	<b>110,412,068</b>	<b>104,768,620</b>
0.1990	0.2205	0.3155	0.2893	0.2964
0.1151	0.1211	0.1411	0.1504	0.1498
0.0713	0.0750	0.0750	0.0748	0.0742
0.0034	0.0035	0.0036	0.0037	0.0045
0.1462	0.1451	0.1961	0.2208	0.2195
0.0613	0.0520	0.0551	0.0662	0.0514
0.0113	0.0119	0.0128	0.0150	0.0158
0.0089	0.0093	0.0115	0.0118	0.0125
0.1083	0.1302			
0.7248	0.7686	0.8107	0.8320	0.8241
0.1426	0.1600	0.1606	0.1497	0.1565
<b>0.8674</b>	<b>0.9286</b>	<b>0.9713</b>	<b>0.9817</b>	<b>0.9806</b>
1,194,170	1,039,162	953,902	918,630	864,401
234,944	216,323	188,967	165,287	162,962
<b>1,429,114</b>	<b>1,255,485</b>	<b>1,142,869</b>	<b>1,083,917</b>	<b>1,027,363</b>
<b>1,424,544</b>	<b>1,251,975</b>	<b>1,144,706</b>	<b>1,087,444</b>	<b>1,021,520</b>
<b>99.68%</b>	<b>99.72%</b>	<b>100.16%</b>	<b>100.33%</b>	<b>99.43%</b>